

## 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 and 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**.

## SECTION 184 BORROWERS

**In order to be of greatest assistance, we need to hear from you right away.**

If you currently have a Section 184 Indian Home Loan, please contact our Section 184 servicing department immediately if you are having trouble making your loan payment.

If you are currently in discussions with your lender you should inform them that you have a Section 184 loan as well, so that it does not get confused with an FHA loan.

If your home is located on tribal trust land or is an allotment notify the appropriate person at your Housing or Leasing Office as soon as possible.

Contact a HUD Approved Counseling agency immediately for guidance on exploring your options.



## Attention!

### Section 184 Borrowers!

## Don't let foreclosure happen to you

Find out what your options are before it's too late



### Section 184 Loan Servicing

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## Tips for Avoiding Foreclosure

Are you having trouble keeping up with your mortgage payments due to a job loss or health emergency? 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**  
Toll FREE (800) 569-4287 or TTY (800) 877-8339

### 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 notices of pending legal ac-

tion. 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 or visit: [www.foreclosurelaw.org](http://www.foreclosurelaw.org).

### 5. Understand foreclosure prevention options.

Valuable information about foreclosure prevention (also called loss mitigation) options can be found at: <http://www.995hope.org/>

### 6. Have the following information on hand when you talk to your lender or a HUD Approved Counseling Agency:

- Loan number
- Current income and expenses
- Reason for default
- Is the loan in bankruptcy?
- Is the property owner occupied?

### 7. 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 under-

stand the law and your options, organize your finances and represent you in negotiations with your lender, if you need this assistance. Make sure you have your loan documents and lender correspondence available for your meeting. **Find a HUD-approved housing counselor near you** or call (800) 569-4287

### 8. Prioritize your spending.

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. This is critical as it determines how your lender can work with you. The lender wants to provide the best plan that allows you to afford your mortgage payment, but still meet your other living expenses.

Your spending plan should include all sources of income and all monthly family expenses. Your expenses include all charge accounts, auto payments, medical and auto insurance, student loans, day-care, utilities, food and transportation, and other family expenses.

It's very important that you provide an accurate reflection of your income and expenses to ensure that you negotiate the option that works best for your financial situation.