

Information on Avoiding Foreclosure

Learn more About Options to Avoid Foreclosure

The variety of options summarized below may help you keep your home. For example, you may be eligible to modify your mortgage, lowering your monthly payment to make it more affordable. Contact us to determine if you qualify.

Depending on your circumstances, staying in your home may not be possible. In this case, a short sale or deed-in-lieu of foreclosure may be a better choice than foreclosure – see the table below for more information.

Don't delay, as failure to take action may result in foreclosure proceedings being initiated on your mortgage.

| OPTIONS TO STAY IN YOUR HOME | OVERVIEW | BENEFIT |
|------------------------------------|---|---|
| Reinstatement | Pay the total amount you owe, in a lump sum payment and by a specific date. This may follow a forbearance plan as described below | Allows you to avoid foreclosure by bringing your mortgage current if you can show you have funds that will become available at a specific date in the future. |
| Repayment Plan | Pay back your past-due payments together with your regular payments over an extended period of time. | Allows you time to catch up on late payments without having to come up with a lump sum. |
| Forbearance Plan | Make reduced mortgage payments or no mortgage payments for a specific period of time. | Gives you time to improve your financial situation and possibly qualify for a better option than would be available right now. |
| Modification | Receive modified mortgage terms to make it more affordable or manageable after successfully making payments during a "trial period" (e.g., completing a three month trial period plan) that requires payment of the approximate amount of the modified payment. | Permanently modifies your mortgage so that your payments or terms are more manageable as a permanent solution to a long-term or permanent hardship. |
| OPTIONS TO LEAVE YOUR HOME | OVERVIEW | BENEFIT |
| Short Sale | Sell your home and pay off a portion of your mortgage balance when you owe more on the home than it is worth. | Allows you to transition out of your home without going through foreclosure. In some cases, relocation assistance may be available. |
| Deed-in-Lieu of Foreclosure | Transfer the ownership of your property to us. | Allows you to transition out of your home without going through foreclosure. In some cases, relocation assistance may be available. |

We Want to Help

Take action to gain peace of mind and control of your housing situation. Call us 815-844-4433 and we'll talk about available options and help you understand the forms and documents we need from you to determine if you qualify for an option to avoid foreclosure.

Frequently Asked Questions

1. Will It Cost Money to Get Help?

There should never be a fee from your lender or qualified counselor to obtain assistance or information about foreclosure prevention options. However, foreclosure prevention has become a target for scam artists. Be wary of companies or individuals offering to help you for a fee, and never send a mortgage payment to any company other than the one listed on your monthly mortgage statement or one designated to receive your payments under a state assistance program.

2. What is foreclosure?

Forfeiture of your home through a legal process where your mortgage company repossesses the property and you will have to move. This process may involve an eviction, you may remain liable for your first lien mortgage debt and it may be as long as seven years before you are eligible for another Fannie Mae or Freddie Mac loan.

3. Will the Foreclosure Process Begin If I Do Not Respond to My Lender's Notices Regarding Missed Payments?

If you do not respond to your lender's notices to you regarding past due payments, your lender may refer your loan to foreclosure in accordance with your mortgage loan documents and applicable law.

4. Should I Still Contact My Lender if I Have Waited Too Long and My Property Has Been Referred to an Attorney for Foreclosure?

Yes, the sooner the better!

5. What if My Property is Scheduled for a Foreclosure Sale in the Future?

If your lender receives a complete Uniform Borrower Assistance Form and the supporting documents it requires with only 37 or fewer calendar days before a scheduled foreclosure sale, there is no guarantee it can evaluate you for a foreclosure alternative in time to stop the foreclosure sale. Even if the lender is able to approve you for a foreclosure alternative prior to a sale, a court with jurisdiction over the foreclosure proceeding (if any) or public official charged with carrying out the sale may not halt the scheduled sale.

6. Will My Property be Sold at a Foreclosure Sale If I Accept a Foreclosure Alternative?

No. The property will not be sold at a foreclosure sale if you accept an offer for an alternative to foreclosure and comply with all requirements.

Beware Of Foreclosure Rescue Scams!

Scam artists have stolen millions of dollars from distressed homeowners by promising immediate relief from foreclosure, or demanding cash for counseling services when HUD-approved counseling agencies provide the same services for FREE. If you receive an offer, information or advice that sounds too good to be true, it probably is. Don't let them take advantage of you, your situation, your house or your money. **Remember, help is FREE.**

How to Spot a Scam – beware of a company or person who:

- Asks for a fee in advance to work with your lender to modify, refinance or reinstate your mortgage.
- Guarantees they can stop a foreclosure or get your loan modified.
- Advises you to stop paying your mortgage company and pay them instead.
- Pressures you to sign over the deed to your home or sign any paperwork that you haven't had a chance to read, and you don't fully understand.
- Claims to offer "government-approved" or "official government" loan modifications.
- Asks you to release personal financial information online or over the phone and you have not been working with this person and/or do not know them.

How to Report a Scam – do one of the following:

- Go to www.preventloanscams.org and fill out the Loan Modification Scam Prevention Network's (LMSPN) complaint form online and get more information on how to fight back. Note: you can also fill out this form and send to the fax number/e-mail/address (your choice!) on the back of the form.
- Call 1(888)995-HOPE (4673) and tell the counselor about your situation and that you believe you got scammed or know of a scam.