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Mortgage Delinquency
Intake—Ext. 32**

www.southsuburbanhousingcenter.org

This material is made possible by a
Fair Housing Initiatives Program
grant from the U.S. Department
of Housing and Urban
Development

For More Information:

**U.S. Department of Housing
and Urban Development
www.hud.gov**

**Locate Other HUD
Housing Counseling Agencies:
1-800-569-4287**

**How can you make your home
more affordable?
www.makinghomeaffordable.gov**

**Loan Modification Scam Alert
www.LoanScamAlert.org
1-888-995-4673**

**Illinois Foreclosure
Prevention Network
www.keepyourhomeillinois.org
1-855-KEEP-411**

**Illinois Attorney General
www.illinoisattorneygeneral.gov
Homeowner Helpline
1-866-544-7151**

***HOME IS WHERE
YOU NEED TO BE***

**—
PREVENT
FORECLOSURE**



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**This brochure explains
how property owners
can avoid losing their
homes to
foreclosure.**

What happens when I miss my mortgage payments?

After missing three consecutive monthly payments, the lender may file a foreclosure action. This is the legal means that the lender can use to repossess your home. If your property is worth less than the total amount you owe on your mortgage loan, a deficiency judgment can be pursued. If that happens, you not only lose your home, you may also owe HUD an additional amount. Both foreclosures and deficiency judgments could seriously affect your ability to qualify for credit in the future.

What should I do?

- DO NOT IGNORE LETTERS FROM YOUR LENDER. If you are having problems making your payments call or write your lender's Loss Mitigation Department without delay. Explain your situation. Be prepared to provide them with financial information such as your monthly income and expenses. Without this information, they may not be able to help.
- Stay in your home for now. You may not qualify for assistance if you abandon the property.
- **Contact SSHC, 708-957-4674, or any other HUD approved counseling agency.** Call 800-569-4287 or TDD 800-877-8339 to locate other housing counseling agencies near you. SSHC counselors can help identify a plan of action and advocate on your

behalf. These services are administered by SSHC and many other counseling agencies free of charge.

What are my options?

Forbearance—lender allowance for a temporary suspension or deduction of the mortgage payment due to an unexpected deduction in borrower's income or increase in living expenses.

Mortgage Modification—a change or extension of the mortgage term, interest, or principal owed to reduce the monthly payment to a more affordable level to the borrower by the existing lender.

Refinance—take out a new loan to cover the payoff of the current mortgage(s) and costs, usually through a different lender.

Repayment Plan—borrower agrees to increase monthly payments until deficiency is brought current.

Short Sale—selling the property, with the lender's permission, for an amount less than the payoff of the current mortgage to avoid foreclosure.

Deed-In-Lieu of Foreclosure—voluntarily giving back the home or deeding all interest in the property to the lender if unable to sell or qualify for other options.

Bankruptcy— If you are in default and can't work out other terms, you may want to get legal advice on filing Chapter 13 Bankruptcy that could temporarily stop the foreclosure proceeding allowing for more recovery time.

How do I know I qualify for any of these?

Lenders will determine if you qualify for most of these alternatives. SSHC or other housing counseling agencies can also help you determine which, if any, of these options may meet your needs, establish an action plan to achieve your objective, and assist you in negotiating with your lender.



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What are the main points I should follow?

1. Foreclosure can be prevented but, you must be proactive; don't avoid the problem.
2. Utilize the resources available to you including obtaining housing counseling from SSHC or another HUD approved agency.
3. Stay in your home to make sure you qualify for assistance.
4. Develop an action plan to achieve your objective.
5. Cooperate with the counselor and follow through with the lender.
6. Every minute counts, the longer you wait the more limited your options become.