

Remember !

- **Call or write your mortgage company and be honest about your financial situation**
- **Arrange an appointment with a HUD-approved counselor to explore your options**
- **Cooperate with the counselor or lender trying to help you**
- **Explore every alternative to keep your home**
- **Be aware of scams**
- **Don't do anything or sign anything you don't understand**
- **Don't lose your home and damage your credit history**

ACT NOW! Delaying will not help you. If you do nothing, YOU WILL LOSE YOUR HOME and your good credit rating

This brochure is provided by the Equal Opportunity/Housing Needs Committee of the Fort Wayne Area Association of REALTORS® and others.



"Help... I Can't Make My Mortgage Payments!"



Know Your Options & Save Your Investment

How To Avoid Foreclosure of Your Home



Steps To Take If You're Having Trouble Making Your Mortgage Payments:



DO NOT IGNORE LETTERS FROM YOUR LENDER

Contact Your Lender As Soon As You Have A Problem

Request a loss/mitigation or financial packet from your lender. Many people avoid calling their lender when they have money troubles. Generally, people are embarrassed to

discuss their financial troubles with others or believe that if their lender is aware that they are in trouble, collection or foreclosure proceedings will occur. The reality is lenders want to help borrowers keep their homes. Foreclosure is expensive for everyone involved. As a result, there are options available to help you keep your home; however, these options work best when the loan is only 1 or 2 payments behind. ***The farther behind you are on your payments, the fewer your options become.***

Don't Panic! Stay in your home for now

You may not qualify for assistance if you abandon or move out of your home.

Contact a HUD-Approved Counseling Agency

This agency is a valuable resource. They frequently have information on services and programs offered by government agencies, as well as community organizations that may help you. This housing agency also offers credit counseling. Services are free of charge.

What Are My Options?

Special Forbearance: Your lender may be able to arrange a repayment plan based on your current financial situation. They may even provide a temporary reduction or suspension of your payments.

Mortgage Modification: You may be able to refinance the loan and /or extend the term of your mortgage loan. This may help you catch up by lowering the monthly payment to a more affordable level.

Partial Claim: If your mortgage is insured by HUD, you may qualify for an interest-free loan to pay your past due payments and bring your account current.

Selling Your Home: You may be able to sell your home and avoid foreclosure. Contact a licensed REALTOR®. Get more than one opinion.

Pre-Foreclosure Sale: This will allow you to sell your property and pay off your mortgage loan. This avoids foreclosure and avoids damage to your credit rating. If the payoff amount is greater than the fair market value of your property, you may qualify to sell your home for less than what is owed.

Deed-In-Lieu of Foreclosure: As a last resort, you may be able to voluntarily "give back" your property to the lender. This won't save your home, but it will help your chances of getting another mortgage loan in the future and is less damaging to your credit rating than a foreclosure.

Talk To A Financial Counseling Agency

If you don't feel comfortable talking with your lender, you should immediately contact a financial counseling agency and arrange an appointment with a counselor. They can help you assess your financial situation, determine what options are available to you and help you negotiate with your lender. A good counselor will also help you establish a monthly budget plan to ensure that you can meet all of your monthly expenses, including your mortgage payment. Contact your local HUD-Approved counselor:

Mary L. Morris
HUD Counseling Specialist
Fort Wayne Housing Authority
(260)449-7800 ext. 3144

Mortgage & Foreclosure Helpline
(866) 722-9248

Consumer Credit Counseling
(260)-432-8200

Beware of Those That May Take Advantage of Your Situation!

Solutions that sound too simple or too good to be true usually are:

- **Do not sign any papers you do not fully understand!**
- **Make sure you get all "promises" in writing!**
- **Only work with accredited agencies and counselors!**