



New plan to keep more people in their houses

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THE BASICS

- > Who is participating: Fannie Mae, Freddie Mac and many major lenders and mortgage servicers, effective Dec. 15. The servicer is the company to which you send your payments.
- > Who is eligible: If the property is a single-family residence in which you live and you're 90 or more days past due on your payments or in foreclosure, you are eligible. You cannot be in bankruptcy.
- > Equity requirement: Your loan-to-value ratio must be 90 percent or more — that is, your equity must be 10 percent or less, as determined by Fannie Mae, Freddie Mac or the mortgage servicer (depending on your lender).
- > The paperwork: You must complete a hardship statement and provide verification of your household monthly gross income and a signed modification agreement.
- > If you're not eligible: Many major lenders offer their own modification programs. For example, Citigroup does not require that you be behind on payments.

HOW IT WORKS

- > 1. Check your eligibility.
- > 2. Call your mortgage servicer with:
 - A. Your loan number.
 - B. Your monthly gross household income.
 - C. An estimate of your homeowners association or condo fees.

Your servicer will tell you whether a participating investor owns your loan, your property value and whether you meet the loan-to-value requirement

- > 3. Your servicer will try to find a combination of options that reduces your payment to no more than 38 percent of your gross income. These options include:

A. Extending the loan term.

B. Lowering the interest rate.

C. Pushing back payments on the principal.

> 4. Submit your paperwork and your first payment.

> 5. Make three payments within 90 days to lock in the reduction.

Call: Hope Now (1-888-995-4673) or your servicer.