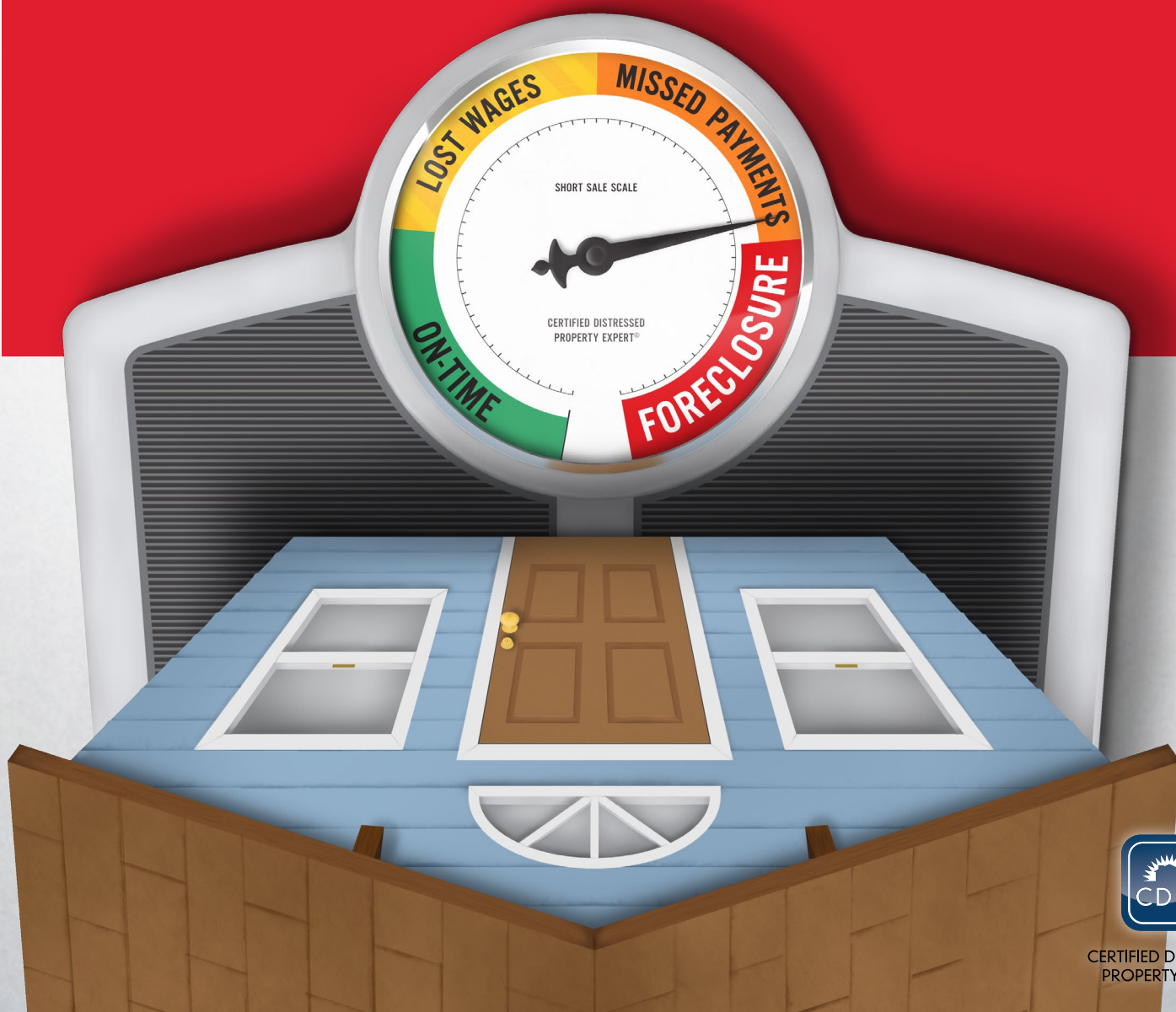


# TIPPING THE SCALES TOWARD FORECLOSURE?

Resolve to Shed the Weight of an Unmanageable Mortgage in 2012



CERTIFIED DISTRESSED  
PROPERTY EXPERT®

# TIPPING THE SCALES TOWARD FORECLOSURE?

## RESOLVE TO SHED THE WEIGHT OF AN UNMANAGEABLE MORTGAGE IN 2012

As the election season heats up, the question of how to “fix housing,” will be debated like never before.

In the midst of a lot of unhelpful rhetoric, there’s one truth that can’t be disputed: Millions of homeowners who have played by the rules have now found themselves in a situation they never imagined they’d be in. Current estimates from RealtyTrac reveal that close to 7.5 million U.S. households are either in foreclosure or delinquent on their mortgage, and 11 million homeowners owe more on their mortgage than their homes are worth.

Even though millions of others are in same boat, the fear of foreclosure is too often a distinctly isolating experience.

### I GET IT

If you, or someone you care about is tipping the scales toward foreclosure, I can help.

As a real estate professional who has sought out and achieved the Certified Distressed Property Expert (CDPE) designation, I am knowledgeable of the various forms of assistance offered by major lenders, as well as Federal, state and local agencies. It is my mission during these tough times to help financially distressed homeowners to understand their options and then to navigate the best possible solution based on their circumstances.

Just as important, I recognize the red flags and can help steer you away from scam artists who are all too eager to make a very bad situation much worse. (See sidebar on the next page).

## SHARPENED FOCUS ON FORECLOSURE PREVENTION

Since 2007, 8.9 million homes have been lost to foreclosure.

The country was at first blind sided by what the real estate crisis had in store, but realizing that the housing recovery hinges on huge reductions to the current glut of foreclosed homes, all major players have taken foreclosure-prevention efforts up several notches.

## HAFA, HAMP, HARP, HARP 2.0 ... HELP!

Staying on top of the string of programs created to help owners caught up in the perfect storm of a high unemployment, rampant underemployment and declining home values, can be confusing to say the least. Here’s a brief overview of the acronyms spawned by the foreclosure crisis:

**HAFA**—The Home Affordable Foreclosure Alternatives program was designed to help homeowners to avoid the negative effects of foreclosure by establishing incentives for completing a short sale or a deed-in-lieu of foreclosure. In a short sale, the loan servicer accepts a loan payoff amount from an underwater borrower that is less than the amount actually owed on the first mortgage. With a deed-in-lieu of foreclosure, the borrower transfers ownership of the property to the loan servicer. HAFA provides for \$3,000 in relocation assistance after a successful short sale or deed-in-lieu.

**HAMP**—The Home Affordable Modification Program was designed to help homeowners who are no longer able to make mortgage payments on time due to decreased income or an increase in the monthly payment amount. HAMP reduces a homeowner’s monthly mortgage payment to 31 percent of gross income following a series of steps on the part of the mortgage servicer that can include a rate reduction, a term extension of up to 40 years, deferred principal payments, and (possibly) a lowering of principle.

**HARP**—The Home Affordable Refinance Program enables homeowners whose mortgages are backed by Fannie Mae or Freddie Mac and who owe more than their home it’s worth, to refinance and take advantage of today’s historically low interest rates. Originally, HARP was only available to homeowners whose first mortgage did not exceed 125 percent of the current market value of their home.

**HARP 2.0**—Starting Dec. 1, 2011, the 125 percent loan-to-value ratio will be eliminated, enabling eligible borrowers to refinance under HARP regardless of how far underwater they are on their mortgage.

If you are experiencing financial challenges that have made your mortgage payment unmanageable, you may well be surprised at how much help is available. The kind of help depends on a number of factors depending on your lender, the amount owed on your mortgage, your current payment status, and a range of other factors.

The most important fact for financially distressed homeowners to keep in mind: the sooner help is sought, the better.

## TAKE ACTION NOW!

Too often, once homeowners find themselves on what feels like an inevitable path toward foreclosure, they become frozen in action.

The situation is complicated; the stakes are high, and that's why you need an advocate who is knowledgeable and adept at navigating among solutions that will lead to a fresh start.

### **Contact me today and let's get started!**

Real estate agents who have achieved the Certified Distressed Property Expert (CDPE) designation have proactively sought the best expertise and insights within the distressed properties arena.

They are required to complete an intensive training curriculum, and remain on top of constantly evolving developments. CDPE agents close four times as many transactions every year as the average agent, and as such, can be counted on to negotiate the best foreclosure-avoidance options for their clients with unsurpassed expertise, efficiency and ethics.

## PLACE YOUR CONFIDENCE IN CDPE

With the right assistance, the stress of facing foreclosure becomes manageable. CDPE-designated agents have received the knowledge and training necessary to assess all possible foreclosure alternatives and pursue homeowners' best options. A CDPE-designated agent attends several days of intensive, thorough training on foreclosure avoidance and how to negotiate short sales efficiently and ethically. The highly regarded CDPE logo means you are working with the most informed, up-to-date resource available.



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## How to Recognize a Mortgage Scam

- You are told you will get a federal incentive to walk away from your mortgage
- You are asked to pay upfront for counseling
- You are pressured to sign papers immediately
- You are asked to sign your house over to a company or person who is not working with your mortgage company
- You are asked to make a mortgage payment to someone other than your mortgage company without their approval
- You are guaranteed a successful short sale or mortgage modification
- They claim to be a representative of the federal government

If you believe that you are a victim of a scam, you should contact the Federal Trade Commission (FTC) at 1-877-FTC-HELP (1-877-382-4357) or visit their Complaint Assistant: <https://www.ftccomplaintassistant.gov>.

## Making Sense of Short Sales

In a short sale, sellers who owe more on their home than its current market value, work with a real estate agent who finds a buyer and then negotiates with the lender to accept a loan payoff that is less than the amount owed.

A short sale is one of many options available for financially distressed homeowners. I am committed to rolling up my sleeves and working closely with financially stressed homeowners to find the solution that best meets their needs. Now is not the time to go it alone or to allow present circumstances to undermine future prospects.

### **Contact me today!**