

Foreclosure Report

What Banks and lenders hope you never find out



IN THIS REPORT

Foreclosure Evasion Strategies

We list 4 ways you can take control back into your hands

Timeframes

We'll show you the amount of time it will take to execute these strategies

Real World Examples

We'll provide easy to follow examples so you can determine if each strategy is a good fit



Take Back Control

Don't let them leave you in a vulnerable situation

Repayment Plan

Repaying your back payments over a set amount of time established between you and your lender. A repayment plan must be approved by your lender and paid on top of your regular mortgage payment. Lenders prefer to have your repayment plan last no longer than 9 months.

Time Frame: usually 3,6, or 9 Months

Example: Say you're three months behind on your payments of \$1,200 a month, for a total of \$3,600. Paying \$1,800 each month (an extra \$600 per month) over the next six months would bring you current.



These Are Not The Only Options

We have created a powerful arsenal of strategies to get you solutions and the results you need

Short Refinance

Allows the refinancing of a mortgage by a lender for a borrower currently in default on their mortgage payments. This often leads to the Lender agreeing to forgive some of the principal balance. Now why would lenders do this? A "Short Refinance" is most commonly used to help a borrower avoid foreclosure as it will often be more cost effective than the foreclosure proceedings itself.

Time Frame: Length of Mortgage

Example: Say the market value of your home dropped from a cushy \$300,000 to \$240,000 seemingly overnight, and you still owe \$270,000 on the property. With a short refinance, the lender would allow you to take out a new loan for \$240,000, and you wouldn't have to pay back the \$60,000 difference. Not only would you have a lower principal, but also, in all likelihood, your monthly payments would be lower, which could help you better afford them (a win/win for you and your lender).

Recommended Documents:

- HUDI settlement statement or closing disclosure.
- Approval letter from new lender



Short Sale

A short sale in real estate involves selling a home for less than the balance remaining on the mortgage. Before the process can begin, the lender is required to sign off on the decision to execute the short sale, also known as a pre-foreclosure sale. Short sales tend to be lengthy transactions, sometimes taking up to a full year to process. However, short sales are not as detrimental to a homeowner's credit rating as a foreclosure typically would be (though it is still a negative credit mark for about 36 months).

Time Frame: 3-12 months

Example: You end up selling your house for \$250,000 when there is still \$300,000 remaining on the mortgage. In this example, the difference of \$50,000 (minus any closing costs) is considered the deficiency.



Recommended Documents:

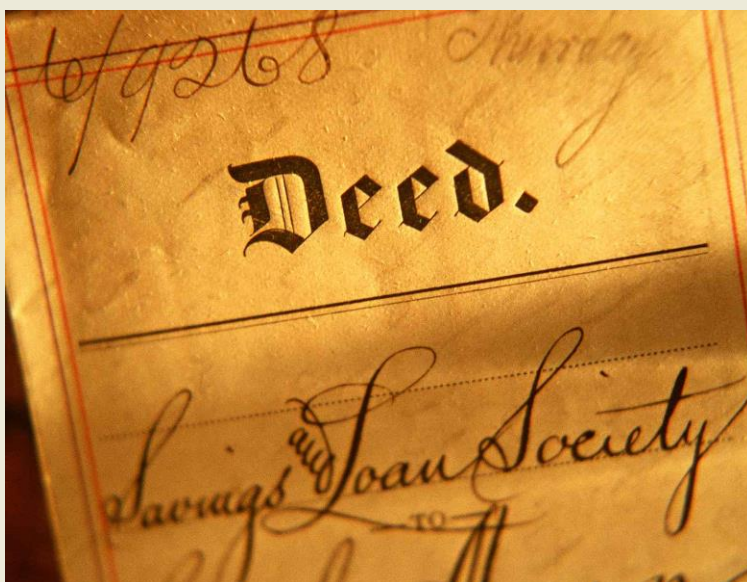
- Offer letter outlining the sale price and buyer information.
- HUDI settlement statement or closing disclosure.
- If the offer is a cash offer, proof of funds from the buyer.
- If the offer is a financed offer, a pre-approved letter from the buyer's bank or loan officer.
- If the loan has mortgage insurance, approval from the mortgage insurance company, approval is needed, additional documents may be required by the mortgage insurance company.
- An executed "Occupancy Certification" may be required, depending on the requirements of the owner of your loan.

Deed-in-Lieu

A deed-in-lieu of foreclosure is a document that transfers the title of a property from the property owner to their lender in exchange for satisfying some or all of your obligations under said loan. This option will not save your home but the advantage of a deed-in-lieu is that it is often less damaging financially than going through a full foreclosure proceeding (Normally a deed-in-lieu will stay on your credit report for 4 years while a foreclosure sticks around for 7 years).

Recommended Documents:

- An executed authorization form to allow title of the property to be pulled.
- Once title is received, title to the property must be free and clear of all liens and judgements.



We're Here for You

If you need a team of professionals to help you navigate this process or explore more options at no cost to you, give us a call at 919-72-XCLSV or 919-729-2578

If this is what you can do, imagine what we can do for you!