

THE CITY OF HARTFORD



Department of Development Services
Housing and Property Management Division

Hartford.gov

FORECLOSURE PREVENTION RESOURCE GUIDE

The City of Hartford recognizes that many homeowners have been adversely impacted by the recent subprime mortgage crisis. Many homeowners have Adjustable Rate Mortgages (ARMs) that have recently reset – to higher monthly payments that they cannot afford. The Department of Development Services Housing and Property Management Division has prepared this guide to provide Hartford homeowners with useful information and resources that may help prevent home foreclosures. If you are experiencing difficulty making your mortgage payments, or expect that you will soon have difficulty making your payments, take action now to help protect your family from the loss of your home. Refer to the following sections for help with mortgage delinquency and foreclosure prevention:

- **Avoiding Foreclosure**
- **Loss Mitigation Professionals**
- **Mortgage Lending Assistance**
- **Legal Services for Consumers**
- **Resources for Tenants**

AVOIDING FORECLOSURE

U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT

The U.S. Department of Housing and Urban Development (HUD) has released its **top 10 tips for homeowners who are facing foreclosure**. These guidelines will assist homeowners who are struggling to pay their mortgage and could be threatened with foreclosure:

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 timeframes 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 <http://www.hud.gov/offices/hsg/sfh/econ/econ.cfm>.

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. [Find a HUD-approved housing counselor near you](#) or call **(800) 569-4287** or TTY **(800) 877-8339**.

AVOIDING FORECLOSURE

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](#).

Visit HUD's website: <http://www.hud.gov/foreclosure/>

An additional **HUD** website that offers guidance on default and foreclosure prevention with links to local services in Connecticut is:

<http://www.hud.gov/local/ct/homeownership/foreclosure.cfm>

AVOIDING FORECLOSURE

FANNIE MAE

Fannie Mae is committed to helping keep people in their homes. Fannie Mae doesn't make mortgages directly, they provide funding that supports mortgage lenders – working with lenders and loan servicers to help borrowers modify or refinance their loans. If you're a homeowner who's falling behind on your mortgage payments, please -- **ACT NOW!** Call your lender or loan servicer today. The telephone number is listed on your mortgage bill and on the year-end tax statement you receive from your lender. For more information visit **Fannie Mae's** website:

http://www.fanniemae.com/aboutfm/borrower_resource.jhtml

FREDDIE MAC

As soon as you realize that you are unable to make your mortgage payments contact the mortgage company to which you send your monthly payments and explain your circumstances. Your options to retain your home are most effective when you are only one or two payments behind. More information on delinquent mortgage payment options is available at **Freddie Mac's** website:

http://www.freddiemac.com/corporate/buyown/english/avoiding_foreclosure/

THE FEDERAL RESERVE BANK OF BOSTON

For more information on mortgage loans, subprime lending or foreclosures, visit the **Federal Reserve** Bank of Boston's website at:

<http://www.TheInformedHomebuyer.org/foreclosure.htm>

VETERANS AFFAIRS REGIONAL LOAN CENTER

The Office of Loan Administration is a supplemental source to provide assistance to veterans with delinquent mortgage loans. If you need assistance or have any questions you may e-mail: NH_LA@vba.va.gov at any time or call **1-800-827-0336**. Office hours are from 7:30 a.m. to 4:00 p.m., Monday through Friday. For more information visit the U.S. **Department of Veterans Affairs** website:

<http://www.vba.va.gov/ro/manchester/lgy/main/lsc/loanservice.htm>

LOSS MITIGATION PROFESSIONALS

FINDING FORECLOSURE PREVENTION PROFESSIONALS

Infoline is a free community service administered by the **United Way of Connecticut** and funded by the **Connecticut Department of Social Services** and your **local United Way**. Call **2-1-1** or **1-800-203-1234** to get information, or to seek help in a crisis - 24 hours a day, every day of the year. Infoline offers resources, education, and help finding Foreclosure Prevention Professionals. When you call 2-1-1, you are connected with a trained call specialist who helps to assess your situation and finds local community services that can assist you with a wide range of issues, including financial problems.

Visit their website:

<http://www.infoline.org/informationlibrary/documents/avoiding%20foreclosure.asp>

FORECLOSURE PREVENTION HOTLINES

Mortgage Foreclosure Assistance Hotline - Connecticut residents who are facing foreclosure on their homes may call **1-877-472-8313** toll-free and receive advice and guidance regarding their mortgage problems. The free hotline is open Monday-Friday, 8:00 a.m. to 5:00 p.m. Those who call after hours may leave a message and their call will be returned within one business day.

NeighborWorks America, a national nonprofit organization, and **Homeowner's HOPE**, a service of the nonprofit Homeownership Preservation Foundation, have established a toll-free hotline at **1-888-995-HOPE (4673)**. Their mission is to help homeowners avoid foreclosure by providing free advice and support. Callers receive immediate counseling from nonprofit-based, HUD-certified organizations - 24 hours a day, 7 days a week.

In October 2007, the **HOPE NOW Alliance**, a coordinated partnership among mortgage servicers, investors, non-profit counselors and trade associations, was formed to establish solutions for current conditions in the mortgage market. Alliance members have increased outreach to struggling borrowers and sought private-sector solutions to minimize foreclosures. HOPE NOW sends letters to at-risk borrowers whom servicers have been unable to reach. Homeowners receiving communications from the HOPE NOW Alliance are encouraged to open the letters to find out how to get help.

Visit their website: <http://www.hopenow.com/>

MORTGAGE DELINQUENCY COUNSELING AGENCIES

If you are having trouble paying your mortgage, contact an agency near you for advice and guidance.

PROVIDER DIRECTORY			
AGENCY	ADDRESS	CONTACT	WEBSITE
Christian Activities Council	47 Vine St. Hartford, CT	Tori Hamilton Housing Specialist 860-527-6087	www.christianactivities.org
Connecticut Fair Housing Center	221 Main St. New Haven, CT	Jeff Gentes 860-247-4400	www.ctfairhousing.org
Community Renewal Team, Inc.	395 Wethersfield Ave Hartford, CT	Brittney Edwards 860-560-4011	www.crtct.org
Co-opportunity	20-28 Sergeant St. Hartford, CT	Maria Rivera 860-236-3617 x105	www.co-opportunity.org
Housing Education Resource Center (HERC)	901 Wethersfield Ave. Hartford, CT	Penny Trick Housing Counselor 860-296-4242 x106	www.herc-inc.org
Neighborhood Housing Services of New Britain	223 Broad St. New Britain, CT	Rosa Rivera or Kyle Anderson 860-224-2433	www.nhsnb.org
Urban League of Greater Hartford	140 Woodland St. Hartford, CT	Louise Stephenson Housing Counselor 860-527-0147 x266	www.ulgh.org/about.php

MORTGAGE LENDING ASSISTANCE FOR HOMEOWNERS

CONNECTICUT FAIR ALTERNATIVE MORTGAGE LENDING INITIATIVE & EDUCATION SERVICES (CT FAMLIES)

CT FAMLIES, a refinance mortgage assistance program, is offered through the **Connecticut Housing Finance Authority (CHFA)**. The program was developed in response to the recommendations of the Governor's Task Force to address the subprime mortgage crisis in the State of Connecticut. It allows homeowners who bought their home using an Adjustable Rate Mortgage (ARM), or who originally had an ARM and refinanced into another ARM, the opportunity to refinance to a low-interest 30-year fixed rate mortgage. To learn more, contact one of the seven participating lenders:

Freedom Mortgage	1-860-529-9878
Liberty Bank	1-800-433-3656
McCue Mortgage Company	1-800-382-0017
NewAlliance Bank	1-800-892-2096
People's United Bank	1-800-772-1090
Sovereign Bank	1-877-396-3618
Webster Bank	1-888-681-7788

Visit their website: <http://chfa.org/FirstHome/Homebuyer%20Programs.htm>

MORTGAGE RELIEF FUND

The ***Mortgage Relief Fund*** is supported by Citizens Bank, Sovereign Bank, TD Banknorth, Webster Bank and Bank of America. This program can help homeowners who are currently in good standing with their mortgage but may be experiencing difficulty making payments now or in the future when their interest rates increase. To learn more about refinancing into conventional fixed rate loans, contact one or more of the participating banks:

Citizens Bank	1-888-411-1145
Sovereign Bank	1-800-288-6225
TD Banknorth	1-800-281-0025, ext. 2315
Webster Bank	1-888-681-7788
Bank of America	1-800-952-6201

Visit their website: <http://www.mortgagerelieffund.com/>

MORTGAGE LENDING ASSISTANCE FOR HOMEOWNERS

FEDERAL HOUSING ADMINISTRATION (FHA)

FHASecure is a refinancing option that gives homeowners with non-FHA adjustable rate mortgages (ARMs) - current or delinquent and regardless of reset status - the ability to refinance into a FHA-insured mortgage. With *FHASecure*, the lender will not automatically disqualify homeowners who are delinquent on their loans, and the lender may offer second mortgage financing to make up the difference between the property value and mortgage debt. For more information about *FHASecure* and other FHA products, please call **1-800-CALL-FHA (225-5342)**.

Visit their website: <http://www.hud.gov/news/fhasecure.cfm>

NEIGHBORHOOD ASSISTANCE CORPORATION OF AMERICA (NACA)

NACA has a *Home Save/Refinance* Program to provide assistance to homeowners with unaffordable loans who are at risk of losing their homes. NACA may be able to assist you with refinancing your existing mortgage. For more information, contact a NACA office:

Southern Connecticut:

144 Orange Street
New Haven, CT 06510
Phone: (203) 562-6220

Central and Northern Connecticut:

1623 Main Street
Springfield, MA 01103
Phone: (413) 788-6220

Toll Free Number: **1-800-302-NACA (6222)**

Visit their website: www.naca.com

LEGAL SERVICES FOR CONSUMERS

CONSUMER LAW PROJECT FOR ELDERLY (CLPE)

CLPE provides free legal assistance to Connecticut seniors 60 years of age and over who have consumer questions or problems, including debt collection, predatory lending and identity theft. For more information phone: **1-800-296-1467**

Visit their website: <http://www.ctelderlaw.org/>

STATEWIDE LEGAL SERVICES OF CONNECTICUT

Statewide Legal Services is an entry point for accessing legal assistance in Connecticut. Income limits apply to qualify for services. Call the toll-free Hotline at **1-800-453-3320** or locally from Middletown and Hartford call **344-0380**. Operating hours are:

Monday, Wednesday and Friday - 9:00 a.m. to 3:00 p.m.

Tuesday and Thursday - 9:00 a.m. to 4:00 p.m.

Visit their website: <http://www.slsc.org/Home/PublicWeb>

RESOURCE FOR TENANTS

CONNECTICUT DEPARTMENT OF SOCIAL SERVICES

Connecticut Department of Social Services (DSS) has several housing programs, including an *Eviction and Foreclosure Prevention Program ("EFPP") and Rent Bank*, which are operated by 12 community-based agencies. EFPP is designed to prevent evictions and foreclosures through mediation. Trained mediators act as third-party facilitators to help develop mutually agreed upon solutions to identified problems, which may include back rent or mortgage payments. Rent Bank provides assistance in paying rent to low/moderate-income households who are at risk of becoming homeless or are in imminent danger of eviction due to a foreclosure. For contact information to access this program, call **Infoline at 211**.

Visit their website:

<http://www.ct.gov/dss/cwp/view.asp?a=2353&q=305202>