

HAVING TROUBLE PAYING YOUR MORTGAGE?



TIPS FOR HOMEOWNERS FACING FORECLOSURE

THE FINANCIAL SERVICES ROUNDTABLE

my **MONEY**
MANAGEMENT

www.MyMoneyManagement.net

Hello Friends,

Foreclosure does not have to happen. Families behind on their mortgage could avoid foreclosure by acting quickly and reaching out to their lender or to trusted resources like the Homeownership Preservation Foundation's Homeowner's HOPE™ Hotline, 888-995-HOPE.

888-995-HOPE is available 24/7 to any homeowner in America having trouble paying their mortgage. Homeowners receive free foreclosure prevention counseling by expert counselors at HUD-approved agencies.

Homeowners can get budgeting help, a written financial plan, and assistance contacting their lender when appropriate. If they'd like face-to-face counseling, they are referred to their local NeighborWorks® agency or other local resources.

Consumer education is a top priority for the lending industry. A well-informed consumer is the best customer. I believe earlier choices and better choices are the keys to financial security.

By using the tips in this guide and visiting www.995HOPE.org and www.MyMoneyManagement.net, you can be on your way to financial recovery.

Sincerely,

Steve Bartlett
President and CEO

THE FINANCIAL SERVICES ROUNDTABLE



WORRIED ABOUT FORECLOSURE?

The loss of a home due to unexpected events is financially and emotionally devastating. Taking action now can help protect your family from the loss of your home. Your mortgage company wants you to stay in your home. If you find that you are unable to make your mortgage payments, you may qualify for a loan workout plan or other options which are much less damaging than a foreclosure. Contact your lender or call 888-995-HOPE to discuss all options available to you.

NEED TO LOCATE YOUR LENDER?

Mortgages often get sold to a company other than the one you started with. Check the following sources to determine how to contact your mortgage lender:

- Your monthly mortgage billing statement
- Your payment coupon book
- Your lender's website
- Look for your lender's customer service number at www.hud.gov (search for "help for homeowners lenders")



NEED HELP MANAGING YOUR EXPENSES?

Find a credit counselor at www.MyMoneyManagement.net.

UNABLE TO PAY YOUR MORTGAGE?



CONTACT YOUR LENDER NOW!

Notify your financial institution as soon as you know your payment will be late. Calling sooner rather than later is always better, because the farther behind you are on your payments, the fewer options are available.



PRIORITIZE YOUR EXPENSES

Prioritize your bills and pay the ones that are most necessary for the well-being of you and your family, such as shelter, food, and utilities. Eliminate all unnecessary spending and take any responsible action that will save cash.



YOU ARE NOT ALONE

Foreclosure can affect anyone, regardless of income or demographic. This year, 11% of callers to the Homeowner's HOPE™ Hotline had a household income of more than \$72,000. There is no shame in asking for help.

DON'T WAIT TO GET HELP,

CONTACT 888-995-HOPE TODAY.



PROTECT YOUR CREDIT SCORE

When you are experiencing a financial challenge, remember that making late payments or skipping them can seriously affect your credit score. A foreclosure will stay on your credit report for 7-10 years. Do not underestimate the importance of preserving your good credit.



BEWARE OF SCAMS

Beware of predatory lenders, pre-approved loan offers, and phony counseling agencies. Homeowners facing financial troubles are especially vulnerable because they are desperate to find a solution to their problems. Legitimate counseling agencies will offer their programs for free or for a small administrative charge. **Do not sign anything you do not understand. Visit www.995HOPE.org for more information.**



TIP:

Maintain good payment history. A lender's willingness to help will depend heavily on past payment records.

REMEMBER: THERE ARE OPTIONS TO AVOID FORECLOSURE.

Contact a housing counselor at 888-995-HOPE or www.995HOPE.org.

ALREADY MISSED A MORTGAGE PAYMENT?

Foreclosure can occur when payments become three to four months late, depending on the mortgage terms and state law. However, serious consequences can begin when a payment is just 15 days late. If you are in this situation, it's time to take action.



CALL FOR HELP

It's the most important thing you can do. More than half of homeowners facing foreclosure did not call for help when they fell behind in their mortgage payments. The Homeowner's HOPE™ Hotline, 888-995-HOPE, connects homeowners to HUD-approved not-for-profit counselors who provide free advice on avoiding foreclosure.



DO NOT IGNORE YOUR LENDER

Don't make a bad situation worse. Ignoring your situation won't make it go away. Your lender will try to contact you by mail and phone soon after you stop making payments.

NOTHING IS WORSE THAN DOING NOTHING.



KEEP THE LINES OF COMMUNICATION OPEN

If homeowners get behind on payments, lenders likely will work with them to bring the loan current. However, you must stay in communication with your lender and be honest about your financial situation.



IT MAY NOT BE TOO LATE

The sooner a housing or credit counselor gets involved, the better chance you have of avoiding foreclosure. However, the help they're able to offer is far more constrained if you're four payments behind than if you're one or two behind.



TIP:

Call today! The sooner you call; the more options are available.

FOR MORE INFORMATION

on mortgages and home finances visit www.MyMoneyManagement.net.

UNEXPECTED FINANCIAL TROUBLE?



Unexpected financial blows can happen to anyone, causing us to fall behind in our mortgage payments. To avoid possible foreclosure in these situations, it is helpful to have money saved to cover several months of your housing costs in case of an unexpected emergency like job loss, divorce or separation, serious illness, or the death of a loved one.

If you know a layoff or major medical operation is pending, address the situation with your lender as soon as possible. Lenders and loan servicers are willing to work with

customers acting in good faith.

If you are an honest person who simply has run into difficult times and you truly want to make your mortgage payment but simply are unable to do so at the present time, discuss payment options with your lender. Being polite, honest, and upfront goes a long way to gaining a lender's cooperation.



TIP:

Establish an emergency fund. You should save enough to cover your living expenses for 3-6 months.

NEED OTHER OPTIONS?

If you or someone you know is having trouble making a mortgage payment, help is just a phone call away. Call the Homeowner's HOPE™ Hotline at 888-995-HOPE (4673). At the HOPE Hotline, you'll talk to an advisor from a HUD-approved agency. There is no cost for these services, and the advisor can work with you to get back on track and help you stay out of foreclosure.

The HOPE Hotline is provided by the Homeownership Preservation Foundation, a nonprofit organization dedicated to reducing foreclosure and preserving homeownership for American homeowners.



HOMEOWNER'S HOPE
HOTLINE:

888-995-HOPE

FACING FORECLOSURE CAN BE OVERWHELMING.

Get help at www.995HOPE.org or by calling 888-995-HOPE.

FORECLOSURE PREVENTION RESOURCES

There are many online resources that homeowners can go to for assistance on managing their mortgages, including:

1. Homeownership Preservation Foundation
www.995HOPE.org

2. MyMoneyManagement.net
www.MyMoneyManagement.net

3. Federal Housing Administration
www.fha.gov/foreclosure

4. U.S. Department of Housing and Urban Development (HUD)
www.hud.gov/foreclosure

5. Association of Independent Consumer Credit Counseling Agencies
www.aiccca.org

6. National Foundation for Credit Counseling
www.nfcc.org



TIP:

Never assume your situation is hopeless.
Contact your lender or a housing counselor for help.

ABOUT THE FINANCIAL SERVICES ROUNDTABLE:

The Financial Services Roundtable represents 100 of the largest integrated financial services companies providing banking, insurance, and investment products and services to the American consumer. Member companies participate through the Chief Executive Officer and other senior executives nominated by the CEO.

Roundtable member companies provide fuel for America's economic engine, accounting directly for \$65.8 trillion in managed assets, \$1 trillion in revenue, and 2.4 million jobs.

ABOUT

MYMONEYMANAGEMENT.NET:

MyMoneyManagement.net is a unique industry-wide effort to provide consumers with comprehensive financial education resources to help guide their personal finance decision making process. The goal of the website is to provide consumers with sound tools and resources from a variety of sources, including financial

services companies, advocacy organizations, and personal finance experts.

SUPPORTING PARTNERS:

- American Express Company
- American General Finance Corporation
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- Citicards
- Discover Financial Services Inc.
- Ford Motor Credit Company
- General Electric Company
- HSBC North American Holdings Inc.
- JPMorgan Chase
- MasterCard Worldwide
- Provident Financial
- The Bear Stearns Companies
- Toyota Financial Services
- TSYS (Synovus)
- VISA
- Wachovia
- Wells Fargo

FOR ANY QUESTIONS ABOUT MYMONEYMANAGEMENT.NET

please contact Karen Embrey, CMP at 202-589-2430 or CCF@fsround.org.



Are you having trouble paying your mortgage? Many Americans are concerned about their finances at one time or another. The Homeowner's HOPE Hotline™ can help you work with your mortgage company to pay back your loan and stay out of foreclosure.

Please call 888-995-HOPE or visit www.995HOPE.org for free advice from a HUD-certified housing counselor.

HOMEOWNER'S HOPE
HOTLINE:

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THE FINANCIAL SERVICES ROUNDTABLE



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