



Housing Help

Foreclosure Prevention Guide

A Consumer Action Publication

Created by Consumer Action's Housing Information Project

www.housing-information.org

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Consumer Action's *Housing Help* Foreclosure Prevention Guide

Introduction

Since the foreclosure crisis erupted in 2008, Consumer Action has been working in coalition with other non-profits to advocate for greater servicer, lender and government efforts to save families and individuals from foreclosure.

At whatever point you are in the foreclosure process, this guide is a resource to help you avoid losing your home. We have gathered a variety of programs, websites and other resources that may be of help if you are at risk of losing your home.

Research for this guide was conducted from Jan. 28-Aug. 11, 2011. Elizabeth Angeles, a Columbia University student and Consumer Action intern, assisted in the research and writing of this guide under the supervision of Ruth Susswein, Consumer Action's deputy director of national priorities. Susswein also participated in the research, writing and editing of this project.

Many of the resources and opportunities for assistance continued to evolve as we worked to compile this guide. To find the most up-to-date information, review this guide carefully and consult a HUD-approved, non-profit housing counselor (*see page 3*) and your mortgage lender/servicer. Most of the resources listed are voluntary programs, so you will need to learn if your lender/servicer participates before you can pursue some of these opportunities.

Note: To ensure that you can click on live links, open this document in Adobe Reader. You can download Adobe Reader for free at: <http://get.adobe.com/reader/>.

Usage guidelines

The Housing Help Foreclosure Prevention Guide can be freely used for educational purposes by non-profit and community-based organizations. If you have any questions about using this guide, send an email to editor@consumer-action.org. Please let us know if you learn that any of the information presented in this guide has changed or if the programs are no longer available.

Credit

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Foreclosure Process

Notice of Intent to Foreclose:

This notice is a legal document telling you that the foreclosure process has begun. It will provide the dollar amount you're behind on your mortgage and what you must do to prevent foreclosure.

Foreclosure timelines vary by state

View your state's estimated timeline: www.realtytrac.com/foreclosure-laws/foreclosure-laws-comparison.asp.

First, know that you don't have to immediately leave your house because the lender has started foreclosure proceedings.

Contact the lender/servicer—and a non-profit housing counselor—to try to work out a realistic solution.

Some states require that a lender first take you to court before a foreclosure sale can occur; some states don't.

If a judgment is filed against you:

- ☛ your house could be put up for sale;
- ☛ you could be offered money to get out (cash for keys); or
- ☛ you could receive notice that you will be evicted by a certain deadline.

Important: Lenders/servicers can (and often do) proceed with the foreclosure process while they evaluate you for a loan modification.

If you have applied for a HAMP loan modification, the lender/servicer cannot sell your home unless your application has been denied. Nevertheless, verify that a scheduled foreclosure sale has been stopped or postponed.

Keep careful records of everyone you talk to (with times and dates) and record exactly what anyone has promised you.

Housing Counselors

What is a housing counselor?

A housing counselor can be helpful to you in any stage of homeownership. A housing counselor can help you regain control of your finances, understand your options and communicate more effectively with your lender. With the help of a housing counselor, you are more likely to avoid foreclosure.

How do I contact a housing counselor?

The Obama administration's Home Affordable Modification Program (HAMP), also known as Making Home Affordable, offers free assistance from a housing counselor.

You can work with a housing counselor to see if you are eligible for a mortgage modification. Through the government's HAMP program, counselors review your financial obligations and work with you and your lender or loan servicer to make your monthly mortgage payment affordable. *(For more information on HAMP's housing counseling services, see the HAMP section of this guide, on page 6.)*

HOPE Hotline

Always deal with a non-profit housing counselor certified by the Department of Housing and Urban Development (HUD). To contact a non-profit HUD-approved housing counselor visit www.HUD.gov and click on “Avoid Foreclosure,” or call the HOPE Hotline: 888-995-HOPE (4673). The HOPE Hotline provides free comprehensive telephone counseling to help you avoid foreclosure. You can contact the hotline 24 hours a day, seven days a week and receive help in over 170 languages. For information on the organization that runs the HOPE Hotline, the Homeownership Preservation Foundation, visit www.995hope.org.

You can seek assistance directly by contacting non-profit HUD-approved foreclosure counselors in your area. Another legitimate source of free assistance is Affordable Housing Centers of America (AHCOA). Call its HELP hotline at 888-409-3557 or visit www.ahcoa.org. For further information on AHCOA, see page 9.

CredAbility is another non-profit organization approved by HUD that offers you the help of a trained housing counselor for free, either online or by phone via the HOPE hotline.

Visit www.credability.org/get-started/foreclosure-prevention.aspx?RefCode=ccrc/620 to start an online session with a housing counselor and to learn more about these options.

Get a list of HUD-approved housing counselors nationwide: <http://hopenow.com/hopenow-counseling.php>.

You can also locate HUD-certified non-profit housing counseling services—at no charge—in your state by visiting HUD’s website. Click on your state to find a counseling agency near you: www.hud.gov/offices/hsg/sfh/hcc/fcl.

What you will need when you speak to a housing counselor:

- ☛ Take the time to prepare the information needed to help you remain in your home. Be prepared to explain your situation and make sure to have the following documents available:
 - ☛ Your monthly mortgage statement
 - ☛ Account balances and minimum monthly payments due on all of your credit cards
 - ☛ Your most recent income tax return
 - ☛ Your monthly gross (before tax) income for your household (This includes recent pay stubs and/or documentation of income you receive from other sources.)
 - ☛ Information about your savings and other assets
 - ☛ Information about other debts (for example, student loans or car loans)
 - ☛ Information about a second mortgage or home equity loan
 - ☛ A letter in which you explain the circumstances that caused your income to be reduced or expenses to increase (job loss, divorce, illness etc.)

Questions you can ask your housing counselor:

If you are just getting started, ask:

1. *How do I find out who owns my mortgage? Who is my lender?*
2. *How do I know if I am eligible for a mortgage modification? Refinance? Forbearance? Principal reduction?* (terms defined below)
3. *What is the deadline for a foreclosure sale to take place?*

Terms to Know, Questions to Ask

Mortgage modification: change in the terms of your mortgage (home loan) which could include refinancing your loan, reducing your interest rate, extending the term of your loan (ex. from 30 to 40 years) or forgiving penalty and other fees.

Refinance: replacing an existing loan with a new, more affordable loan

Forbearance: postponing current mortgage payments (They are typically tacked on to the end of the loan.)

Principal reduction: when a bank reduces the original balance or the original amount borrowed (the principal) on your mortgage

Questions to ask your housing counselor:

If you have already applied for a mortgage modification, ask the counselor:

1. For a loan modified under HAMP (the Home Affordable Modification Program), how long after I receive a temporary HAMP modification should I expect to wait to receive a permanent modification? (*Also see HAMP section on page 6.*)

- ☛ Temporary modification: HAMP offers a temporary modification for a three-month trial period. If payments are made on time during the trial period, homeowners should be informed that they are qualified for a “permanent” modification. However, this is not an automatic process. Long delays and even denials occur.

- ☛ Permanent modification: Note that a “permanent” modification is for only five years and that it typically takes much longer than three months for homeowners to be informed about whether they have qualified for a five-year permanent modification.

2. How do I know if my lender/servicer was justified in denying me a modification?

3. What appeals process is available to me if my lender/servicer has denied me a modification?

Questions to ask your lender/servicer:

A servicer is the financial company (usually a bank) that services your loan. The servicer is the company you send your monthly payment to.

- ☛ Will you consider reducing my principal loan balance?

- ☛ How long will it take before I know if I am qualified for a loan modification?

- ☛ Is there a specific person who will be assigned to my case? What is the best way to contact him/her?

- ☛ What options beside foreclosure are available to me?

- ☛ What is the foreclosure time frame (the number of days from foreclosure notification to foreclosure sale)?

Questions to ask tax professionals:

- ☛ Will I owe taxes on any money that my lender forgives on my mortgage?

- ☛ When should I turn to an attorney?

If bankruptcy is a real option, you'll need guidance through the process. Contact:

- ☛ The National Association of Consumer Advocates (NACA) at 202-452-1989 or www.naca.net

- ☛ Neighborhood Assistance Corporation of America (NACA) at 877-912- 6222 or

<https://www.nacalynx.com/nacaWeb/refinance/homesaveProgram.aspx>

- ☛ National Association of Consumer Bankruptcy Attorneys (NACBA): www.nacba.org (Click on “Attorney Finder” from the “Resources” drop-down menu.)

For other legal resources, see page 23.

Questions to ask attorneys

1. What are my options?

2. What is the timeline during the foreclosure process?
3. Is my lender/servicer carrying out the foreclosure process properly?
4. Can my lender/servicer provide proper documentation of its legal authority to foreclose on my home?

Note: Preventing foreclosure can be a very long process. Necessary documents must be received in a timely manner. Be sure to get the help you need. Keep copies of all documents you submit. Stay organized to prevent misplaced documents or a breakdown in communication between you and your lender/servicer.

If you do not understand the terms of your mortgage statement, visit this link for a section-by-section explanation: www.makinghomeaffordable.gov/understanding_statement.html.

Making Home Affordable: Home Affordable Modification Program (HAMP)

What is it?

The Making Home Affordable (MHA) program is the cornerstone of the Obama administration's effort to help homeowners who are at risk of foreclosure. The Making Home Affordable website can explain options available to you to help prevent home foreclosure. You can access information on mortgage modifications, housing counselors and the HOPE hotline to help save your home.

What does it offer?

You may be eligible for the Home Affordable Modification Program (HAMP).

A loan modification is a change in a loan agreement. The bank may change the interest rate, loan balance, length of loan, fees, or other terms to modify your mortgage.

A HAMP loan modification is designed to lower your monthly mortgage payment to 31% of your pre-tax income. A modification could reduce your monthly mortgage payment by as much as 40%, according to the Making Home Affordable website. Eighteen percent of HAMP-eligible homeowners have been able to reduce their payments by \$1,000 or more.

Note: Not all lenders participate in HAMP, but you may be eligible for other modification options through your state or directly through your servicer directly. Find out if your lender participates in HAMP via the following link: <http://hopenow.com/members.php#mortgage>. You can also view an extensive list of participating servicers under our link for eligibility for the Making Home Affordable Principal Reduction Alternative (PRA) (see page 7).

There may be different kinds of loan modifications available to you:

- Refinanced loan (For information on the Home Affordable Refinance Program, HARP, see page 16.)
- Forbearance (allows you to add missed mortgage payments to the end of your loan)
- Reduction of the interest rate (APR)
- Extension of the loan term (for example, from 30 to 40 years, which results in lower monthly payments)

Eligibility Requirements for the Home Affordable Modification Program (HAMP):

- You must have fallen behind on payments or be in danger of falling behind
- Your home must be your primary residence
- Your mortgage payment is more than 31% of your monthly pre-tax income
- You must owe no more than \$729,750 on your home
- You must have enough documented income to show that the new, modified payment would be affordable
- Your mortgage was obtained on or before January 1, 2009

To see if you are eligible for a loan modification, start by taking the Making Home Affordable eligibility quiz:

www.makinghomeaffordable.gov/modification_eligibility.html.

To Apply for a HAMP Modification:

Complete the “Initial Package” to request a modification. Get the forms and instructions:
www.makinghomeaffordable.gov/requestmod.shtml.

Important: While you are awaiting a HAMP application decision, or if you have been accepted for a HAMP modification, your mortgage company can't file for foreclosure. However, if loan modification was made outside of HAMP, your lender/servicer may continue the foreclosure process alongside attempts to modify. This is called “dual track.” Make sure that you and your housing counselor communicate your HAMP application status—in writing—to your mortgage lender/servicer so that the foreclosure process is stopped.

Note: Unemployed homeowners who are eligible for HAMP (or those with FHA-insured loans) may be eligible for a 12-month forbearance (postponement) on their mortgage payments. No late fees and no foreclosure is permitted during the forbearance period, but loan payments are not forgiven. Principal, interest and taxes are deferred and added to the loan balance and repaid over time, when the homeowner is working. At the end of the 12-month period, homeowners will be evaluated for other foreclosure assistance programs, if needed. If denied further assistance, borrowers will be given seven days to provide extra information that may affect eligibility for a loan modification. For more information, visit <http://1.usa.gov/qe4zWQ> and click on the “fact sheet” at the bottom of the page.

Other Government Loan Modification Programs

You may be eligible for the Making Home Affordable Principal Reduction Alternative (PRA). (*For other options, see HARP and HAFA programs on pages 16 and 17.*)

What is it?

Principal Reduction Alternative is a loan modification program for homeowners whose homes are worth less than the amount they owe on their mortgages (“underwater”).

Eligibility:

- ☛ You must be underwater (owe more on the mortgage than your home is worth)
- ☛ Your mortgage must not be owned or guaranteed by Fannie Mae or Freddie Mac
- ☛ You owe no more than \$729,750 on your first mortgage
- ☛ Your mortgage payment is more than 31% of your monthly pre-tax income
- ☛ You obtained your mortgage on or before January 1, 2009

For more information: www.makinghomeaffordable.gov/programs/lower-payments/Pages/pr.aspx.

Note: The PRA program ends December 31, 2012.

If you have an FHA loan, you may be eligible for the Federal Housing Administration's (FHA) version of HAMP. See our section on FHA programs (page 10) for information.

If you have a loan that is insured or guaranteed by the U.S. Department of Agriculture (USDA), you may be eligible for a program through that government agency.

For more information: www.makinghomeaffordable.gov/programs/lower-payments/Pages/rd-hamp.aspx or contact the USDA's Centralized Servicing Center at 800-414-1226.

Tip: If you have problems trying to obtain a modification with your mortgage servicer, if you have tried to contact your servicer about a temporary modification and have not heard back, or if you've had trouble communicating with your lender/servicer, don't give up: Be persistent and try to reach them again.

If you and a housing counselor have been unsuccessful in getting your lender/servicer to consider you for a mortgage modification, file a complaint with the Consumer Financial Protection Bureau at www.consumerfinance.gov.

With an FHA-insured mortgage, if your lender/servicer has been uncooperative, you also can contact the FHA National Servicing Center at 877-622-8525.

If you feel you've been wrongfully denied a loan modification, call 888-995-HOPE (4673) and ask for "MHA help."

Please note that although it is extremely difficult to obtain a modification on a second mortgage (second lien), it may still be an option to explore.

Second Lien Modification Program (2MP)

While homeowners have had little success achieving solutions with this program or receiving relief from their second mortgage, you may be eligible for a modification or principal reduction on your second mortgage if:

- Your first mortgage was modified under the Home Affordable Modification Program (HAMP) and you have not missed three consecutive monthly payments on your HAMP modification
- Your second mortgage is on the same property
- You owe more than \$5,000 on your second mortgage
- The servicer of your second mortgage participates (if so, you will automatically be evaluated for a second lien modification)

The list of servicers participating in this Second Lien Modification Program (2MP) are:

Bank of America, NA	NationstarMortgage LLC
BayviewLoan Servicing, LLC	OneWestBank
CitiMortgage, Inc.	PennyMacLoan Services, LLC
Community Credit Union of Florida	PNC Bank, National Association
GMAC Mortgage, LLC	PNC Mortgage
Green Tree Servicing LLC	Residential Credit Solutions
iServeResidential Lending, LLC	ServisOne Inc., dbaBSI Financial Services, Inc.
iServeServicing, Inc.	Wells Fargo Bank, NA
J.P.MorganChase Bank, NA	

Contact Information:

For more information on what Making Home Affordable can offer you:
www.makinghomeaffordable.gov/faqs/homeowner-faqs/Pages/default.aspx.

NeighborWorks America

What is NeighborWorks?

NeighborWorks America helps homeowners prevent foreclosure through its network of 235 non-profit organizations around the country.

What does it offer?

To find a housing counselor in your state, use NeighborWorks' Foreclosure Counseling Agency Lookup tool:
www.fndaforeclosurecounselor.org/network/nfmc_lookup/.

For help from a housing counselor by phone, call the HOPE Hotline at 888-995-HOPE (4673).

Eligibility:

Anyone who needs advice and guidance at any stage of the foreclosure process can use NeighborWorks' free resources.

Contact Information:

You can find a list of videos and further resources NeighborWorks offers here:

<http://nw.org/network/consumers/foreclosure-help.asp>.

Learn more about NeighborWorks' Programs on the NeighborWorks America YouTube channel:

www.youtube.com/user/NeighborWorksAmerica.

Affordable Housing Centers of America (AHCOA)

What is it?

Affordable Housing Centers of America (AHCOA) helps low-to-moderate-income individuals and families attain affordable and stable housing in their communities through education, counseling and advocacy.

What does it offer?

Affordable Housing Centers of America's Home Equity Loss Prevention (HELP) program assists families who are having problems paying their mortgage by negotiating an affordable solution with their lender/servicer, at no cost to the homeowner.

You can call Affordable Housing Centers of America's HELP hotline at 888-409-3557 to speak with a non-profit foreclosure counselor.

Eligibility for AHCOA's HELP program:

- ☛ You must be the borrower or have Power of Attorney (be authorized to act).
- ☛ The property must be your primary residence.
- ☛ If you are in bankruptcy, you must also submit a Bankruptcy Attorney Consent Form.

To apply for a modification through HELP:

Fill out and submit the HELP application online (www.ahcoa.org/homeowners/applying.cfm) or call AHCOA at 888-409-3557.

You will then receive an Action Plan and a fax sheet, which should be used to submit the required documents, including:

- ☛ Pay stubs from all wage earners that are dated within the last 60 days
- ☛ Most recent tax return
- ☛ Most recent monthly mortgage statement, indicating the amount of principal, interest, taxes and insurance that has been paid
- ☛ IRS Form 4506-T (Request for Transcript of Tax Return) with parts 1-4 completed and signed
- ☛ Home Affordable Modification Program Hardship Affidavit
- ☛ Signed authorization form for AHCOA to access your credit report

You will be contacted to schedule a phone counseling appointment, during which a counselor will review your information, including credit report, income, assets and mortgage terms, and come up with a proposal to present to your lender. Have the documents ready for your counseling appointment.

Note: It may take many months to reach an agreement with your lender/servicer. During this time it is important to keep all of your documents organized because your lender may request the same or additional information from you. For more information about your options: www.ahcoa.org/homeowners/options.cfm.

Contact Information:

To find Affordable Housing Centers of America offices in your state, go to www.ahcoa.org/offices.cfm.

Home Ownership Preservation Initiative (HOPI)

Note: Chicago residents only. Contact a housing finance agency in your area to find out if there is a similar program that serves homeowners where you live.

What is it?

HOPI is a partnership between the City of Chicago, Neighborhood Housing Services of Chicago and investment and mortgage institutions aimed to help families keep their homes through counseling and, when possible, loan modifications.

What does it offer?

Call 3-1-1 for free counseling sessions over the phone. They will:

- ☛ assess your financial situation and create a plan;
- ☛ help you communicate with your mortgage company and advocate for a repayment plan to help you avoid foreclosure; and
- ☛ refer you to other organizations that may have foreclosure prevention resources.

Eligibility:

You may be eligible for grants, low-interest loans or emergency funds.

Contact Information:

Phone: 3-1-1 (within Chicago) or 312-744-5000 (outside of Chicago). Housing Counseling Centers for Chicago residents: www.cityofchicago.org/city/en/depts/dcd/supp_info/homeownership_housingcounselingcenters.html.

Federal Housing Administration (FHA)

What is FHA?

The Federal Housing Administration (FHA) insures loans on single-family and multi-family homes made by FHA-approved lenders.

What does it offer?

1. FHA Special Forbearance program

This program allows eligible unemployed homeowners a 12-month forbearance on their mortgage payments. Qualified unemployed homeowners with FHA-insured mortgages, and those who are eligible for the government's HAMP loan modification program, will be able to defer mortgage payments for 12 months while they seek employment.

Note: No late fees and no foreclosures are permitted during this period but loan payments are not forgiven. Principal, interest and taxes are deferred and added to the loan balance and repaid over time when the homeowner is working.

At the end of the 12-month period, homeowners will be evaluated for other foreclosure assistance programs, if needed. If denied further assistance, borrowers will be given seven days to provide extra information that may affect eligibility for a loan modification. Program expires August 1, 2013.

For more information visit: <http://1.usa.gov/qe4zWQ> and click on the "fact sheet" at the bottom of the page.

If your lender/servicer is uncooperative, contact the FHA National Servicing Center at 877-622-8525.

2. Under a new HUD agreement, Bank of America will waive unpaid mortgage payments for more than 57,000 homeowners with FHA-insured loans who did not receive foreclosure prevention options from the bank. Homeowners will be evaluated for mortgage modifications, or paid \$4,000 for a short sale or \$7,500 for a deed in lieu of foreclosure if they vacate their home.

For more information about having your delinquent mortgage payments waived, go to:

<http://homeloanhelp.bankofamerica.com/en/index.html>.

FHA Refinance Options

1. FHA Refinance

A refinance is a change in your loan terms (usually a reduction of the interest rate) to help make payments affordable. FHA Refinance requirements are less strict than those of some other programs. Regardless of your income, if you have good credit, an FHA refinance may be an option.

Eligibility for Refinance:

- ☛ Your loan must be FHA-insured. To find out if the FHA insures your loan, see the Contact section below.
- ☛ You must be current on your mortgage payments. (If you anticipate being late on payments but are current to date, apply now.)

Streamline Refinance:

This program reduces the number of forms a homeowner must submit, which makes it easier to apply. However, there are fees associated with this option. Eligibility for the Streamline Refinance:

- ☛ You must already have an FHA-insured loan
- ☛ You must be current on your existing loan, with all payments made on time in the past year
- ☛ You must be the owner of the property for at least 6 months
- ☛ You must work with an FHA-approved lender
- ☛ You may need an appraisal done to value the equity you have in the home

2. FHA Partial Claim

A partial claim is a small, interest-free loan to help you catch up if you've fallen behind on several mortgage payments. The loan is repaid when the first mortgage is paid off or when the property is sold. A partial claim can be combined with other options to further ease payments.

Eligibility for Partial Claim:

- ☛ Your loan must be four to 12 months delinquent
- ☛ You must be able to begin making full mortgage payments
- ☛ You must have long-term financial stability to support the mortgage debt or make payments
- ☛ The property is your primary residence
- ☛ You may qualify even if you are in foreclosure or bankruptcy

Contact Information:

You can call 800-CALL-FHA or 800-225-5342 to find out if FHA insures your loan.

You can also visit www.hud.gov/answers or email answers@hud.gov for more information on FHA.

Learn more about the FHA Streamline Refinance at:

http://portal.hud.gov:80/hudportal/HUD?src=/program_offices/housing/sfb/buying/streamli.

3. FHA Rate Reductions for U.S. Military Members

Members of the U.S. military are entitled to a temporary interest rate reduction (to 6%) on home and credit card loans under the Servicemembers Civil Relief Act (SCRA) while on active duty. Military members must request a rate reduction through their lender/servicer to obtain relief. Temporary forbearance (postponement) of mortgage payments may also be available to those who still cannot afford their mortgage payment while deployed.

Note: Interest rate reductions also are available to servicemembers who do not have an FHA-insured mortgage.

For more information, visit the Armed Forces Legal Assistance site:

<http://legalassistance.law.af.mil/content/locator.php>

and HUD at http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/nscl/qasscra1.

Fannie Mae

What is Fannie Mae?

Fannie Mae is a national mortgage finance company. Fannie Mae buys mortgages from lenders, which allows lenders to fund other mortgages. By keeping money flowing to mortgage lenders, lenders have more funds to offer homebuyers and homeowners.

What does it offer?

Fannie Mae has various resources to help you understand your options:

- 1.** WaysHome is an interactive video that can provide you with the information you need to avoid foreclosure: <http://flsvideo.com/assets/Ways-Home/>. KnowYourOptions.com is an interactive website with scenarios, definitions and terms that can help you understand your financial situation and the options available to you: www.knowyouroptions.com/.
- 2.** Fannie Mae Mortgage Help Centers, located in a number of cities, allow you to meet directly with specialists who can support you through the foreclosure prevention process free of charge. If you have a Fannie Mae loan and are behind or struggling to make payments, contact a local Help Center to make an appointment:

Miami: 877-208-3652

Tampa: 866-442-8554

Jacksonville: 866-442-8578

Chicago: 866-442-8572

Atlanta: 866-442-8573

Los Angeles: 866-442-8576

Phoenix: 866-442-8574

Dallas/Fort Worth: 866-442-8575

Learn more about Fannie Mae Mortgage Help Centers:

www.fanniemae.com/kb/index?page=home&c=homeowners_mortgagehelpcenters.

Find out if Fannie Mae owns your home loan: www.fanniemae.com/loanlookup.

How to get help from your local Help Center:

Download the Borrower Package and RMA (Request for Modification) form available after you click on your local center: www.fanniemae.com/kb/index?page=home&c=homeowners_mortgagehelpcenters. The Package includes:

- ☛ A list of necessary documents
- ☛ Authorization forms to view your tax information and credit reports and to contact your lender
- ☛ A financial worksheet

- Fannie Mae's privacy policy
- Flyers about avoiding scams and understanding your mortgage options

Submit your package to the Mortgage Help Center by mail, fax, or in person. Once the Mortgage Help Center receives your package, you will be contacted to schedule a 20-minute Document Review. This Document Review may be over the phone or in person. During the Document Review a specialist will review your application and help you complete your Borrower Package, if necessary. After the Document Review, you will meet with a housing counselor to review your information, discuss your situation and submit the necessary documents to your servicer. Your housing counselor will provide you with assistance during the entire process.

3. If you have a Fannie Mae-owned mortgage, and you tried to get help through HAMP, you may qualify for the Home Affordable Foreclosure Alternatives (HAFA) program, which encourages servicers to allow a short sale or deed-in-lieu as an alternative to foreclosure. See our section about HAFA on page 17 for more information on this option.

Contact Information:

Call 800-7-FANNIE (732-6643) for more information.

Freddie Mac

What is Freddie Mac?

Freddie Mac buys mortgages from lenders, which allows lenders to fund other mortgages. By keeping money flowing to mortgage lenders, Freddie Mac helps make more funds available to borrowers.

Find out if Freddie Mac owns your home loan: www.freddiemac.com/corporatel.

What does it offer?

Freddie Mac offers foreclosure prevention workshops sponsored by local community-based organizations throughout the U.S. The workshop schedule is updated weekly. Find Freddie Mac foreclosure prevention workshops in your state: www.freddiemac.com/avoidforeclosure/workshops.html.

Freddie Mac will also help answer questions about your HAMP application or the other options available to you: www.freddiemac.com/avoidforeclosure/home_affordable_mod.html.

For tips and advice to help prepare you for your conversation with your lender: www.freddiemac.com/avoidforeclosure/stop_foreclosure.html.

If you have a Freddie Mac-owned mortgage and you tried to get help through HAMP, you may qualify for the Home Affordable Foreclosure Alternatives (HAFA) program, which encourages servicers to allow a short sale or deed-in-lieu as an alternative to foreclosure. See our section about HAFA on page 17 for more information.

Contact Information:

You can visit Freddie Mac offices, where you can see what other foreclosure help is available. Find a Freddie Mac Borrower Help Center in your area: www.freddiemac.com/avoidforeclosure/who_to_contact_for_help.html.

For phone assistance, if you do not have a Freddie Mac Borrower Help Center near you, call 866-571-7620 or 888-884-9386. Learn more about Freddie Mac resources at the Avoiding Foreclosure Resource Center:

www.freddiemac.com/avoidforeclosure/

Emergency Homeowners' Loan Program (EHLF)

What is it?

The Emergency Homeowners' Loan Program (EHLF), implemented by the U.S. Department of Housing and Urban Development (HUD), offers a forgivable "bridge loan" to help unemployed and underemployed homeowners who are behind on their mortgage payments save their homes.

Note: EHLF funds are only available until Sept. 30, 2011. Applications must be submitted by Sept 15, 2011. The deadline is Sept. 30 in Pennsylvania and Delaware and in Connecticut, Sept. 1.

What does it offer?

Bridge loans of up to \$50,000, for up to two years are available to help homeowners who have lost their job and can no longer afford to pay their mortgage. Homeowners who are unemployed or underemployed due to job loss or serious medical condition may also be eligible for EHLF funds. Homeowners will pay 31% of their current pre-tax income (or a minimum of \$150 a month) toward their mortgage. EHLF funds will pay the balance of the monthly mortgage payment, taxes and insurance. If all payments are made on time, EHLF loans are forgivable at 20% per year for five years.

While funds will be available in 32 states, EHLF loans program will be administered by each state. Contact NeighborWorks at www.findehlp.org or call 855-346-3345 to apply.

States eligible for EHLF emergency loans:

AL, AR, CO, HI, IA, KS, LA, ME, MA, MI, MO, MT, NE, NH, NM, NY, ND, OK, SD, TX, UT, VT, VA, WA, WV, WI, WY and Puerto Rico.

The following states offer substantially similar help:

Pennsylvania: Emergency Homeowner Loan Program: www.phfa.org/consumers/homeowners/ehlp.aspx. You can also call the Pennsylvania Housing Finance Agency at 800-342-2397.

Note: Apply by September 30, 2011.

For more information on opportunities available to unemployed Pennsylvania residents, visit the Philadelphia Unemployment Project (PUP): www.philaup.org/.

Maryland: Emergency Mortgage Assistance (EMA) Program: www.mdhope.org/EMA.aspx or call the Maryland Hope Hotline at 877-462-7555.

Note: Apply by Sept 15, 2011.

Connecticut: Emergency Homeowners' Loan Program: <http://bit.ly/q68sSs> or call the Connecticut Housing Finance Authority at 877-571-2432 or 860-571-3500.

Note: Apply by Sept. 1, 2011.

Delaware: Emergency Mortgage Assistance Program: www.destatehousing.com/HomeOwnership/hb_demap.php or call the Delaware State Housing Authority at 302-577-5001.

Note: Apply by Sept. 30, 2011.

Idaho: Emergency Homeowners' Loan Program: www.ihfa.org/ihfa/emergency-homeowners-loan-program.aspx or call the Idaho Housing and Finance Association at 877-888-3135.

For assistance with applying for foreclosure prevention funds in any state, visit www.findehlp.org, scroll down and click on your state. EHLF materials are available in Spanish, English, Chinese, Vietnamese and Korean.

EHLF eligibility:

- ☛ You must be at least three months late on mortgage payments

- ☛ You must have experienced a drop in income of at least 15%
- ☛ You must have received notice of your lender/servicer's intention to foreclose
- ☛ You must have a reasonable likelihood of being able to resume payments when you find employment
- ☛ The mortgaged property must be your primary residence
- ☛ You must not be in bankruptcy
- ☛ You must not be delinquent on any federal debt (e.g., student loans, taxes)
- ☛ You must not have been more than 60 days late on your first mortgage before the loss of income
- ☛ Your income must have been no more than \$75,000 or 120% of the Area Median Income (AMI)(Check with a housing counselor to learn what this figure is in your area.)

Homeowners should gather key documents for the next stage of the application process:

- ☛ Most recent mortgage statement
- ☛ Written notice from employer indicating termination or income reduction
- ☛ Notice from lender/servicer stating homeowner is at risk of foreclosure
- ☛ 2009 and 2010 tax returns for every person listed on the mortgage
- ☛ Documentation of current income (unemployment check stub, pay stub, SSI, etc.)
- ☛ Citizenship documents for those listed on the mortgage (passport, birth certificate; other documents will be accepted from "qualified aliens")
- ☛ IRS Form T4506-T (Request for Transcript of Tax Return) for every person listed on the mortgage

Contact information:

To learn where to submit applications in your area, locate a HUD-approved EHLP housing counseling agency at www.findaforeclosurecounselor.org/network/nfmc_lookup/. You can also visit www.findehlp.org.

State Foreclosure Prevention Funds

What are they?

The U.S. Treasury Department has provided funds to help struggling homeowners in the following "hardest hit" states:

- ☛ AL, AZ, CA, FL, GA, IL, IN, KY, MI, MS, NV, NJ, NC, OH, OR, RI, SC, TN, DC

What is offered?

Depending on the state, some of the following options may be available:

- ☛ Principal reduction: A reduction in the balance from the amount originally borrowed
- ☛ Loan modification/reinstatement: Funds available to help unemployed or underemployed homeowners who have temporarily fallen behind on payments
- ☛ Transition assistance: Assistance securing new housing for homeowners who agree to a short sale or deed in lieu of foreclosure

To learn what programs are available in each state and to access an application, click on the link for your state:

Alabama: www.hardesthitalabama.com/

Arizona: www.savemyhomeaz.gov/

California: www.keepyourhomecalifornia.org/

Florida: www.flhardesthithelp.org/

Georgia: www.dca.state.ga.us/housing/homeownership/programs/hardesthitfund.asp

Illinois: www.illinois hardesthit.org/

Indiana: www.877gethope.org/

Kentucky: www.kyhousing.org/

Michigan: www.michigan.gov/mshda

Mississippi: www.mshomecorp.com/firstpage.htm

Nevada: www.nahac.org/

New Jersey: www.njhomekeeper.com/

North Carolina: www.ncforeclosureprevention.gov/

Ohio: www.savethedream.ohio.gov/

Oregon: www.oregonhomeownerhelp.org/

Rhode Island: www.hbfri.org/

South Carolina: www.scmortgagehelp.com/

Tennessee: www.thda.org/

Washington, D.C.: www.dchfa.org/

Eligibility

- ☛ Must prove economic hardship
- ☛ Must be eligible to receive Unemployment Compensation Benefits (unemployment insurance)
- ☛ Total household income must be no more than \$75,740

Forbearance for Unemployed Homeowners

FHA Special Forbearance Program

What is it?

Unemployed homeowners with FHA-insured mortgages or who are participating in HAMP (Home Affordable Modification Program) may be eligible for a 12-month forbearance. Forbearance is a deferment of payments on a mortgage.

Note: No late fees and no foreclosures are permitted during this period but loan payments are not forgiven. Principal, interest and taxes are deferred (delayed) and added to the loan balance, and repaid over time when the homeowner is working.

At the end of the 12-month period, homeowners will be evaluated for other foreclosure assistance programs, if needed. If denied further assistance, borrowers will be given seven days to provide extra information that may affect eligibility for a loan modification.

Program expires August 1, 2013. For more information:

http://portal.hud.gov/hudportal/HUD?src=/press/press_releases_media_advisories/2011/HUDNo.11-139

Click on the “fact sheet” at the bottom of the page.

If your lender/servicer is uncooperative, contact the FHA National Servicing Center at 877-622-8525.

Home Affordable Refinance Program (HARP)

What is it?

The Home Affordable Refinance Program (HARP) is a government program to help “underwater” homeowners

refinance their mortgages. A refinanced loan is a loan whose terms (typically interest rate) are changed to make it more affordable. You can refinance your loan with any lender that participates in HARP.

Note: Compare rates and refinancing fees with several lenders to be sure that you are getting the best offer available.

A Home Affordable Refinance may offer:

- ☛ A reduction in your interest rate
- ☛ A fixed-rate mortgage in place of an adjustable-rate, interest-only or balloon payment mortgage

Eligibility:

- ☛ Fannie Mae or Freddie Mac must own or guarantee your mortgage
- ☛ You are current on your mortgage payments and have not been more than 30 days late in the past year
- ☛ You must owe more than your home is worth, up to 125 percent of its current market value
- ☛ You have the ability to make the new payment
- ☛ Check with your lender for other eligibility requirements

Find out if Fannie Mae owns your loan: www.fanniemae.com/loanlookup/.

Find out if Freddie Mac owns your loan: www.freddie.mac.com/mymortgage.

Gather your financial information, including: pay stubs, bank statements from your checking and savings accounts, and recent tax returns. Lenders may have additional requirements and may have their own name for a refinanced loan.

The Home Affordable Refinance Program expires June 30, 2012.

Contact Information:

For more information on a Fannie Mae refinance, visit www.FannieMae.com or call 800-7-FANNIE (732-6643).

For a Freddie Mac refinance, visit www.FreddieMac.com, call 800-FREDDIE (373-3343) or email Borrower_Outreach@FreddieMac.com

For a list of HARP participating lenders: www.freddie.mac.com/avoidforeclosure/participating_lender_list.html.

For information on Bank of America's HARP program: <http://homeloanhelp.bankofamerica.com/en/home-affordable-refinance.html>.

Home Affordable Foreclosure Alternatives (HAFA) Program

What is the HAFA program?

The Home Affordable Foreclosure Alternatives (HAFA) program offers alternatives to foreclosure for struggling homeowners who are not eligible for a mortgage modification. These alternatives include a short sale or a deed in lieu of foreclosure. Each of these options absolves you of your mortgage debt, but you will no longer remain in your current home.

Short sale: The servicer allows you to sell your home for less than the mortgage balance, and forgives the difference. There are various steps in this process, which include:

- (1) Submitting a letter with proof of hardship to your lender
- (2) Listing your property with a real estate company
- (3) Selling the home
- (4) Getting the lender's (and mortgage insurer's) acceptance of the purchase offer

Deed in lieu of foreclosure: If you have been unable to sell your home, your lender/servicer may consider allowing you to transfer ownership of the property to the lender instead of foreclosing on it. For more information on requesting a short sale or deed-in-lieu: www.makinghomeaffordable.gov/hafa.html.

What does HAFA offer?

Through the Making Home Affordable Home Affordable Foreclosure Alternatives (HAFA) program, you relieve yourself of an unmanageable debt burden. Upon the successful closing of your short sale or deed in lieu of foreclosure, you may receive \$3,000 in relocation assistance from the lender/servicer.

Eligibility:

- ☛ Your mortgage must be owned or guaranteed by Fannie Mae or Freddie Mac
- ☛ You do not qualify for a trial mortgage modification under HAMP, or you did not successfully complete the trial period for a HAMP modification
- ☛ Additional eligibility requirements:
<http://www.makinghomeaffordable.gov/programs/exit-gracefully/Pages/hafa.aspx>
- ☛ Other eligibility requirements may be specific to your mortgage servicer

The HAFA program expires Dec. 31, 2012.

Contact Information:

Find out if your lender/servicer is a HAFA participant:

www.makinghomeaffordable.gov/get-assistance/contact-mortgage/Pages/default.aspx.

You can learn more about a short sale or deed in lieu of foreclosure: www.makinghomeaffordable.gov/hafa.html.

Instructional video:

www.makinghomeaffordable.gov/learn-more/videos/Pages/default.aspx?vid=XbPaLHFHL7A&#fragment-1.

Find the documents you may need to sign and submit here:

www.hmpadmin.com/portal/programs/foreclosure_alternatives.jsp.

Important: Be sure that the lender agrees—in writing—that the amount of the short sale or deed-in-lieu completely relieves you of your obligation on the mortgage.

- ☛ Check with a housing counselor or a tax specialist to understand if you will owe taxes on the amount of your mortgage that has been forgiven during the short sale or deed in lieu of foreclosure.

Note: Some lenders will not consider you for a HAMP modification but will see if you're eligible for a proprietary loan modification through your lender.

- ☛ Check with your lender to see if they have a program you might qualify for. (See the following section for information about foreclosure prevention programs offered by some of the nation's biggest lender/servicers.)

Wells Fargo: Leading the Way Home

What does Wells Fargo offer?

For homeowners whose mortgage is owned or serviced by Wells Fargo:

1. If you want help from Wells Fargo's Leading the Way Home foreclosure prevention program, fill out their financial worksheet: www.wellsfargo.com/downloads/pdf/mortgage/financialworksheet.pdf.
2. To learn when the nearest Wells Fargo home preservation workshop will take place, download the schedule: www.wellsfargo.com/downloads/pdf/homeassist/hpevents.pdf.

Contact Information:

Visit www.wellsfargo.com/homeassist or call 800-678-7986.

Bank of America

What does it offer?

Bank of America's National Homeownership Retention Program is a loan modification program designed to help Countrywide customers save their homes.

Visit <http://homeloanhelp.bankofamerica.com/en/nhrpfactsheet.html>.

Some homeowners may qualify for principal forgiveness (a reduction in the amount you originally borrowed). For more information: <http://homeloanhelp.bankofamerica.com/en/nbrpannouncement.html>.

Under a new HUD agreement, Bank of America will waive delinquent mortgage payments for more than 57,000 homeowners with FHA-insured loans who did not receive foreclosure prevention options from the bank. Homeowners will be evaluated for a mortgage modification, or paid \$4,000 for a short sale or \$7,500 for a deed in lieu of foreclosure if they vacate their home.

For more information about having your delinquent mortgage payments waived, go to:

<http://homeloanhelp.bankofamerica.com/en/index.html>

Bank of America also holds in-person events to meet with struggling homeowners to evaluate if they are eligible for a loan modification.

To register for a Bank of America event near you: <http://homeloanhelp.bankofamerica.com/en/events.html>.

Eligibility for loan modifications:

- ☛ You must own and live in the property
- ☛ You must have received a subprime mortgage or a pay-option adjustable rate mortgage before 2008
- ☛ You must be 60 days or more delinquent, or become seriously delinquent prior to June 30, 2012, or be current but likely to become seriously delinquent as a result of a rate adjustment or other payment increase
- ☛ Loan-to-value ratio must be 75% or higher

Contact Information:

For more information about what Bank of America can offer you:

<http://homeloanhelp.bankofamerica.com/en/nhrpfactsheet.html>.

CitiMortgage

What does it offer?

In exchange for the deed to the property, CitiMortgage, as part of the Citi Foreclosure Alternatives Program, allows a homeowner to stay in the home for up to six months. CitiMortgage will provide at least a \$1,000 payment and relocation counseling to help homeowners with the move.

Note: Depending on your specific situation, this may or may not relieve you of your debt. Seek legal and tax advice before entering into an agreement that continues to hold you responsible for the debt. Be sure to get all agreements in writing.

Eligibility:

The Citi Foreclosure Alternatives Program is currently available for homeowners in the following states: TX, FL, IL, MI, NJ and OH.

Contact Information:

Visit www.citimortgage.com/Mortgage/displayHomeOwnerAssistance.do?page=downloads or contact a CitiMortgage foreclosure representative at 800-392 7906.

Reverse Mortgages

A reverse mortgage is a special type of loan that allows borrowers to convert a portion of the equity in their home into cash. You would not make a monthly mortgage payment with this loan. A reverse mortgage is secured by the value of your home and normally is not repaid until you sell or move out of the home. Someone who is “house-rich” but “cash-poor” might want to consider this option. FHA runs the Home Equity Conversion Mortgage (HECM) program. Also consider private reverse mortgage lenders, which may offer higher loan limits.

Note: There can be costly fees involved with reverse mortgages (closing costs, servicing fees, etc.). Carefully examine all costs before committing.

Eligibility:

To qualify for a reverse mortgage, you must be age 62 or older and own your home outright or have a low mortgage balance that can be paid off at closing with proceeds from loan.

Contact Information:

For information on FHA’s Home Equity Conversion Mortgage (HECM) program: http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfb/hecm/hecmhome or call 800-569-4287 to find a HECM counselor.

AARP’s Reverse Mortgage Education Project and Guide: www.letyourhomepayyou.com/aarp-reverse-mortgage-education-project.htm.

For more on reverse mortgages and alternatives: www.aarp.org/money/credit-loans-debt/info-09-2010/pond-alternatives-to-reverse-mortgages.html.

Mediation and Foreclosure Alternatives

What is a mediation program?

A mediator is a trained individual with a background in law, psychology or counseling that may help you and your lender settle a dispute without having to go to court. Mediators try to ensure that lenders and homeowners act in good faith to reach a satisfactory solution for all parties. Mediation may be recommended to you by a housing counselor or through your state if a foreclosure claim is filed.

Some state-specific links to foreclosure mediation services:

☛ California:

www.dca.ca.gov/consumer/mediation_programs.shtml

☛ Colorado:

www.thecityofcoloradosprings.com/mediation or www.douglascountyhousingpartnership.org/foreclosure.htm

☛ Connecticut:

www.jud.ct.gov/foreclosure/homeowner_qs.htm or <http://newoppinc.org/eviction-prevention>

☛ Maryland:

<http://mdhope.dhcd.maryland.gov/ForeclosureMediation/Pages/default.aspx> or call 877-462-7555

☛ New Jersey:

<http://nj.gov/foreclosuremediation> or call 888-989-5277

Eligibility:

You can contact a mediator when you have been denied a modification or early in the foreclosure process to ensure that you and your lender are being held accountable to your agreements and can come to a final settlement that will satisfy both of you.

Contact Information:

Find out what programs are available in your state:

- ☛ Foreclosure mediation programs by state:

www.nclc.org/issues/foreclosure-mediation-programs-by-state.html

- ☛ Conduct an online search for “foreclosure mediation” or “foreclosure prevention programs” with the name of your state.

Creative Alternatives

Here are some other options available to you if you were not granted a loan modification.

Boston Community Capital's SUN program

What is it?

The Stabilizing Urban Neighborhoods (SUN) program will buy your home and help you buy it back for a new monthly payment that you can afford.

What does it offer?

Once SUN buys your home, you have two options: Apply for a loan directly from the mortgage company SUN works with or obtain a mortgage from another lender with SUN's assistance. With either option, SUN will sell your home back to you.

Eligibility:

- ☛ Your property must be in the greater Boston region
- ☛ You must have a stable income (employment, Supplemental Security Income, pension, etc.)
- ☛ You must be unable to make current monthly mortgage payments due to a specific situation such as a reduction in work hours, a family emergency or other circumstances

Contact Information:

To apply, visit *www.sunhomehelp.org/apply-here*, call 617-933- 5880 or email *info@sunhomehelp.org*.

Applications available in English, Spanish and Haitian Creole.

Other SUN resources: *www.sunhomehelp.org/resources*.

Last-resort Options

When all else fails, if you have been unable to qualify for a loan modification or for any other way to prevent foreclosure, consider the following alternatives:

Short Sale:

This option involves selling your home for less than the mortgage balance. This requires your lender/servicer's permission. There are various steps in this process:

1. Submitting a letter with proof of hardship to your lender
2. Listing your property with a real estate company
3. Finding a willing buyer
4. Getting the lender's (and mortgage insurer's) acceptance of the purchase offer

JPMorgan Chase Short Sale Incentive Program:

Chase has arranged with some Sarasota, Florida homeowners to accept a short sale, plus pay the homeowners \$10,000 to \$35,000 to remain in the home until the house is sold (to help maintain the property), according to Barrons.com.

Deed-in-Lieu:

If you have been unable to sell your home, your lender/servicer may be willing to consider allowing you to transfer ownership of your property to them instead of foreclosing.

Owner-to-Renter Transition Programs:

Fannie Mae offers a deed-for-lease program that allows homeowners to stay in their property as renters after transferring the deed back to the lender (deed in lieu of foreclosure). A lease is available for up to 12 months with the possibility of month-to-month renewal after that.

Visit www.efanniemae.com/sf/servicing/d4ll.

REO Rental Initiative:

Freddie Mac offers qualified homeowners the option to temporarily lease their homes back on a month-to-month basis while the property is being marketed to others for sale.

Visit: www.freddiemac.com/singlefamily/service/reo_rental.html.

Cash for Keys:

In exchange for vacating the home—and leaving it in good condition—the borrower receives up to several thousand dollars cash.

Note: Be sure that your agreement with the lender clearly states—in writing—that the loan balance is fully forgiven. Ask for a release from any further obligation. Seek legal advice to be assured that you are fully protected.

These are options to discuss with your housing counselor, an attorney, and your lender.

Don't Get Scammed

During such a stressful time it's important to be wary of foreclosure prevention help that sounds too good to be true. Don't become a victim:

- ☛ Never agree to pay an upfront fee for foreclosure prevention help
- ☛ Avoid any company that guarantees they can stop a foreclosure
- ☛ Ignore any pressure to sign paperwork that you haven't read or understood

A Federal Trade Commission (FTC) rule makes it illegal for a company to charge you any money to prevent foreclosure until you receive the results you were promised.

Learn more to avoid foreclosure prevention scams: www.ftc.gov/bcp/edu/pubs/consumer/credit/cre42.shtm.

- ☛ If you have complaints about a mortgage servicer, file a complaint with the Consumer Financial Protection Bureau (CFPB) at www.consumerfinance.gov. Choose "Tell Your Story."

Legal Resources

If you are seeking legal advice on foreclosure prevention contact:

- ☛ National Association of Consumer Advocates (NACA): www.naca.net or 202-452-1989
- ☛ National Legal Aid & Defender Association (NLADA): www.nlada.org or 202-452-0620
- ☛ Legal Services Corporation (LSC): www.lsc.gov or 202-295-1500
- ☛ National Association of Consumer Bankruptcy Attorneys (NACBA): www.nacba.org (click on “Attorney Finder” in the drop-down “Resources” menu)

Additional Resources

- ☛ Locate your mortgage company: <http://hopenow.com/mortgage-directory.php>.
- ☛ To request a review of your foreclosure to see if you are eligible for financial compensation in case of errors or misrepresentation, visit <http://www.independentforeclosurereview.com> or call 888-952-9105.
- ☛ If you do not understand your mortgage statement, view a breakdown of the sections and terms of a mortgage statement at www.makinghomeaffordable.gov/understanding_statement.html.
- ☛ To better understand the loan modification evaluation process, homeowners can make use of a free online calculator at www.checkmyNPV.com. Here, homeowners can calculate their own home’s net present value (NPV), which lenders/investors use to decide if the value of a loan modification is greater than the value of foreclosing.
- ☛ To help prepare you for your conversation with your lender, Freddie Mac offers tips: www.freddiemac.com/avoidforeclosure/stop_foreclosure.html.
- ☛ If you feel you’ve been wrongfully denied a loan modification, call 888-995-HOPE (4673) and ask for “MHA help.”
- ☛ If your FHA lender/servicer is uncooperative, contact FHA’s National Servicing Center at 877-622-8525.

Members of the U.S. military are entitled to a temporary interest rate reduction (to 6%) on home and credit card loans under the Servicemembers Civil Relief Act (SCRA) while on active duty. Military members must request a rate reduction through their lender/servicer to obtain relief. Temporary forbearance (postponement) of mortgage payments may also be available to those who still cannot afford their mortgage payment while deployed.

- ☛ For more information about SCRA, visit the Armed Forces Legal Assistance site: <http://legalassistance.law.af.mil/content/locator.php> and HUD at: http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/nscl/qasscra1.

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Consumer Action

www.consumer-action.org

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415-777-9635

info@consumer-action.org

Los Angeles

523 W. Sixth Street, Suite 1105

Los Angeles, CA 90014

213-624-8327

outreach@consumer-action.org

Washington, DC

202-670-3601

dc-office@consumer-action.org



Consumer advice and referral hotline

Submit consumer complaints about consumer problems to our advice and referral hotline: hotline@consumer-action.org or 415-777-9635

Chinese, English and Spanish spoken