

Home Affordable Modification Program

If you are not unemployed, but you're still struggling to make your mortgage payments, you may be eligible for the **Home Affordable Modification Program (HAMP®)**. HAMP may lower your monthly mortgage payments in order to make them more affordable and sustainable for the long-term.

If you currently occupy your home as your primary residence, we encourage you to contact your mortgage servicer as soon as possible to begin the HAMP evaluation process.

In an effort to continue to provide meaningful solutions to the housing crisis, **effective June 1, 2012**, the Obama Administration expanded the population of homeowners that may be eligible for the Home Affordable Modification Program to include:

- Homeowners who are applying for a modification on a home that is not their primary residence, but the property is currently rented or the homeowner intends to rent it.
- Homeowners who previously did not qualify for HAMP because their debt-to-income ratio was 31% or lower.
- Homeowners who previously received a HAMP trial period plan, but defaulted in their trial payments.
- Homeowners who previously received a HAMP permanent modification, but defaulted in their payments, therefore losing good standing.

If you are a homeowner who falls into any of these criteria, you may be eligible for a modification under the expanded criteria. Please check with your mortgage servicer to see if you are eligible to begin the HAMP evaluation process.

Go here for more information on HAMP:

<http://www.makinghomeaffordable.gov/programs/lower-payments/Pages/hamp.aspx>

Home Affordable Foreclosure Alternatives (HAFA) Program

If you can't afford your mortgage payment and it's time for you to transition to more affordable housing, the **Home Affordable Foreclosure Alternatives (HAFA)** program is designed for you. HAFA provides two options for transitioning out of your mortgage: a short sale or a Deed-in-Lieu (DIL) of foreclosure. In a short sale, the mortgage company lets you sell your house for an amount that falls "short" of the amount you still owe. In a DIL, the mortgage company lets you give the title back, transferring ownership back to them.

In either case, HAFA offers benefits that make the transition as favorable as possible:

- You can get free advice from HUD-approved housing counselors and licensed real estate professionals.
- Unlike conventional short sales, a HAFA short sale completely releases you from your mortgage debt after selling the property. This means you will no longer be responsible for the amount that falls "short" of the amount you still owe. The deficiency is guaranteed to be waived by the servicer.
- In a HAFA short sale, your mortgage company works with you to determine an acceptable sale price.
- HAFA has a less negative effect on your credit score than foreclosure or conventional short sales.
- When you close, HAFA provides \$3,000 in relocation assistance.

Go here for more information on HAFA:

<http://www.makinghomeaffordable.gov/programs/exit-gracefully/Pages/hafa.aspx>