

LIFE AFTER: The Road to Recovery

EVEN FORECLOSURE DOESN'T MEAN THE END.

There's always a path forward, and it starts with rebuilding your credit. Consistent, responsible financial behavior can gradually restore your credit score. Allowing you in time to once again purchase and own your own home.

NEW HOUSING: With a tarnished credit report, finding new housing can be challenging but it's not impossible. You also may be eligible for grants or rental assistance to help you find an affordable place to live. NRBA members know where to find options and would be delighted to help you in this transition.

CONCLUSION: A Setback, Not the End

Being behind on your mortgage is a significant setback but with proper planning, the right guidance, and a better understanding of your options, you can regain control. You can eliminate a stressful situation and move forward and begin to enjoy your life again. This challenging period can serve as a learning experience, equipping you for future homeownership. With time and the right support, you'll find that you can own your own home again in the future. Act now, make informed decisions, and lean on professional guidance to navigate this difficult time.

RESOURCES: Where to Turn to For Help

CERTIFIED HUD HOUSING COUNSELORS: These professionals offer free unbiased, tailored advice. You can find a HUD-approved housing counselor on their official website. <https://www.hud.gov>



THE WAY FORWARD

A COMPREHENSIVE GUIDE TO OVERCOMING SETBACKS FOR HOMEOWNERS BEHIND ON THEIR MORTGAGES

Behind on your mortgage but haven't received a foreclosure notice?

DOING NOTHING IS NOT AN OPTION!

Although many homeowners fall behind on mortgage payments for any number of justifiable reasons, the situation is nonetheless stressful. The good news is that, more often than not, the homeowner has options available to them. There are several alternatives that can keep you in your home, or find a way forward with new housing, or even just hit the reset button on your life. The most important thing to remember is that doing nothing but waiting will inevitably lead to the worst results.

This guide offers you a roadmap to dealing with mortgage distress. Here, we'll focus on several ways to get your home payments back on track or else find good alternatives with options like short sales, loan modifications and forbearance. We'll also help you avoid common foreclosure rescue scams and other poor choices that could just make your situation worse.

Remember, if you need assistance, a qualified real estate professional from the NRBA is happy to provide you with the FREE specialized guidance you will need to turn this stressful period into a way forward.

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ACT NOW: The Importance of Early Action

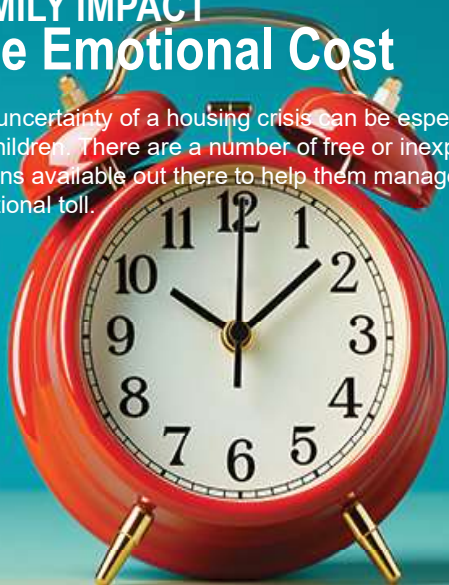
The biggest mistake homeowners behind on mortgage payments can make is to wait. Your best chance to keep your home or, at least, avoid the worst consequences is to act immediately. Reach out to your mortgage lender. Remember, mortgage companies don't like foreclosure either. The default and foreclosure process is costly to the lender, and the worst result for them is to suddenly have a property they never wanted to own in the first place, forcing them to take on the burden of reselling that house. The majority of lenders are more than willing to work with borrowers who fall behind. They've usually got a wide variety of alternatives that could prevent foreclosure and minimize damage to your credit score. But they can only help you if you contact them quickly. A local NRBA member can help you with this.

IN FORECLOSURE: Time is of the Essence

Once foreclosure starts, your options begin to narrow rapidly. Foreclosures can take place in as little as 90 days in some states depending on your mortgage type and state laws. Legal advice becomes crucial at this stage. Consider some of the resources provided later in this guide or at NRBA.com to help you through.

FAMILY IMPACT The Emotional Cost

The uncertainty of a housing crisis can be especially hard on children. There are a number of free or inexpensive options available out there to help them manage this emotional toll.



KNOW YOUR CHOICES: Understanding Loan Modifications, Forbearance, Short Sales, and Deed-in-lieu.

Here are a few of the ways a lender can help you avoid foreclosure.

FORBEARANCE: A temporary pause or reduction in mortgage payments can provide immediate relief. Sometimes, even just a month or two off can help borrowers going through financial distress to get back on their feet. Remember, this is not loan forgiveness; you'll need to catch up on payments later.

LOAN MODIFICATIONS: Sometimes, a lender is willing to alter your payments to make them more manageable. Options include lowering the interest rate, extending the loan term, or reducing the principal balance.

SHORT SALES: Selling your home for less than the remaining mortgage balance can be an option if your home's value has decreased. While it impacts your credit, it's often less damaging than foreclosure and can open the door to a more affordable housing situation for you. Also, you may be able to receive additional money to cover your relocation expenses. Such as first month's rent, security deposits, and related moving expenses.

DEED-IN-LIEU: This is an option for you to get out from under your mortgage debt with the least amount of hassles and least amount of damage to your credit. No foreclosure shows up on your records as it never occurs. In this situation with your lender's agreement, you simply give back the house to the lender in return for a complete release of liability and no deficiency judgment. You walk away owing nothing and without stress. Under this scenario, many lenders will also provide you with money to cover your relocation expenses. Such as first month's rent, security deposits, and related moving expenses.

THE CONSEQUENCES: Credit and Emotional Impact

DAMAGE TO CREDIT SCORE: Missed payments and foreclosure actions can significantly lower your credit score, affecting future financial endeavors. This can be devastating, making many things much more expensive and more difficult to obtain for you, such as credit cards, car loans, insurance and other necessities that are priced by credit score. It can also affect employment and job opportunities as many employers check credit reports as part of the hiring practice. The faster you move to minimize the damage, the better your chances of getting your life back on track and even owning your own home again.

EMOTIONAL TOLL: The stress can be overwhelming, and struggling under the constant worry of foreclosure can make your life miserable and even impact your health. The sooner you recognize and resolve this situation, the sooner your life can begin to improve. Financial stress and the looming threat of foreclosure can impact your entire family and relationships. There are a number of good counseling and support groups available. The resource section at the end of this guide is a great start.

FORECLOSURE RESCUE SCAMS Beware of the Wolf in Sheep's Clothing

NEVER SIGN ANYTHING WITHOUT PROFESSIONAL SUPPORT: Never sign a deed or contract without consulting a legal or real estate professional. Scammers often pose as "rescue" services, offering to save your home for a fee. NRBA professionals are well-versed in spotting such scams and are a great resource. If you're not certain whether the option you're faced with is legitimate. We always suggest that you seek competent legal advice during this process.

NO MONEY UP FRONT: Legitimate firms will never ask for money upfront. Always verify the legitimacy of any service offering to help you.