CREDIT UNIONS TO THE RESCUE! DURING THIS TRYING TIME, HERE ARE SOME IDEAS AND TIPS ON HOW TO HELP MEMBERS WITH THEIR LOAN PAYMENTS

Lender*VP
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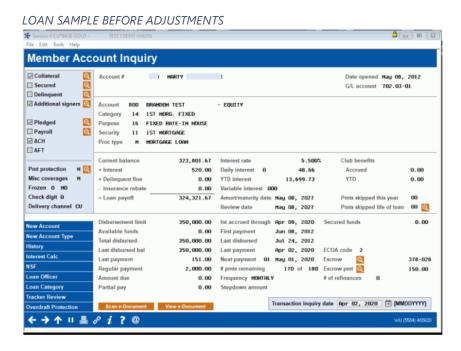## MORE IDEAS FOR LOAN RELIEF SOLUTIONS FROM YOUR FRIENDS AT LENDER*VP

Adjusting a Principal, Interest and Escrow Payment Loan to an Escrow Only Loan

Following are steps for converting a 360-day or 365-day (daily) interest calc-type loan from a normal principal, interest and escrow (PITI) payment into an escrow only loan for a limited period, in order to provide payment relief to a qualified member. This includes removing all but one dollar of interest from the payment for a temporary period and collecting the escrow portion of the payment.

These steps are intended only for loans that have a *monthly* payment frequency and where the interest calculation code on the loan category is either 0=365 or 3=360.

> *BEFORE YOU BEGIN: We highly recommend you print or save screenshot images before adjusting any fields so that you have the appropriate information to reset the loan back to its original settings after the relief period.*

Step 1 – Use **Member Inquiry** to review the account's current status.

LOAN SAMPLE BEFORE ADJUSTMENTS

☑ Print or save a screenshot for use when resetting the loan after the relief period ends.
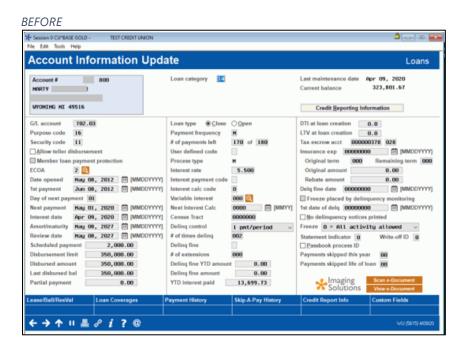
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Step 2 – Access **Tool #51 Miscellaneous Loan Maintenance** to verify the loan's payment matrix.
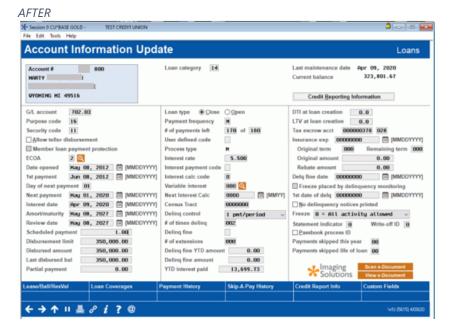

☑ Verify that *Escrow* has "priority" value 1 and *Interest due* has "priority" value 2 (Loans with escrow accounts should already be set this way). If not, then adjust the settings appropriately. Be sure to save the screenshot image if you are making any changes.

Step 3 – Access **Tool #20 Update Account Information** to manually change the member's payment amount.

BEFORE

☑ Change the *Scheduled payment* field to $1.00 (payment cannot equal zero).

AFTER

Step 4 – Validate changes via **Member Account Inquiry**.

LOAN SAMPLE AFTER ADJUSTMENTS

TRANSACTION INQUIRY AFTER A PAYMENT

The payment consists of a full escrow payment and $1 paid to interest.

Special Tips

☑ When the relief period is over the member will have several months of interest on the loan. Payments will need to be applied manually or no principal will be paid until all interest is caught up.

After the Relief Period Ends

☑ Once the agreed-upon relief period ends, gather your "before" screenshots and repeat the steps above, but this time return the payment amount to the original value.