

Avoid

Foreclosure

888-246-7225

Are you falling behind on your monthly mortgage payment? Have you found yourself delinquent on your loan? Is your adjustable rate mortgage becoming unaffordable because of increasing payments? You are not alone. Every year millions of people have trouble with their mortgages, but foreclosure often can be prevented. Don't be afraid or embarrassed to ask for help. **More than one-third of those who seek help are successful in finding alternatives to foreclosure.**

CONTACT YOUR LENDER

Act early. Don't ignore letters from your lender if you miss payments. If your loan is in default, your lender may proceed to foreclosure unless you can come up with the money to bring the loan current.

As soon as you find yourself struggling to make your monthly payment, contact your lender. Most lenders who believe borrowers are acting in good faith will be willing to work with them. You and your lender may discuss reasonable options and alternative payment plans.

GET HELP FROM A REPUTABLE HOUSING COUNSELOR

The U.S. Department of Housing and Urban Development maintains a list of approved housing counselors who give free or low-cost advice. To find a HUD-approved counselor in your area, call 800-569-4287 or go online to www.hud.gov/offices/hsg/sfh/hcc/fc/.

Other options: NeighborWorks America and Homeowner's HOPE, two national nonprofits, offer free advice and support from nonprofit, HUD-certified counselors 24 hours a day.

Call 888-995-4673 or go to <https://www.hopenow.com/>.

New program

The federal government on March 26 announced a revamped mortgage program to help more homeowners keep their homes through reduced payments and principal and refinancing of homes whose values are lower than their notes. Call 888-995-4673 or go to www.makinghomeaffordable.gov.

AVOID FORECLOSURE "RESCUE" SCAMS

The Missouri Department of Insurance, Financial Institutions and Professional Registration wants you to avoid scams that target homeowners having problems paying their mortgages. In these "rescue" scams, con artists promise to help you save your home, but their intent is to steal your home or most of your equity.

These predatory scams have been reported:

Foreclosure prevention specialist: The "specialist" is a phony counselor who charges hefty fees in exchange for making a few phone calls or filling out paperwork that homeowners could complete themselves. Even worse, some scam artists simply take a homeowner's money and disappear. None of the actions results in saving the home.

Lease/buy-back: Homeowners are deceived into signing over the deed to their home to a scam artist who tells them they will be able to remain in the house as a renter and eventually buy it back. Usually, the terms of this scheme are so demanding that the buy-back becomes impossible, the homeowner gets evicted, and the "rescuer" walks off with most or all of the equity.

Bait-and-switch: Homeowners think they are signing documents to bring the mortgage current. Instead, they are signing over the deed to their home. >>



DIFP

Department of Insurance,
Financial Institutions &
Professional Registration

difp.mo.gov

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Missouri law provides strong consumer protections against these “rescue” scams. Under state law, a foreclosure consultant must present a written contract with a three-day right to cancel. They cannot collect any advance fees and cannot accept any portion of the ownership of your home.

OTHER RESOURCES FOR HOMEOWNERS

Missouri HUD

www.hud.gov/local/index.cfm?state=mo&topic=offices

Kansas City office

(Serves western half of Missouri)

Phone: 913-551-5644

Fax: 913-551-5469

TTY: 913-551-6972

St. Louis office

(Serves eastern half of Missouri)

Phone: 314-539-6583

Fax: 314-539-6384

TTY: 314-539-6331

Neighborhood Assistance Corp. of America

www.naca.com

NACA has a Home Save/Refinance Program to assist homeowners with unaffordable loans who are at risk of losing their homes. NACA may be able to help you refinance your existing mortgage or work with your lender.

Western Missouri

100 E. 43rd St.

Kansas City, MO 64111

Phone: 816-531-6222

Eastern Missouri

3930 Lindell Blvd.

St. Louis, MO 63108

Phone: 877-704-6222

Reverse mortgages

If one or both of the homeowners on the title is over age 62, you may want to consider a reverse mortgage. For information, see our fact sheet at http://finance.mo.gov/consumers/reverse_mortgage.php.

FHASecure

http://portal.hud.gov/portal/page/portal/HUD/federal_housing_administration

This refinancing option is available through the Federal Housing Administration. It gives credit-worthy homeowners, who were making timely mortgage payments before their adjustable rate mortgages reset, a second chance with an FHA-insured loan product.

Phone: 800-225-5342

Legal Services of Missouri

www.lsmo.org

Legal Services is an entry point for accessing legal assistance and may provide advice by phone or refer you to a legal services office or private attorney at no cost. Certain income limits must be met to qualify for these services. Among the offices in Missouri:

Legal Services of Eastern Missouri (St. Louis)

www.lsem.org

Phone: 800-444-0514

Legal Aid of Western Missouri (Kansas City)

www.lawmo.org

Phone: 816-474-6750

Legal Services of Southern Missouri (Springfield)

Phone: 800-444-4863 or 417-881-1397

Mid-Missouri Legal Services (Columbia)

Phone: 800-568-4931 or 573-442-0116

Missouri Bar Lawyer Referral Service

www.mobar.org/be4cffc9-6eea-4041-90a9-6964d8a29f51.aspx

If you do not qualify for Legal Services of Missouri, you can contact the Missouri Bar Association, which has a lawyer referral service. You will be referred to an attorney in your area. It will cost \$25 for a half hour consultation. Additional services will be at the attorney's market rate.

Jefferson City: 573-636-3635

St. Louis: 314-621-6681

Springfield: 417-831-2783