

MORTGAGE DEFAULT COUNSELING PROCESS

1

INTAKE COUNSELING APPOINTMENT

YOUR INTAKE COUNSELOR WILL:

- Counsel you on the Foreclosure Process and the Family Life Center's Mortgage Default Counseling Procedures.
- Assess your situation and schedule your Mortgage Default Counseling Appointment.
- Provide you with a Mortgage Default packet which must be completed and returned at your Mortgage Default Counseling Session.
- Determine if the loan is secured by Fannie Mae or Freddie Mac.

2

MORTGAGE DEFAULT COUNSELING SESSION

YOUR MORTGAGE DEFAULT COUNSELOR WILL

- Review your Mortgage Default Packet.
- Determine the cause of default
- Analyze your situation as a homeowner
- Develop a budget
- Determine if you want to stay in the home or move.
- Choose a Loss Mitigation Tool
- Help you prepare and action plan.
- Assess any obstacles that may get in the way of your proposed action plan.
- Help you gather the documents required by your lender for financial assistance.
- Assist you in applying for financial assistance.
- Follow up with your loan servicer on status of account

3

REFINANCE AND MODIFICATION PROCESSES

WHAT TO EXPECT FROM YOUR LENDER

- **If your lender participates in Making Home Affordable:**
 - Either a refinance or a modification
- *See Understanding Making Home Affordable Factsheet*
- **Possible Options If your lender does not participate in Making Home Affordable:**
 - Special Forbearance
 - Temporary suspension or reduction of your mortgage payments.
 - Mortgage Modification
 - Change the terms of your loans to lower your monthly payment
 - Partial Claim
 - Receive a one-time payment from FHA insurance
 - Pre-foreclosure or Short Sale
 - Sell your property for an amount less than you owe
 - Deed-in-Lieu of Foreclosure
 - Voluntarily "give back" your property to the lender