

Avoiding Real Estate Foreclosure:

Are you experiencing financial difficulties in which you are unable to meet your financial obligations? If you are unable to make your mortgage payments please contact your lender as soon as possible. It is important to contact your lender because they will be able to inform you of any options they may have available to you to avoid foreclosure. The further you are behind on your payments, the fewer your options. The longer you wait the fewer options available. There is no guarantee that any particular relief will be given however most lenders are willing to explore every possible option.

It is important to inform you of your options as well as the possible consequences of foreclosures. Foreclosures can affect your future and your family's future financially. It can negatively affect your credit rating as well as your ability to borrow money. If you are currently looking for a job, employers may request a credit check and for some employers credit checks are mandatory. A foreclosure appearing on a credit check may present a challenge in obtaining employment.

Depending on your lender's evaluation of your individual situation, your lender *may* provide you with the following alternatives:

- **Loan Modification** - If you are able to make payments on your loan but don't have the money to bring your account current or can't afford your current payment, your lender may be able to permanently change the terms of your original loan to make the payments more affordable.
- **Repayment plan:** The lender may allow an agreement to resume making your regular monthly payments, plus a portion of the past due payments until you are caught up.
- **Forbearance:** The lender may allow the payments to be reduced or suspended for a period of time, after which an option to bring the loan current will be agreed upon.

Financial documents you may need for discussion with your lender:

- Most recent bank statements
- A written statement that includes an explanation of your financial hardship
- A written statement that includes a detailed list of your income and expenses
- Most recent pay stubs
- Most recent tax returns
- Most recent W-2

Additional documentation may be required. Please contact your lender for further details.

If your mortgage is with Pacific Community Credit Union, please contact us today at 1-800-656-2328 ext 1441.

In addition, the Department of Housing and Urban Development (HUD) offers counseling for homeowners whose mortgage loans have become delinquent. To find an agency near you, please call 1-800-569-4287 or TTY 1-800-877-8339. You can also visit their website at www.hud.gov.