



# MC Training Fax

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To: Training User

Company: Mortgage Computer

Fax #: 801-627-2537

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## Maturity Date

Mortgage Computer Loan Servicing package is designed that a payment **WILL NOT** be accepted past the loan maturity date (Field 12).

The question is asked Why?

The loan has reached the maturity date of the note and recorded mortgage. The remaining balance of the note is required to be paid in full at that time.

This applies specifically to Balloon payment notes. The balance at the maturity date of the note is required to be paid in full. If the balance was not expected to be paid at maturity date it never should have been written as a Balloon payment loan.

MC has a report in Loan Servicing listing loans with a maturity date coming due in the next three months (03.21.04 Asset Management Maturity Report 3 mo). This report is designed so

you become aware of loans maturing with a balance. Knowing this you should contact the borrower prior to the maturity date so they are prepared to make the full payment or you can write up a new note and mortgage. Don't wait until the borrower tenders a payment and the system will not accept the payment. Be proactive and contact the borrower prior to the maturity date.

You want to be cautious in changing the maturity date in Field 12 so you can accept a payment. Some states have laws indicating if you accept a loan payment past the maturity date you cannot call the note due until it would pay off by the amortization method.