Refinance under the Home Affordable Refinance Program (HARP)
HARP is a program instituted by the government to assist homeowners who may owe more on their mortgage than what the value is of the property (i.e., property is underwater).

You may be eligible if:

- You are the owner-occupant of a one- to four-unit home.
- The loan on your property is owned or guaranteed by Fannie Mae or Freddie Mac (See "How do I know if my loan is owned or has been guaranteed by Fannie Mae or Freddie Mac?").
- At the time you apply, you are current on your mortgage payments ("Current" generally means that you have not been more than 30 days late on your mortgage payment in the last 12 months; or, if you have had the loan for less than 12 months, you have never missed a payment).
- The amount you owe on your first lien mortgage does not exceed 125% of the current market value of your property.
- You have a reasonable ability to pay the new mortgage payments.
- The refinance improves the long term affordability or stability of your loan.

FORECLOSURE LITIGATION

LOAN MODIFICATIONS

DEED IN LIEU

SHORT SALES

BUYER AND SELLER REPRESENTATION

LAND TRUSTS

BUSINESS INCORPORATION

Free 30 Minute Consultation

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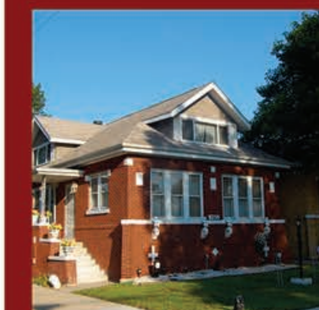
LOAN MODIFICATIONS



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Loan Modification

What is a loan modification?

A loan modification is a permanent "change" or "modification" in the terms of your loan. Typically it will include one or more of the following:
a. A reduction in your interest rate;
b. An extension in your loan terms (i.e., 30 to 40 year loan term);
c. A reduction in principal, in rare cases.

What is the Home Affordable Modification Program or "HAMP"?
HAMP is a government sponsored program that was created by President Obama's Administration to assist 3 to 4 million homeowners who are "...struggling to pay their mortgage or thirty days or more behind on their payment..". HAMP is generically known as the "Obama Plan".

You may be eligible for HAMP

If you answer yes to the following questions,

Is the home your primary residence?

Is the amount you owe on your first mortgage equal to or less than $729,750?

Are you having trouble paying your mortgage?

Did you get your current mortgage before January 1, 2009?

Is your payment on your first mortgage (including principal, interest, taxes, insurance and homeowner's association dues, if applicable) more than 31% of your current gross income?

Are you the owner of a one- to four-unit home?

Alternatives To A Loan Modification

Forbearance

Forbearance is a "loss mitigation" method that lenders utilize to assist homeowners who are in danger of defaulting on their loans or who have fallen behind and need assistance in "catching up." You may be allowed to "skip" one or more mortgage payments. Typically they will be "tacked" on to the end of your loan. Other components of a forbearance may include:
a. Reduced mortgage payments over a three to six month period.
b. Loan term extended to reduce monthly mortgage payment (i.e., 30 year mortgage term to 35 year term)

Short Sale

A short sale is the act of selling a property for less than what is owed the lender. In order to obtain a short sale you must obtain approval from the lender. Typically a lender will require:

a. A brokers price opinion of the current value of the property.
b. Financial worksheet and supporting documents from borrower/seller.
c. An executed contract.
d. A preliminary Settlement Statement or HUD-1.
e. A copy of the listing agreement between you and your broker, if applicable.

The LOEBF has the expertise to assist with a short sale and advise our clients accordingly. Factors to consider when considering a short sale include:

a. Potential tax liability or imputed income liability by the Internal Revenue Service for difference of monies collected by your lender and the amount they recovered or collected from the short sale.
b. Avoiding foreclosure while you negotiate a short sale if you are in litigation.
c. Avoiding having to bring money to the closing.
d. Qualifying the buyer.
e. Clearing the title from any other encumbrances (i.e., second mortgages, judgments, liens).

Deed in Lieu

A deed in lieu of foreclosure is when you voluntarily release your rights in your property to your lender by executing a deed in the name of your lender. Typically, the following documents will need to be provided to qualify for a deed in lieu:

a. Typically requires that you are delinquent on your mortgage.
b. Evidence of your effort to sell the property.
c. No second mortgage debt.
d. No liens or other encumbrances; other than taxes.
e. Financial worksheet and supporting documents.

A deed in lieu of foreclosure is an underutilized option of relieving a borrower of the obligation of a property they can no longer afford and/or desire. The LOEBF specializes in all forms of loss mitigation techniques; to include negotiating deeds in lieu. To find out more, please contact our office at (708) 991-7268.

Bankruptcy is a legal process in which consumers and businesses can eliminate or repay some or all of their debts under the protection of the federal bankruptcy court.

Under a Chapter 7 filing your debt will be completely eliminated. However, there are certain income qualifications that have to be met in order to qualify for a Chapter 7.

Under a Chapter 13 filing you are able to reorganize debt according to your income. A plan will be adopted that allows you to pay creditors as low as .10 cents on the dollar depending on your particular circumstance over a three to five year period.

Free 30 Minute Consultation - 708.991.7268