

Senator Lieberman's Mortgage Assistance Tip Sheet

Over the past year, we have seen a vast increase in the number of Connecticut residents experiencing foreclosures. If you or someone you know has already missed one or more mortgage payments, I recommend that you reach out to state, federal, and nonprofit organizations that may be able to assist you. Acting early increases the potential for you, or an individual you know, to avoid foreclosure. **I encourage you to do this as soon as possible.** Contact your mortgage lender immediately or call 1-888-995-4673 (1-888-995-HOPE) to reach a U.S. Department of Housing and Urban Development (HUD)-approved housing counselor. HUD-approved **counseling services are free** and can help you evaluate your income and expenses and understand your options. The law provides certain safeguards for Connecticut homeowners. For instance, under Connecticut law, some unemployed and underemployed homeowners may apply for a six-month protection from mortgage foreclosure and the restructuring of their mortgage payments.

Most recently, President Obama unveiled the Homeowner Affordability and Stability Plan, a comprehensive strategy to help stabilize the economy and housing markets. As a part of this plan, the U.S. Department of the Treasury has released national guidelines for the Making Home Affordable Loan Modification Program. This program will offer assistance to homeowners making a good faith effort to make their mortgage payments. It will not provide money to speculators, and it will target support to the working homeowners who have made every possible effort to stay current on their mortgage payments. The guidelines will give financial incentives for mortgage lenders to modify existing first mortgages and set standard industry practices for modifications. For additional information and to utilize a self-assessment tool, go to the following website at <http://www.makinghomeaffordable.gov/>. For a complete listing of lenders participating in the Making Home Affordable Program please visit the following website at http://www.makinghomeaffordable.gov/contact_servicer.html.

On July 30, 2008, with my support, the Housing and Economic Recovery Act of 2008 (H.R. 3221) was signed into law. The legislation includes a number of provisions designed to help struggling homeowners cope with the economic slowdown and avoid foreclosure. It increases the loan limit on reverse mortgages for seniors to \$625,000; and, most importantly, it establishes the HOPE for Homeowners (H4H) Program, which will allow the Federal Housing Administration (FHA) to insure distressed loans for principal residences that have been renegotiated at a significant discount to the borrower. H4H began on October 1, 2008, and will end on September 11, 2011. The program is voluntary – both the borrower and lender must agree to participate. For additional information, contact a HUD-approved counselor from the list of counseling agencies mentioned below or contact FHA directly at 1-800-225-5342, or visit the HUD website at http://portal.hud.gov/portal/page?_pageid=73,7601299&_dad=portal&_schema=PORTAL.

The following resources can help you to understand better the options that may be available:

As a result of a lawsuit filed by Attorney General Richard Blumenthal against Countrywide (currently Bank of America), approximately 4,500 Countrywide/Bank of America consumers may be eligible for loan modifications, thus saving them from foreclosure. For more information, and to find out if you are eligible to participate, please contact Bank of America directly at toll free (800) 669-6607.

Governor M. Jodi Rell has established a Mortgage Foreclosure Assistance Hotline for Connecticut residents facing foreclosure on their homes. To access the hotline, call 1-877-472-8313 toll free. The hotline is open Monday-Friday, 8:00 a.m. to 5:00 p.m. In addition, as a result of state legislation passed into law, three new programs have been established to assist homeowners. The EMAP (Emergency Mortgage Assistance Program), the HERO (Homeowner Equity Recovery Opportunity, and the CTFAMILIES programs. These programs are being administered by the Connecticut Housing

Finance Authority (CHFA). For more information and details about program guidelines, please contact CHFA directly at 860-571-3500 or toll free at 1-877-571-2432.

HUD maintains a list of free or low-cost approved housing counselors. To obtain this list, contact HUD at 1-800-569-4287. Also, if you have an FHA mortgage, be sure to ask the representative for additional information about the FHA Loss Mitigation Program. Under this program, lenders have the ability to offer borrowers a number of HUD-approved options for avoiding foreclosure. You should also inquire about HUD's FHA Secure Plan.

The Connecticut Department of Banking offers a website on "avoiding foreclosure." The website offers advice to people who have fallen behind on their mortgage payments and can be accessed at <http://www.ct.gov/dob/cwp/view.asp?a=2235&q=386114>.

The Statewide Legal Services of Connecticut, Inc., which offers statewide legal services, can be reached at 860-344-0380 in the Middletown and Hartford areas or toll free at 1-800-453-3320.

The Federal Trade Commission's fact sheet "Mortgage Payments Sending You Reeling? Here's What To Do," www.ftc.gov/bcp/edu/pubs/consumer/homes/rea04.shtm

Additional information that you may find help can be found on the following websites:

Americans for Fairness in Lending www.affil.org
Consumer Federation of America, www.consumerfed.org
National Community Reinvestment Coalition, www.ncrc.org
Center for Responsible Lending, www.responsiblelending.org

In addition, if your mortgage was guaranteed or purchased by Fannie Mae or Freddie Mac, you may have additional mortgage refinancing or restructuring options, including reductions in the interest rate and/or principal amount. On November 11, 2008, the Federal Housing Finance Agency (FHFA) announced a new streamlined modification program to assist homeowners with Fannie Mae and Freddie Mac mortgages. The program targets the highest risk borrower who has missed three payments or more, owns and occupies the property as a primary residence, and has not filed for bankruptcy. To be considered for the program, a delinquent borrower should contact his or her servicer and provide the requested income information. You may call Fannie Mae's Resource Center at 1-800-732-6643 (1-800-7FANNIE).

A new program called Project Lifeline encourages homeowners to reach out to their mortgage servicer or counselor for assistance. Project Lifeline is a broad, national approach to help *all* homeowners, not just those with subprime mortgages, who are "seriously delinquent" (meaning 90 days or more late in mortgage payments) and thus facing the greatest risk of losing their home. It's an effort to directly "pause" the foreclosure process, where appropriate, through a single phone call. Participating lenders – which currently include Bank of America, Chase, Citigroup, Countrywide, Washington Mutual, and Wells Fargo – will begin the program by sending letters to seriously delinquent homebuyers nationwide with a "step-by-step" approach that, if followed, may enable them to "pause" their foreclosure for 30 days while a potential loan modification is evaluated. Individuals that fall under this category may contact their mortgage servicer directly for further information.

Mortgage Servicer Contact Numbers and Websites for Homeowners

In addition to the governmental and nonprofit organizations, it is important that you reach out to your mortgage servicer. Through the HOPE NOW Alliance, most mortgage servicers provide a dedicated phone number for homeowners having trouble with their mortgage. Have your account number ready when calling.

Company	Phone Number	Website/Email
Acqura Loan Services	866-660-5804	www.acqura.net
American Home Mortgage Servicing, Inc.	877-374-3100	optiononeonline.com
Aurora Loan Services	800-550-0509	myauroraloan.com
Bank Of America	800-846-2222	bankofamerica.com
Carrington Mortgage Services, LLC	800-790-9502	myloan.carringtonms.com
Citi Mortgage/Citi Residential	866-915-9417	mortgagehelp@citi.com officeofhop@citir.com
Countrywide Home Loans	800-669-6650	countrywide.com
EMC Mortgage / Bear Stearns	877-362-6631	emcmortgageservicing.com
First Horizon Home Loans	800-364-7662	firsthorizon.com
GMAC / Homecomings	800-799-9250	homecomings.com gmacmortgage.com
Home Loan Services, Inc. (d/b/a First Franklin Loan Services & NationPoint Loan Services)	800-500-5022	viewmyloan.com nationpoint.com
HomEq Servicing	877-867-7378	www.homeq.com

Senator Lieberman's Guide for Homeowners Facing Foreclosure

In an effort to assist individuals currently facing foreclosure, the U.S. Department of the Treasury has released national guidelines for the Making Home Affordable Loan Modifications.

Information about this program and a summary of the modification guidelines are available at:

www.FinancialStability.gov

Borrowers may find out if they are eligible for this program by utilizing the self-assessment tools found under the Making Home Affordable Refinance and Modification Options. Please click on the following link to access this information: <http://www.financialstability.gov/makinghomeaffordable/index.html>.

For a copy of the U.S. Department of the Treasury press release please visit the following website

<http://www.treas.gov/press/releases/tg48.htm>.