

Thousands of people in the Metro St. Louis area will face foreclosure this year. Why? It might be because of a job loss, divorce, health crisis or a reduction in hours.

In addition, hundreds of people have adjustable rate mortgages that will be increasing this year, putting additional strain on family incomes.

Help is available from local housing counseling agencies. A non-profit foreclosure prevention counselor can help you:

- Understand your mortgage.
- Evaluate your monthly income and expenses.
- Explain options that may be available to you to help you avoid foreclosure.
- Negotiate with your mortgage company to find a “work out option.”
- Experience a “soft landing” if you decide not to keep your home.

**To schedule an appointment to talk to local HUD certified housing counselor call one of the agencies listed here, or contact the national HOPE Hotline 24 hours a day for counseling in English or Spanish at (888) 995-HOPE (4673).**

Call today for real help and guidance.

**Because nothing is worse than doing nothing.**

**1-888-995-HOPE**

## [www.foreclosurehelpstl.org](http://www.foreclosurehelpstl.org)

Go to [www.foreclosurehelpstl.org](http://www.foreclosurehelpstl.org) to find helpful tips and resources for St. Louis area homeowners.

The HUD certified housing counseling agencies listed below offer foreclosure prevention help for homeowners at no charge.

Beyond Housing  
(314) 533-0600 x 22  
[www.beyondhousing.org](http://www.beyondhousing.org)

Better Family Life, Inc.  
(314) 367-1843  
<http://www.betterfamilylife.org/>

Catholic Charities Housing Resource Center  
(314) 241-5600 x 7129  
<http://www.ccstl.org/>

Urban League of Metropolitan St. Louis, Inc.  
(314) 615-3600  
[www.ulstl.org](http://www.ulstl.org)

Legal Services of Eastern Missouri  
(314) 534-4200  
[www.lsem.org](http://www.lsem.org)



# Practical Tips for Avoiding Foreclosure



[www.foreclosurehelpstl.org](http://www.foreclosurehelpstl.org)

# Tips for Avoiding Foreclosure

Are you having trouble keeping up with your mortgage payments? Have you received a notice from your lender asking you to contact them?

- Don't ignore the letters from your lender.
- Contact your lender immediately.
- Contact a HUD-approved Housing Counseling Agency.
- To find a local HUD-approved Counseling Agency [call the United Way at 211 or one of the agencies listed in this brochure].

## If you are unable to make your mortgage payment:

### 1. Don't ignore the problem.

The further behind you become, the harder it will be to reinstate your loan and the more likely that you will lose your house.

### 2. Contact your lender as soon as you realize that you have a problem.

Lenders do not want your house. They have options to help borrowers through difficult financial times.

### 3. Open and respond to all mail from your lender.

The first notices you receive will offer good information about foreclosure prevention options that can help you weather financial problems. Later mail may include important notice of pending legal action. Your failure to open the mail will not be an excuse in foreclosure court.

### 4. Know your mortgage rights.

Find your loan documents and read them so you know what your lender may do if you can't make your payments. Learn about the foreclosure laws and time-frames in your state (as every state is different) by contacting the State Government Housing Office.

### 5. Understand foreclosure prevention options.

Valuable information about foreclosure prevention (also called loss mitigation) options can be found on the internet at [www.fha.gov/foreclosure/index.cfm](http://www.fha.gov/foreclosure/index.cfm) [or [www.foreclosurehelpstl.org](http://www.foreclosurehelpstl.org)].

### 6. Contact a HUD-approved housing counselor.

The U.S. Department of Housing and Urban Development (HUD) funds free or very low cost housing counseling nationwide. Housing counselors can help you understand the law and your options, organize your finances and represent you in negotiations with your lender if you need this assistance.

### 7. Prioritize your spending.

After healthcare, keeping your house should be your first priority. Review your finances and see where you can cut spending in order to make your mortgage payment. Look for optional expenses—cable TV, memberships, entertainment—that you can eliminate. Delay payments on credit cards and other "unsecured" debt until you have paid your mortgage.

### 8. Use your assets.

Do you have assets—a second car, jewelry, a whole life insurance policy—that

you can sell for cash to help reinstate your loan? Can anyone in your household get an extra job to bring in additional income? Even if these efforts don't significantly increase your available cash or your income, they demonstrate to your lender that you are willing to make sacrifices to keep your home.

### 9. Avoid foreclosure prevention companies.

You don't need to pay fees for foreclosure prevention help—use that money to pay the mortgage instead. Many for-profit companies will contact you promising to negotiate with your lender. While these may be legitimate businesses, they will charge you a hefty fee (often two or three month's mortgage payment) for information and services your lender or a HUD approved housing counselor will provide free if you contact them.

### 10. Don't lose your house to foreclosure recovery scams!

If any firm claims they can stop your foreclosure immediately if you sign a document appointing them to act on your behalf, you may well be signing over the title to your property and becoming a renter in your own home! Never sign a legal document without reading and understanding all the terms and getting professional advice from an attorney, a trusted real estate professional, or a HUD approved housing counselor.

Source: U.S. Department of Housing and Urban Development's Homes and Communities website, [www.hud.gov/foreclosure/index.cfm](http://www.hud.gov/foreclosure/index.cfm).