



Dear Borrower(s):

We understand that financial circumstances may change from time to time, affecting your ability to meet your obligations. We're concerned about your recently missed mortgage payment and want to offer our assistance in case you are unable to catch up.

### **Options May Be Available**

The right option for you depends on your individual circumstances. When you provide the required information and documentation about your situation, we can determine if you qualify for temporary or long-term relief, including mortgage options that may allow you to stay in your home or leave your home while avoiding foreclosure. Review the **Information on Avoiding Foreclosure** page for an overview of these options.

**Act now and call us 877-658-2230 ext 154. The sooner you respond, the quicker we can determine whether you qualify for an option to avoid foreclosure.**

### **Getting Started**

**Remember, you need to take action by calling us at 877-658-2230 ext 154 right away—Or contact me directly at (989) 497-1651 ext 154; email- [lossmit@gonms.org](mailto:lossmit@gonms.org), Send letters to 975 N. Main St, Suite D, Frankenmuth, MI 48734 and we will discuss all your possible options.**

#### **Additional Resources**

**For additional information about preventing foreclosure, avoiding fraud scams and accessing approved counseling at no cost to you.**

- If applicable, visit Fannie Mae's [www.KnowYourOptions.com](http://www.KnowYourOptions.com)
- Find available HUD-approved housing counselors – Call the US Department of Housing and Urban Development at (800) 569-4287 or visit [www.hud.gov/counseling](http://www.hud.gov/counseling)

## **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.

**THIS IS AN ATTEMPT TO COLLECT A DEBT AND ANY  
INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE.**

OPTIONS TO STAY IN YOUR HOME	OVERVIEW	BENEFIT
<b>Reinstatement</b>	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.
<b>Repayment Plan</b>	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.
<b>Forbearance Plan</b>	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.
<b>Modification</b>	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
<b>Short Sale</b>	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.
<b>Deed-in-Lieu of Foreclosure</b>	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 at **877-658-2230 ext 154** 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 mortgage 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](http://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.

## **Legal Rights and Protections Under the SCRA**

Servicemembers on “active duty” or “active service,” or a spouse or dependent of such a servicemember may be entitled to certain legal protections and debt relief pursuant to the Servicemembers Civil Relief Act (50 USC §§ 39014043) (SCRA).

### **Who May Be Entitled to Legal Protections Under the SCRA?**

- Regular members of the U.S. Armed Forces (Army, Navy, Air Force Marine Corps and Coast Guard).
- Reserve and National Guard personnel who have been activated and are on Federal active duty
- National Guard personnel under a call or order to active duty for more than 30 consecutive days under section 502(f) of title 32, United States Code, for purposes of responding to a national emergency declared by the President and supported by Federal funds
- Active service members of the commissioned corps of the Public Health Service and the National Oceanic and Atmospheric Administration.
- Certain United States citizens serving with the armed forces of a nation with which the United States is allied in the prosecution of a war or military action.

### **What Legal Protections Are Servicemembers Entitled To Under the SCRA?**

- The SCRA states that a debt incurred by a servicemember, or servicemember and spouse jointly, prior to entering military service shall not bear interest at a rate above 6 % during the period of military service and one year thereafter, in the case of an obligation or liability consisting of a mortgage, trust deed, or other security in the nature of a mortgage, or during the period of military service in the case of any other obligation or liability.
- The SCRA states that in a legal action to enforce a debt against real estate that is filed during, or within one year after the servicemember’s military service, a court may stop the proceedings for a period of time, or adjust the debt. In addition, the sale, foreclosure, or seizure of real estate shall not be valid if it occurs during or within one year after the servicemember’s military service unless the creditor has obtained a valid court order approving the sale, foreclosure, or seizure of the real estate.
- The SCRA contains many other protections besides those applicable to home loans.

### **How Does A Servicemember or Dependent Request Relief Under the SCRA?**

- In order to request relief under the SCRA from loans with interest rates above 6% a servicemember or spouse must provide a written request to the lender, together with a copy of the servicemember’s military orders. [Note: Lender should place its name, address, and contact information here.]
- There is no requirement under the SCRA, however, for a servicemember to provide a written notice or a copy of a servicemember’s military orders to the lender in connection with a foreclosure or other debt enforcement action against real estate. Under these circumstances, lenders should inquire about the military status of a person by searching the Department of Defense’s Defense Manpower Data Center’s website, contacting the servicemember, and examining their files for indicia of military service. Although there is no requirement for servicemembers to alert the lender of their military status in these situations, it still is a good idea for the servicemember to do so.

### **How Does a Servicemember or Dependent Obtain Information About the SCRA?**

- Servicemembers and dependents with questions about the SCRA should contact their unit’s Judge Advocate, or their installation’s Legal Assistance Officer. A military legal assistance office locator for all branches of the Armed Forces is available at <https://legalassistance.law.af.mil/>
- “Military OneSource” is the U. S. Department of Defense’s [information resource. If you are listed](http://www.militaryonesource.mil/legal) as entitled to legal protections under the SCRA (see above), please go to [www.militaryonesource.mil/legal](http://www.militaryonesource.mil/legal) or call 1-800-342-9647 (toll free from the United States) to find out more information. Dialing instructions for areas outside the United States are provided on the website.