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.

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