



**OUR PRESENTATION WILL BEGIN AT 2 P.M.**





# Help for Homeowners Building Solid Financial Foundations

FORECLOSURE PREVENTION OPTIONS

# Optimize Your Experience

(Keep the chat box open  look for this symbol to open it.)

Use the chat box to ask questions.

Questions will be answered during the webinar or at the end during the Q & A period.



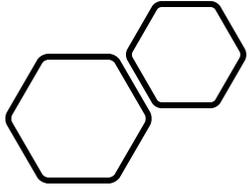
# FORECLOSURE PREVENTION OPTIONS



- Quick Education – Information You Need To Know
- Things To Do Prior To Contacting Your Servicer
- Contacting Your Servicer
- Options
- Being Foreclosed – Have A Sale Date



LOS ANGELES COUNTY  
CONSUMER &  
BUSINESS AFFAIRS



Homeownership Done Right.™

# HPP CARES COMMUNITY DEVELOPMENT CENTER

Est. in 2009 Industry Leader

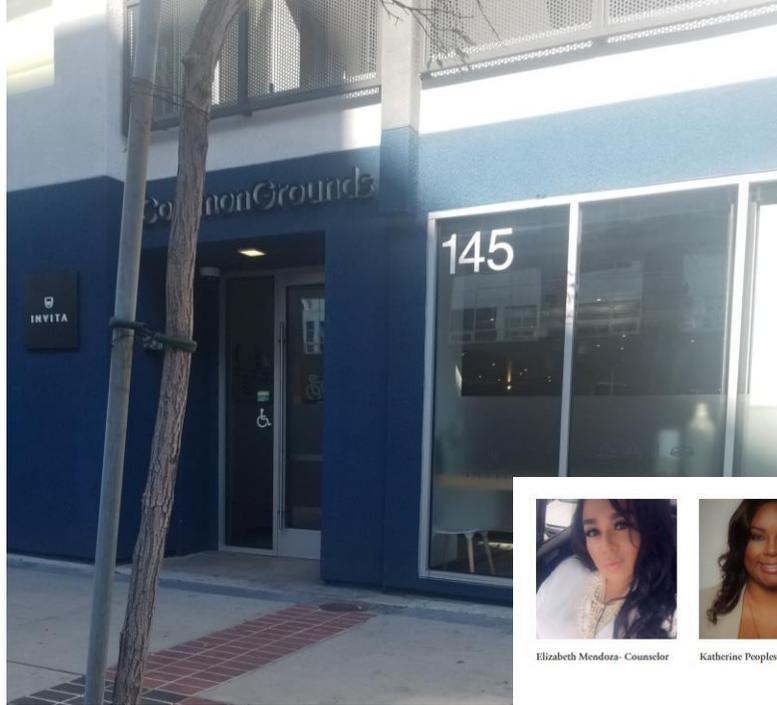
Founded in 2009 HPP CARES is the states first nonprofit with the largest reach dedicated to improving consumer's financial well-being

*Innovative HUD Approved Forward Thinking*

- Housing Urban Department HUD APPROVED
- Non-Profit Agency 501 c 3 IRS Determined
- NeighborWorks American Trained and Certified
- Adopter of National Industry Standards

*Helping Individuals & Families Acquire and Sustain Ownership*

*Building Neighborhood Density*



Elizabeth Mendoza- Counselor



Katherine Peoples McGill



Walter Armenderiz- Mortgage



Michelle Palmer Real Estate Adviser



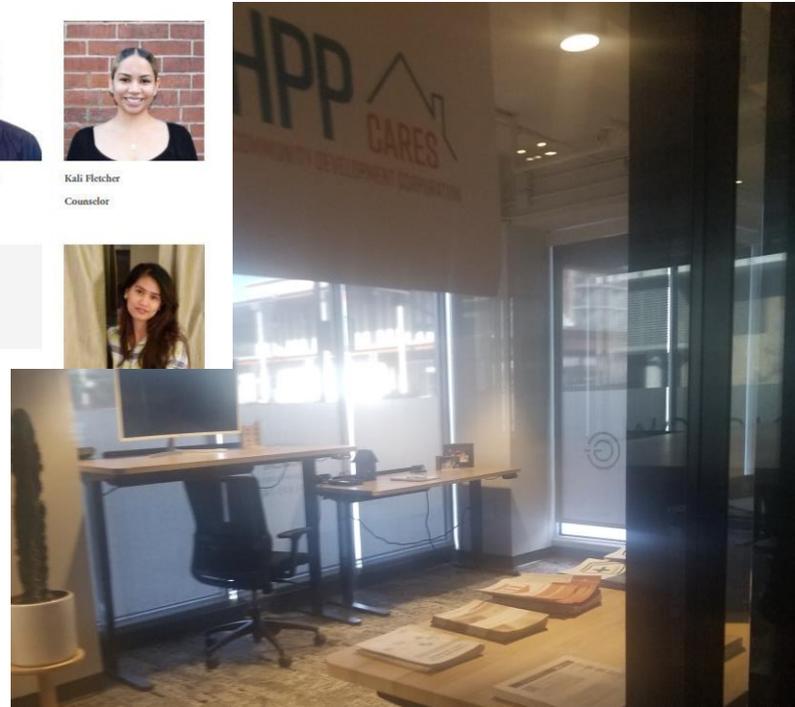
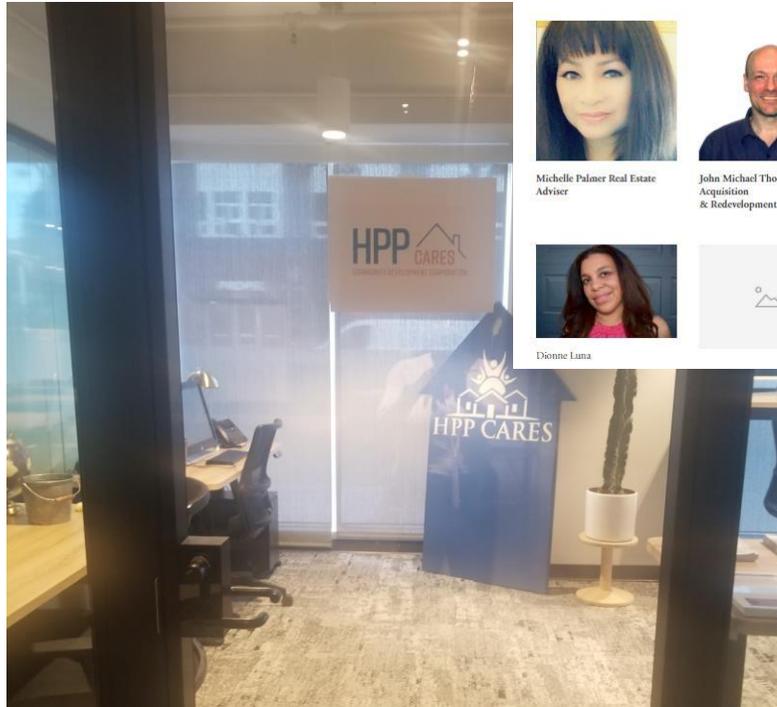
John Michael Thomas Acquisition & Redevelopment



Kali Fletcher Counselor



Dionne Lama





# QUICK EDUCATION

- **Under the CARES Act, servicers are required to grant forbearance to all borrowers with federally-backed loans if they are experiencing a financial hardship negatively impacting their ability to make on-time Mortgage Payments due to the COVID-19 National Emergency.**
- **Hardships include but not limited to : unemployment, reduction in regular work hours, or illness of a borrower/co-borrower or dependent family member. No documentation of hardship required.**
- **All borrowers with federally-backed loans that are current or less than 30 days delinquent will be automatically granted up to 6 months initial forbearance:**
  - **In general, servicers are offering forbearance in 3-month increments**
  - **Borrowers can receive one extension of up to 12 months**
  - **If borrower was more than 30 days delinquent before COVID hardship period, may still request and receive forbearance, but the post forbearance options will be different. Mortgage forbearance terms will depend on the type of loan, the owner or investor requirements in your mortgage loan, and your servicer**
- **Credit Cards, Student Loans, Mortgages**



# Governor Gavin Newsom Announces Major Financial Relief Package: 90-Day Mortgage Payment Relief During COVID-19 Crisis

Published: Mar 25, 2020

## Recent News

[Governor Newsom Issues Executive Order on Extending Deadlines Impacted by COVID-19](#)

[Governor Newsom Issues Executive Order](#)

# September 1, 2020

- Many states are implementing or considering various mortgage relief options that are in addition to federal initiatives, including the suspension of foreclosures, as well as additional assistance for homeowners.



# FORECLOSURE TIMELINE

- Day 15-17 - Servicer starts collection process
  - Phone calls
  - Mail late notices and reminder letters
  - Send workout Borrower Solicitation Package



# FORECLOSURE TIMELINE

- The lender MUST contact you and anyone else on the mortgage loan to assess your financial situation and explore your options to avoid foreclosure (called a “foreclosure avoidance assessment”). The lender: Cannot start the foreclosure process until at least 30 days after contacting you to make this assessment; and
- Must advise you during that first contact that you have the right to request another meeting about how to avoid foreclosure. That meeting must be scheduled to take place within 14 days.
- You can authorize a lawyer, HUD-certified housing counseling agency, or other advisor to talk on your behalf with the lender about ways to avoid foreclosure. You cannot be forced to accept any plan that your representative and the lender come up with during that discussion.

# FORECLOSURE TIMELINE

- If you and the lender have not worked out a plan to avoid foreclosure, the lender can record a **Notice of Default** in the county where your home is located, **at least 30 days** after contacting you for the foreclosure avoidance assessment. This marks the beginning of the formal and public foreclosure process. The lender sends you a copy of this notice by certified mail within 10 business days of recording it. You then have 90 days from the date that the Notice of Default is recorded to “cure” (fix, usually by paying what is owed) the default.
- **WARNING:** Since the Notice of Default is recorded as a public document, many fraudulent companies and scam artists search the public records to send defaulted borrowers offers to “help” them avoid losing their homes to foreclosure. These fraudulent companies could take your money and then do nothing to help. There are free services available from government and nonprofit organizations to help borrowers.

## RECORDING REQUESTED BY

### WHEN RECORDED MAIL TO

Name

Street Address

City & State

TITLE NUMBER NO.  
LOAN NO.

T.S. NO.  
OTHER REF.

SPACE ABOVE THIS LINE FOR RECORDER'S USE  
COMPUTER NO.  
T.S. NO.

### NOTICE OF DEFAULT AND ELECTION TO SELL UNDER DEED OF TRUST IMPORTANT NOTICE

IF YOUR PROPERTY IS IN FORECLOSURE BECAUSE YOU ARE BEHIND  
IN YOUR PAYMENTS, IT MAY BE SOLD WITHOUT ANY COURT ACTION,

and you may have the legal right to bring your account in good standing by paying all of your past due payments plus permitted costs and expenses within the time permitted by law for reinstatement of your account which is normally five business days prior to the date set for the sale of your property. No sale date may be set until three months from the date this notice of default may be recorded (which date of recording appears on this notice).

This amount is \_\_\_\_\_ as of \_\_\_\_\_ and will increase until  
your account becomes current.

While your property is in foreclosure, you still must pay other obligations (such as insurance and taxes) required by your note and deed of trust or mortgage. If you fail to make future payments on the loan, pay taxes on the property, provide insurance on the property, or pay other obligations as required in the note and deed of trust or mortgage, the beneficiary or mortgagee may insist that you do so in order to reinstate your account in good standing. In addition, the beneficiary or mortgagee may require as a condition to reinstatement that you provide reliable written evidence that you paid all senior liens, property taxes, and hazard insurance premiums.

Upon your written request, the beneficiary or mortgagee will give you a written itemization of the entire amount you must pay. You may not have to pay the entire unpaid portion of your account, even though full payment was demanded, but you must pay all amounts in default at the time payment is made. However, you and your beneficiary or mortgagee may mutually agree in writing prior to the time the notice of sale is posted (which may not be earlier than the end of the three-month period stated above) to among other things, (1) provide additional time in which to cure the default by transfer of the property or otherwise; or (2) establish a schedule of payments in order to cure your default; or both (1) and (2).

Following the expiration of the time period referred to in the first paragraph of this notice, unless the obligation being foreclosed upon or a separate written agreement between you and your creditor permits a longer period, you have only the legal right to stop the sale of your property by paying the entire amount demanded by your creditor.



1800 Tapo Canyon Rd., CA6-914-01-94  
SIMI VALLEY, CA 93063

WHEN RECORDED MAIL TO:  
RECONTRUST COMPANY  
1800 Tapo Canyon Rd., CA6-914-01-94  
SIMI VALLEY, CA 93063

Attn:  
TS No. 2345678

Title Order No. 2345

APN No.: 234-56-789

### NOTICE OF TRUSTEE'S SALE

**YOU ARE IN DEFAULT UNDER A DEED OF TRUST, DATED 11/23/2005.  
UNLESS YOU TAKE ACTION TO PROTECT YOUR PROPERTY, IT MAY BE  
SOLD AT A PUBLIC SALE. IF YOU NEED AN EXPLANATION OF THE  
NATURE OF THE PROCEEDING AGAINST YOU, YOU SHOULD CONTACT A  
LAWYER.**

Notice is hereby given that RECONTRUST COMPANY, N.A., as duly appointed trustee pursuant to the Deed of Trust executed by JOHN and JANE DOE, dated 11/23/2005 and recorded 12/13/2005, as Instrument No. 123456, in Book, Page, of Official Records in the office of the County Recorder of SANTA CLARA County, State of California, will sell on 07/15/2010 at 11:00 AM, At the North Market Street entrance to the County Courthouse, 190 North Market Street, San Jose, CA 95321

at public auction, to the highest bidder for cash or check as described below, payable in full at time of sale, all right, title, and interest conveyed to and now held by it under said Deed of Trust, in the property situated in said County and State and as more fully described in the above referenced Deed of Trust. The street address and other common designation, if any, of the real property described above is purported to be: 123 MAIN STREET, SAN JOSE CA 95125. The undersigned Trustee disclaims any liability for any incorrectness of the street address and other common designation, if any, shown herein.

The total amount of the unpaid balance with interest thereon of the obligation secured by the property to be sold plus reasonable estimated costs, expenses and advances at the time of the initial publication of the Notice of Sale is \$308,713.51. It is possible that at the time of sale the opening bid may be less than the total indebtedness due.

In addition to cash, the Trustee will accept cashier's checks drawn on a state or national bank, a check drawn by a state or federal credit union, or a check drawn by a state or federal savings and loan association, savings association, or savings bank specified in Section 5102 of the Financial Code and authorized to do business in this state.

Said sale will be made, in an "AS IS" condition, but without covenant or warranty, express or implied, regarding title, possession or encumbrances, to satisfy the indebtedness secured by said Deed of Trust, advances thereunder, with interest as provided, and the unpaid principal of the Note secured by said Deed of Trust with interest thereon as provided in said Note, plus fees, charges and expenses of the Trustee and of the trusts created by said Deed of Trust.  
If required by the provisions of Section 2923.5 of the California Civil Code, the declaration from the mortgagee, beneficiary or authorized agent is attached to the Notice of Trustee's Sale duly recorded with the appropriate County Recorder's office.

- If you do not pay what you owe, a **Notice of Sale** is recorded (at **least 90 days** after the Notice of Default is recorded). The Notice of Sale states that the trustee will **sell your home at auction in 21 days**. The Notice of Sale must:
  - **Be sent to you by certified mail.**
  - Be published weekly in a newspaper of general circulation in the county where your home is located for 3 consecutive weeks before the sale date.
  - Be posted on your property, as well as in a public place, usually at your local courthouse.
  - **Have the date, time, and location of the foreclosure sale; the property address; the trustee's name, address, and phone number; and a statement that the property will be sold at a public auction.**



LOS ANGELES COUNTY  
**CONSUMER &  
BUSINESS AFFAIRS**



FORECLOSURE

- At least 21 days after the date when the Notice of Sale is recorded the property can be sold at a public auction. The successful bidder must pay the full amount of the bid immediately with cash or a cashier's check. The successful bidder gets a trustee's deed once the sale is complete. The lender usually bids at the auction, in the amount of the balance due plus the foreclosure costs. If no one else bids, your home goes to the lender.

# TYPES OF FORECLOSURE

1. **Judicial** (through the court)
2. **Non-judicial state specific** (power of sale)

## Judicial

The servicer must sue the borrower in court with a judge. The borrower will receive a copy of the complaint and has 30 days or so (depending on the court) to respond. If your client doesn't respond, a foreclosure sale will be scheduled. Help your client understand that foreclosure prevention options are available before the foreclosure sale.



**CALIFORNIA REPUBLIC**



LOS ANGELES COUNTY  
**CONSUMER &  
BUSINESS AFFAIRS**

# PRIOR TO CONTACTING SERVICER



LOS ANGELES COUNTY  
CONSUMER &  
BUSINESS AFFAIRS



Temporary | Short Term |  
Long Term | Permanent  
Number of Months Behind?  
Payment Vacation - NOT

# THINGS TO KNOW

- If you **can** pay your mortgage, pay your mortgage.
- Don't call your mortgage servicer if you aren't facing an immediate issue. Mortgage servicers are getting a lot of calls and need to first help those who won't be able to pay their mortgage. Check their website first for possible options.
- If you **can't** pay your mortgage, or can only pay a portion, **contact your mortgage loan servicer immediately.**
- It may take a while to get a loan servicer on the phone. Loan servicers are experiencing a high call volume and may also be impacted by the pandemic. Please be sure to read this blog carefully so you are prepared for this conversation.



# FINANCIAL LANDSCAPE

---

- Income
- Budget
  - Crisis Budget

## Needs

Rent/Mortgage

Utility Bills

Groceries

Gas for car

Insurance

## Wants

Out To Dinner

Movies



LOS ANGELES COUNTY  
CONSUMER &  
BUSINESS AFFAIRS

# THE NUMBERS

## Regular Spending Budget

- Income: +\$4000.00
- Rent/Mortgage: -\$800.00
- Utilities: -\$200.00
- Cable TV: -\$60.00
- Cell Phone Plan: -\$200.00
- Insurance: -\$250.00
- Car Payment: -\$250.00
- Gas: -\$60.00
- Groceries: -\$150.00
- Meals Out: -\$100.00
- Entertainment: -\$50.00
- Hobbies: -\$40.00
- Savings: +\$1,840.00

## Crisis Budget

- Income: +2000.00
- Rent/Mortgage: -\$800.00
- Utilities: \$200.00
- Cell Phone Plan: -\$100.00
- Insurance: -\$250.00
- Car Payment: \$250.00
- Gas: -\$60.00
- Groceries: -\$100.00
- Savings: +\$240.00



## FIGURE OUT WHO IS SERVING YOUR LOAN

- Your mortgage servicer is the company that you send your mortgage payments to each month.
- If you don't know or can't remember who currently services your mortgage, there are several ways to find out, including looking at your mortgage statement for contact information.



# STEP 1

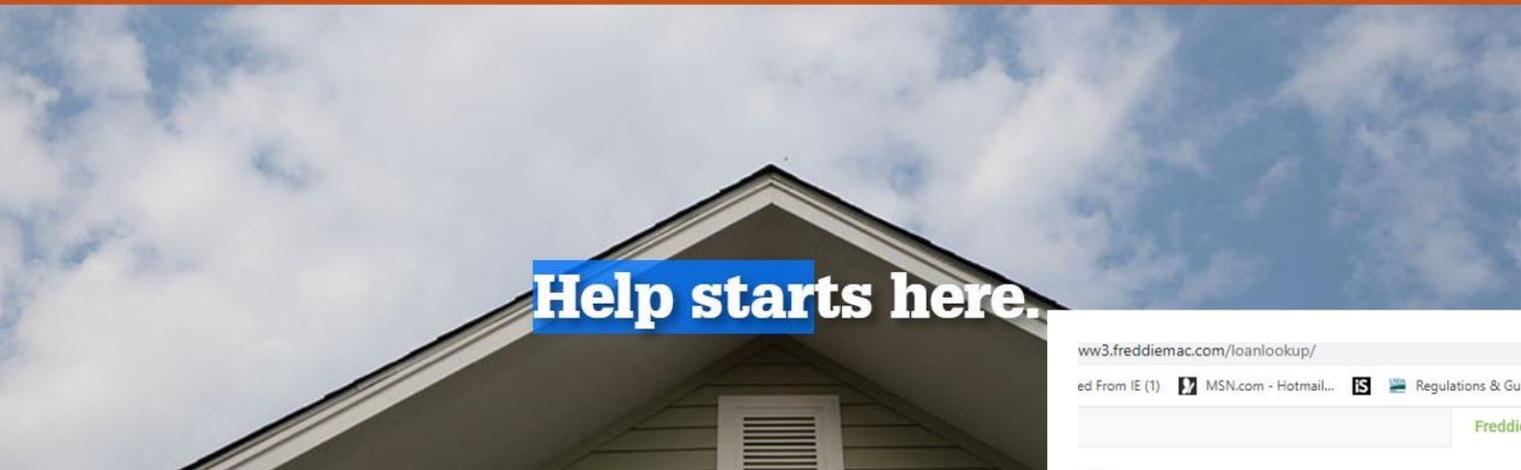
- Call your mortgage servicer
  - You can find the number for your mortgage servicer on your monthly mortgage statement or coupon book.



# LIST OF FEDERAL AGENCIES AND ENTITIES WITH FEDERALLY BACKED MORTGAGES

- This information links to the guidance that the agencies and entities are giving as well as available “loan look up” information.
- [U.S. Department of Housing and Urban Development \(HUD\)](#)
- [U. S. Department of Agriculture](#)
  - [USDA Direct](#)
  - [USDA Guaranteed](#)
- [Federal Housing Administration \(FHA\) \(Includes reverse mortgages\)](#)
  - You can call the HUD National Servicing Center at 877-622-8525
- [U.S. Department of Veterans Affairs \(VA\)](#)
- [Fannie Mae](#)
  - [Check here to see if your loan is backed by Fannie Mae](#) or call 1-800-232-6643 and press “4” for homeowner
- [Freddie Mac](#)
  - [Check here to see if your loan is backed by Freddie Mac](#) or call 1-800-373-3343 and press “4” for homeowner.

Facing financial impacts from COVID-19? We're here to help. See our available assistance and relief options »



Help starts here.



## Loan Look-Up Tool

Understand the options available for getting help with your mortgage it's important for you to know who owns your loan.

Using the secured look-up tool below, you can quickly find out if Freddie Mac owns your loan. **Please enter your information carefully** – a spelling error or other small mistake could cause an inaccurate result. Abbreviations, acronyms, or including the "Street Type" in the "Street Name" field can also lead to inaccurate results.

### Self-Service Lookup

Indicates required fields \*



Busque usted mismo su propiedad (en español)

### Support Information

If you are having difficulty paying your mortgage on time, your lender or servicer (or as a mortgage servicer) should be able to help you.

# IF MORTGAGE NOT FEDERAL BACKED MORTGAGE

mers-servicerid.org/sis/common/search;MERSSESSIONID=1A25679F68B29603F0AAF0E164387028?searchType=&min=&fn=&ln=&cn=&num=...  
ported From IE (1) MSN.com - Hotmail... Regulations & Guid... Handbooks | USDA... New Tab Search Secure file sharing...



## MERS® ServicerID

### Search for servicer information

- **Search by MIN**  
*Search by a MERS® System Mortgage Identification Number.*
- **Search by Property Address/Borrower Details**  
*Search by property address and borrower information.*
- **Search by FHA/VA/MI Certificate**  
*Search by Federal Housing Administration / Veterans Administration Case Number or Mortgage Insurance Ce*

For more information about Mortgage Electronic Registration Systems, Inc. (MERS) please go t

**Homeowners:** Visit [Information for Homeowners](#) for information about the duties and responsibilities of link to Hope Now, which provides support and guidance for homeowners in dist

Copyright© 2020 by MERSCORP Holdings, Inc.

You can look up your mortgage servicer by searching the [Mortgage Electronic Registration Systems \(MERS\)](#) website



- Send a written request
- Another option is to send a written request to your mortgage servicer. Your servicer is obligated to provide you, to the best of their knowledge, with the name, address, and telephone number of the owner of your loan. You can send a [Qualified Written Request](#) or a [Request for Information](#).
- Here is a [sample letter](#) to help you write your mortgage servicer to request information.

Date:

To:  
*[Your mortgage servicer  
Your mortgage servicer's address]*

From:  
*[Your full name  
Your street address  
Your city, state, and ZIP Code]*

RE: Information Request

Mortgage Loan Number: *[Your loan number]*

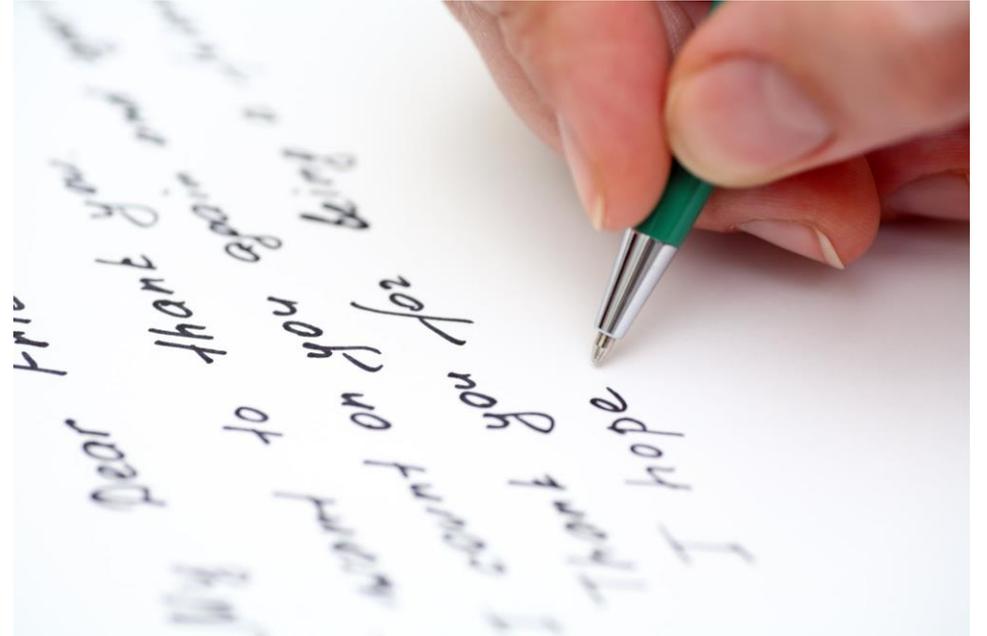
I am writing to request the information described below in regard to the mortgage on my property at *[Your home address]*.

*[INSTRUCTIONS: Provide a full description of the information you are requesting. Be as specific as possible.]*

If you need to contact me to discuss this request, I can be reached at *[Include the best contact information, which may be your home address, work or mobile phone, or email address.]*

Sincerely,

*[Your name  
Co-borrower's name]*



### HUD HOUSING COUNSELING AGENCIES

You can narrow your search within this state by using one or more of the following search criteria and clicking the "Search" button.

Agency Name:

Specific City:

Specific Zip:

Language:

[GO BACK](#)

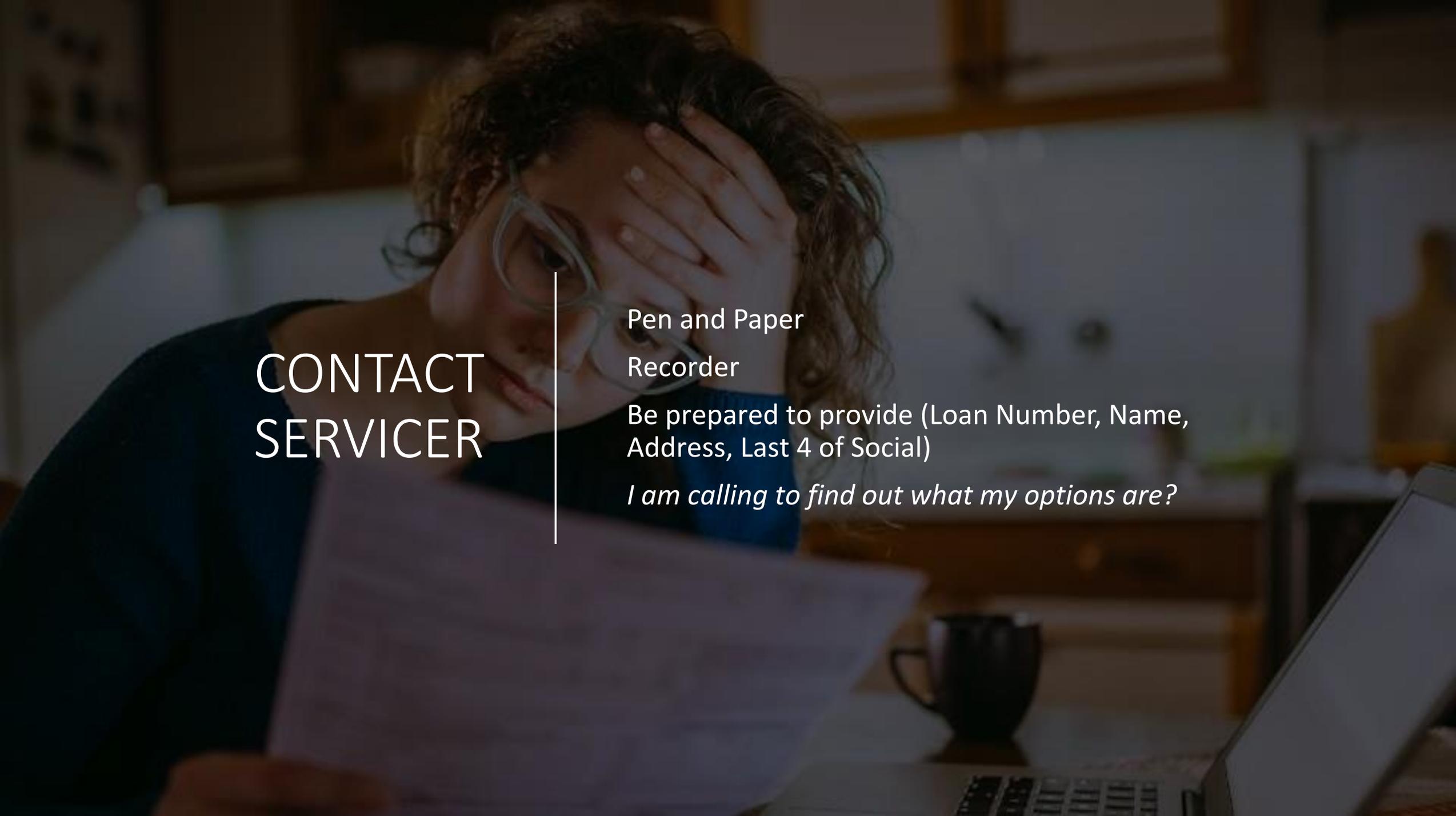
### HUD Housing Counseling Agencies located in CALIFORNIA

This listing is current as of 08/25/2020.

HUD Agency Name	Phone Toll-Free Fax Number Email Website Agency ID	Address	Languages
BALANCE	P: 800-777-7526 T: 800-777-7526 F: E: <a href="mailto:infohousingeducation@balancepro.org">infohousingeducation@balancepro.org</a> W: <a href="http://www.balancepro.org">www.balancepro.org</a> A: 90199	1655 Grant Street Suite 1300 CONCORD, California 94520-2600	- English - Other - Russian - Spanish
BALANCE - CONCORD	P: 800-777-7526 T: F: 415-777-4030 E: <a href="mailto:infohousingeducation@balancepro.org">infohousingeducation@balancepro.org</a> W: <a href="https://www.balancepro.org/">https://www.balancepro.org/</a> A: 90242	1655 Grant St Suite 1300 Concord, California 94520-2600	- Cantonese - English - Other - Russian - Soanish
USA HOMEOWNERS FOUNDATION OF REAL ESTATE PROFESSIONAL ASSOCIATION OF REAL ESTATE PROFESSIONAL	F: E: <a href="mailto:info@varep.net">info@varep.net</a> W: <a href="https://www.varep.net">https://www.varep.net</a> A: 90312		- English - Korean - Spanish - Vietnamese
NATIONAL ASIAN AMERICAN COALITION (FORMERLY KNOWN AS MABUHAY ALLIANCE)	P: 650-952-0522 T: F: 650-952-0530 E: <a href="mailto:npenaflor@naac.org">npenaflor@naac.org</a> W: <a href="http://www.naac.org">www.naac.org</a> A: 94475	318 Westlake Shopping Center Suite 270 DALY CITY, California 94015-1436	- English - Other - Spanish

SCHEDULE A MEETING WITH A HUD COUNSELOR

[www.hud.gov](http://www.hud.gov)



# CONTACT SERVICER

Pen and Paper  
Recorder

Be prepared to provide (Loan Number, Name,  
Address, Last 4 of Social)

*I am calling to find out what my options are?*

- 
- REFINANCE
  - REVERSE MORTGAGE 62 and older



SALE VS.  
SHORT SALE

---

# COVID-19 FORBEARANCE OPTIONS

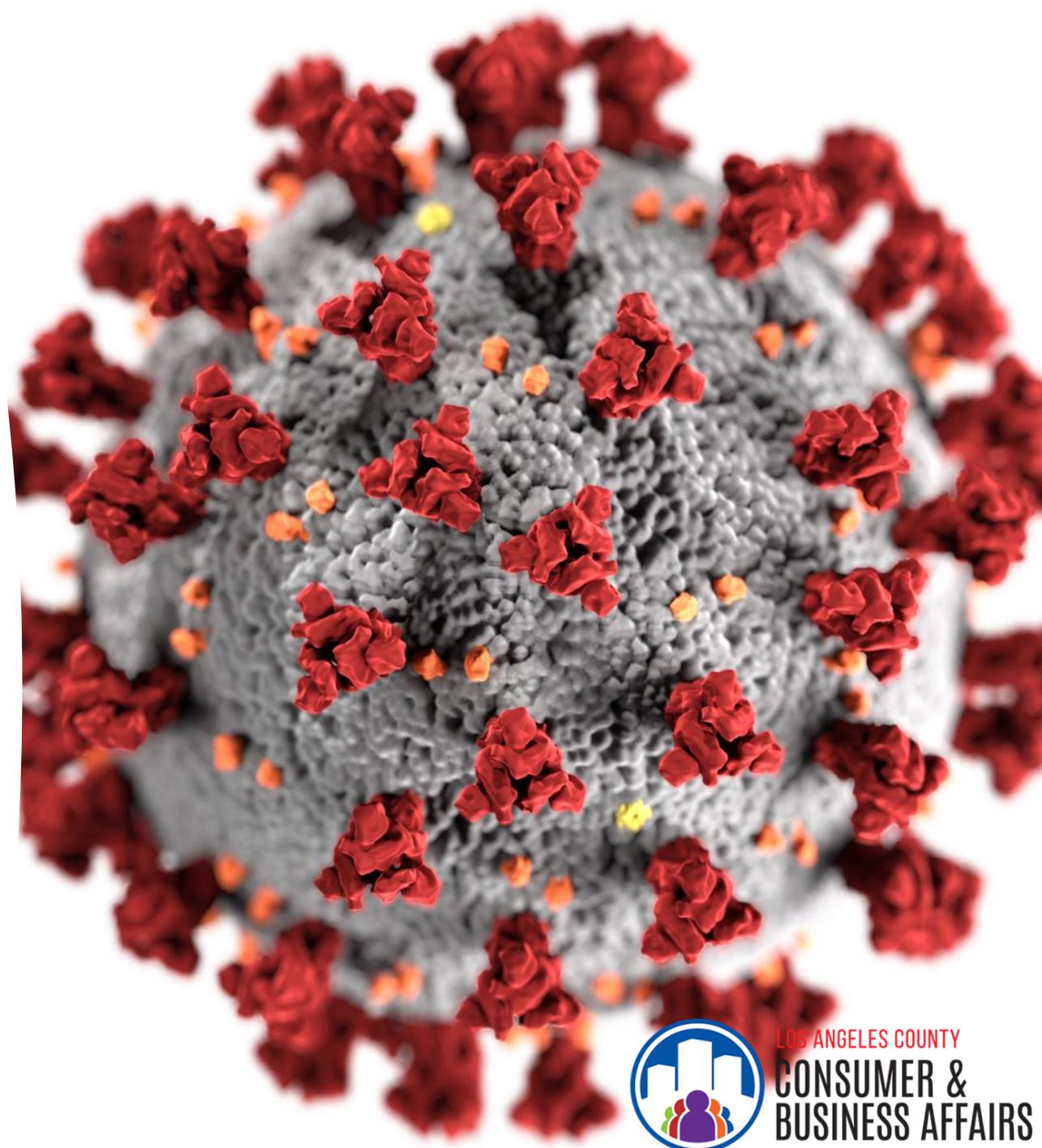
## What is mortgage forbearance?

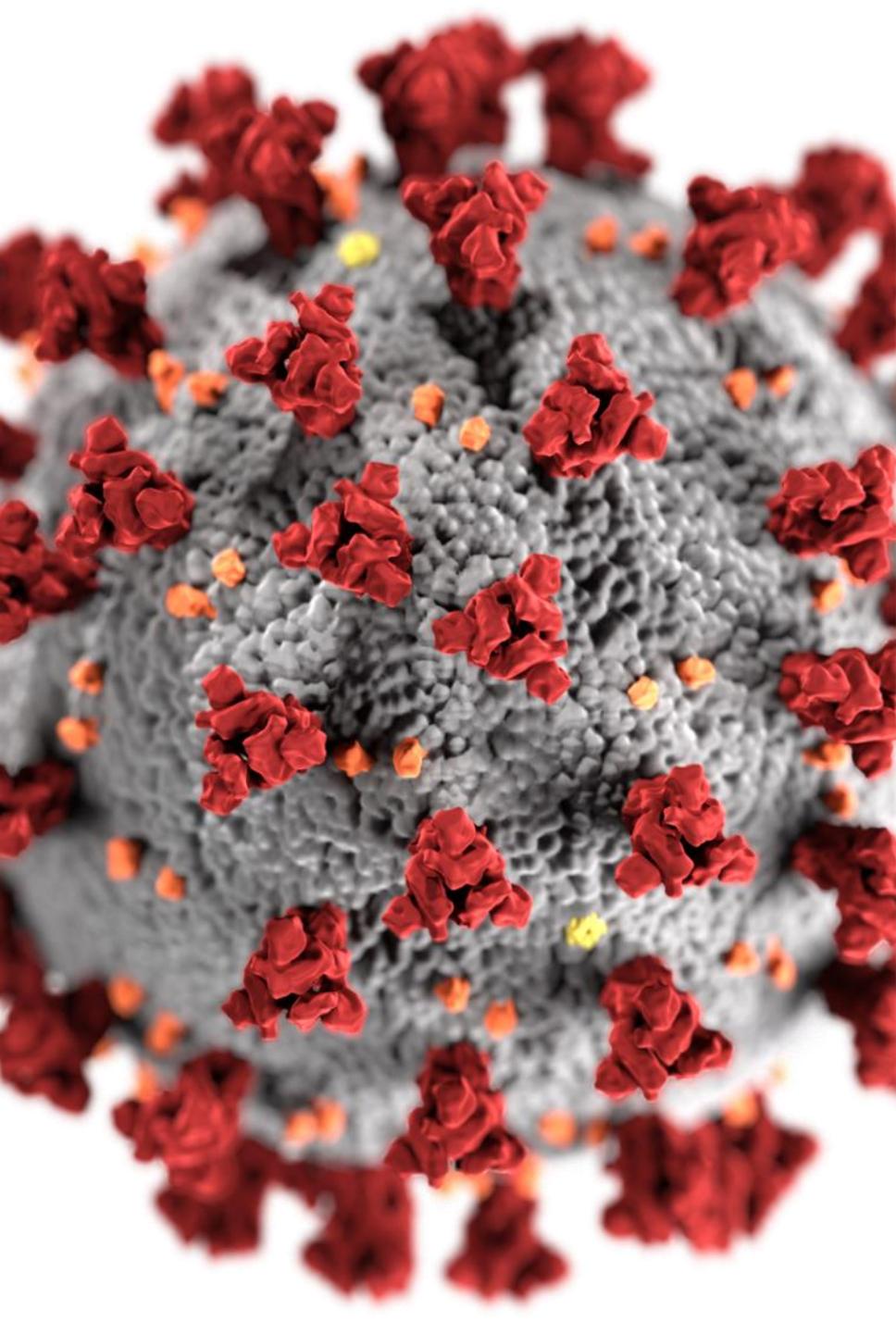
Forbearance is when a mortgage servicer or lender allows a homeowner to temporarily pay their mortgage at a lower payment or pause paying their mortgage.

- Forbearance is not loan forgiveness.
- In most cases, forbearance payments are added to the back of the loan.
- Balloon payments at end of forbearance period are not permissible.

## How to request a forbearance:

- Borrowers can request forbearance through via any available method of communication.
- No documentation of hardship is required to receive forbearance.
- Most servicers have established email application processes.





- 
- **Make sure you understand how the forbearance will be repaid. There can be different forbearance programs or options, depending on the type of your loan.**
  - **If and when your income is restored, reach out to your servicer and resume making payments as soon as you can so your future obligation is limited.**
  - **Depending on the kind of loan you have, there may be different forbearance options.**

**For example, if you have a Fannie Mae, Freddie Mac, FHA, VA, or USDA loan, you won't have to pay back the amount that was suspended all at once—unless you are able to do so.**

- **At the end of the forbearance, your options can include paying all of your missed payments at one time, spread out over a period of months, or added as additional payments or a lump sum at the end of your mortgage.**

# HOW DO YOU REQUEST FORBEARANCE OR MORTGAGE RELIEF

To request mortgage relief, you'll need to reach out to your servicer. To ensure that you are ready for that conversation we've got some information to help you prepare.

HI I AM LOOKING TO REQUEST A FORBEARANCE DUE TO COVID-19.

You may have to wait on the line for a while to speak to your mortgage servicer because there are a lot of people also in need right now.

Be prepared with the following questions you want to ask, and check their website before you call to see if there is a list provided of information you may need or if you can apply online.

Have your account number handy.

For homeowners with mortgages covered by the CARES Act, you only need to explain that you have a pandemic-related financial hardship.



# QUESTIONS TO ASK

- What options are available to help temporarily reduce or suspend my payments?
- Are there forbearance, loan modification, or other options applicable to my situation?
- Can you waive late fees on my mortgage account?



*Get it in* **WRITING!**



- Once you're able to secure forbearance or another mortgage relief option, ask your servicer to provide written documentation that confirms the details of your forbearance agreement and that you're clear on what the terms are.



LOS ANGELES COUNTY  
**CONSUMER &  
BUSINESS AFFAIRS**

# ONCE YOU RECEIVE YOUR MORTGAGE RELIEF

- **Keep written documentation on hand.** You want to make sure that you have this documentation available in case there are any errors on your monthly mortgage statements to ensure that your statement reflects the assistance provided.
- **Pay attention to your monthly mortgage statement.** Continue monitoring your monthly mortgage statements to make sure you don't see any errors.
- **Stop or change auto-payments for your mortgage.** If you are having your mortgage payment [deducted automatically from your bank account](#), make sure you make any necessary adjustment to avoid any fees or charges.
- **Keep an eye on your credit.** It's a good idea to routinely [check your credit reports](#) in order to make sure there are no errors or inaccuracies. If you stop making mortgage payments without a forbearance agreement, the servicer will report this information to the credit reporting companies, and it can have a lasting negative impact on your credit history. [If an error has been made, however, you can work to dispute it.](#)



LOS ANGELES COUNTY  
CONSUMER &  
BUSINESS AFFAIRS



# Forbearance becomes a 'Scarlet Letter' on credit reports

A 'comments section' workaround consumers aren't being told about

May 12, 2020, 3:22 pm By Kathleen Howley

Share On    



Mortgages in forbearance as a result of COVID-19 have to be reported as “current” on credit reports.

That’s the law, as laid out in [Section 4021](#) of the CARES Act passed by **Congress** at the end of March. It says servicers “shall report the credit obligation or account as current.”

But, it turns out there’s a workaround that can make it difficult for people with mortgages in forbearance to get another home loan after the COVID-19 crisis is over – for as long as a year after the forbearance period ends. That can impact their ability to refinance or buy a home when times are better.

# CONT.

- **Once your income is restored, contact your servicer and resume your payments.** With forbearance, you still owe the payments that you missed, but fewer missed payments mean you'll owe less down the road.
- **If you're continuing to receive some income that turns out to be more than you need for your bills and expenses (including anything you keep paying on your mortgage), consider putting the extra money away so you can use it to pay off what's needed later.** If you can save any money now, it'll be helpful when payments are due later.
- **Your property taxes and insurance** should continue be paid if your mortgage has [an escrow account](#), but you may want to confirm with your servicer. If your mortgage does not have an escrow account, you will be responsible for these payments.



LOS ANGELES COUNTY  
**CONSUMER &  
BUSINESS AFFAIRS**

# REPAYING FORBEARANCE

- After your forbearance period ends, you will have to make arrangements with your servicer to repay any amount suspended or paused.
- Under the CARES Act, if you have a federally backed mortgage, you also can request an extension of the forbearance for up to an additional 180 days.
- The method of repayment varies depending on your loan and the options offered. Not all borrowers will be eligible for all options. You should take steps to be aware of how these programs work and what you can expect in terms of repaying these amounts.
- Generally, repayment of forbearance occurs by the amount being repaid:
  - in one lump sum at the end of the forbearance period
  - added onto your existing monthly payments over a set number of months
  - added to the end of your loan as additional payments or as a lump sum



- 
- Scammers often take advantage of vulnerable consumers during disasters and financial shocks. In addition to [coronavirus-related scams](#), be aware of scams that falsely promise financial relief from your mortgage loan, or from foreclosure.
    - Here's what to watch for as scammers may:
    - Charge a high up-front fee for their services
    - Promise to get you a loan modification
    - Ask you to sign over your property title
    - Ask you to sign papers you don't understand
    - Tell you to make payments to someone other than your servicer
    - Tell you to stop making payments altogether
    - Promise you payments in connection with providing credit card numbers and other personal information

# UTILITY & LIFELINE MORATORIUM

- **Utility Moratoriums.** Many states have suspended public utility disconnections. Check with your [state utility commission](#) or your local utility to see what protections or relief may be available. Municipal utilities and Rural Electric Cooperatives (REC) may be covered by your state's emergency proclamation. They may also have their own COVID-19 disconnection policy. Check with your municipal utility or REC for details.
- **Lifeline Terminations Suspended.** To help keep Americans connected during the coronavirus pandemic, the Federal Communications Commission (FCC) has temporarily waived Lifeline usage requirements and general de-enrollment procedures until May 29, 2020. An [FCC order](#), released on March 30, 2020, will help ensure that no current Lifeline subscribers are involuntarily removed from the Lifeline program during this time of national crisis.



# OTHER RESOURCES TO HELP DURING CORONAVIRUS PANDEMIC

- Mortgage relief options
  - If you can't make your mortgage payments because of the coronavirus, start by understanding your options and reaching out for help. Protect your finances.
  - As you prepare for the possible spread of the coronavirus or COVID-19, here are resources to protect yourself financially.
- Student loans
  - Federally-held student loan payments are postponed, and interest has been waived.
- Protect your credit
  - Your credit reports and scores play an important role in your future financial opportunities.



Application for  
**MORTGAGE LOAN  
MODIFICATION**

LOAN MODIFICATION

MUST HAVE INCOME

MORTGAGE LOAN AGREEMENT is made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, between \_\_\_\_\_ (the "Mortgagee") and \_\_\_\_\_ (the "Borrower"), both of legal age and of legal capacity, and shall be deemed to amend and supplement the Mortgage Loan Agreement (the "Original Agreement") of the same date given by the undersigned "Borrower" to \_\_\_\_\_ (the "Lender") for the property described in \_\_\_\_\_ (the "Property"). This Agreement is called the "Mortgage Loan Agreement". The Lender is called the "Mortgagee".

# TRUSTEE SALE DATE | FORECLOSURE

- You have up **until 5 days before** the foreclosure sale to cure the default and stop the process. This is called “**reinstatement**” of the loan. During the 21-day period after the Notice of Sale is recorded, any person or institution (like a bank) with an interest in your home has the right to redeem the home up until the nonjudicial foreclosure sale/auction. This means that they must pay the entire loan in full.

## PREVENTING FORECLOSURE THROUGH BANKRUPTCY

Bankruptcy Free Clinic

# LAST RESORT

---

- Chapter 7 Bankruptcy
  - Liquidation of assets
  - Keep or not keep the home
- Chapter 13 Bankruptcy
  - Keep the home
  - Available income to pay the regular mortgage payment plus
- Chapter 11 Bankruptcy
  - Corporate self-employed business failure
- Chapter 12 Bankruptcy
  - Farm



# IMPACT OF BANKRUPTCY

- In any Chapter filed under the Bankruptcy code, the filing will remain on the credit report for 10 years.
- In a Chapter 7 the servicer usually wants the Homeowner to assume the mortgage even though the personal liability for the debt will be discharged. Homeowner needs to make this decision even though most attorneys will advise against this.
- In a Chapter 13 the Bankrupt homeowner may have to pay more monthly than what they were paying before filing.

- 1 If the property is not sold before the foreclosure sale, it will be auctioned off as scheduled.
- 2. The auction usually happens in a public place or at the property itself and is presided over either by a local Sheriff or court appointee or a trustee of the Servicer.
- 3. The auction will be open to the public, and anyone may attend and bid on the property.
- The property will be awarded to the highest bidder, who will then have to provide proof of financing, and usually a down payment on their winning bid.
- 4. Within a few days, the winning bidder will have to provide the full amount of their bid, and will then be awarded control of the property.
- 5. If a third party does not bid, the property reverts to the Servicer/investor, who will take it into inventory as REO (Real Estate Owned) and will sell the property to recover the loss.

# HUD APPROVED HOUSING COUNSELORS



OFFICE OF  
HOUSING COUNSELING

# WHO'S PROTECTING YOU





Find Legal Aid Grantee Logi

Search SEARCH

What is Legal Aid About LSC Grants & Grantee Resources Meetings & Events Media Center Support LSC

Home > What is Legal Aid

### What is Legal Aid

The Unmet Need for Legal Aid

How We Work

Find Legal Aid

Civil Legal Aid Data

Client Success Stories

Maps

Select Language Translation Note

## Find Legal Aid

LSC is an independent nonprofit established by Congress in 1974 to provide financial support for civil legal aid to low-income Americans. The Corporation currently provides funding to 134 independent nonprofit legal aid organizations in every state, the District of Columbia, and U.S. Territories.

If you are looking for help with a civil legal problem, enter an address or city below to find an LSC-funded legal aid organization near you.

You can also visit LawHelp.org to look up information about your legal questions and find free legal form

Search for places or addresses



RSVP: ACCESS TO JUSTICE VIRTUAL EVENT ON SEPT. 16, 2020

ESPAÑOL | 한국어 | 中文 | 日本語 | ភាសាខ្មែរ | TIẾNG VIỆT



(800) 399-4529



CALENDAR



SEARCH



DONATE



EXIT



GET LEGAL HELP

SELF-HELP

SUPPORT OUR WORK

GET INVOLVED

MEDIA CENTER

WHO WE ARE

Support Our COVID-19  
Emergency Response  
Campaign

See Our COVID-19  
Resources

Get  
Legal Help



Services  
We Offer



Find A  
Location

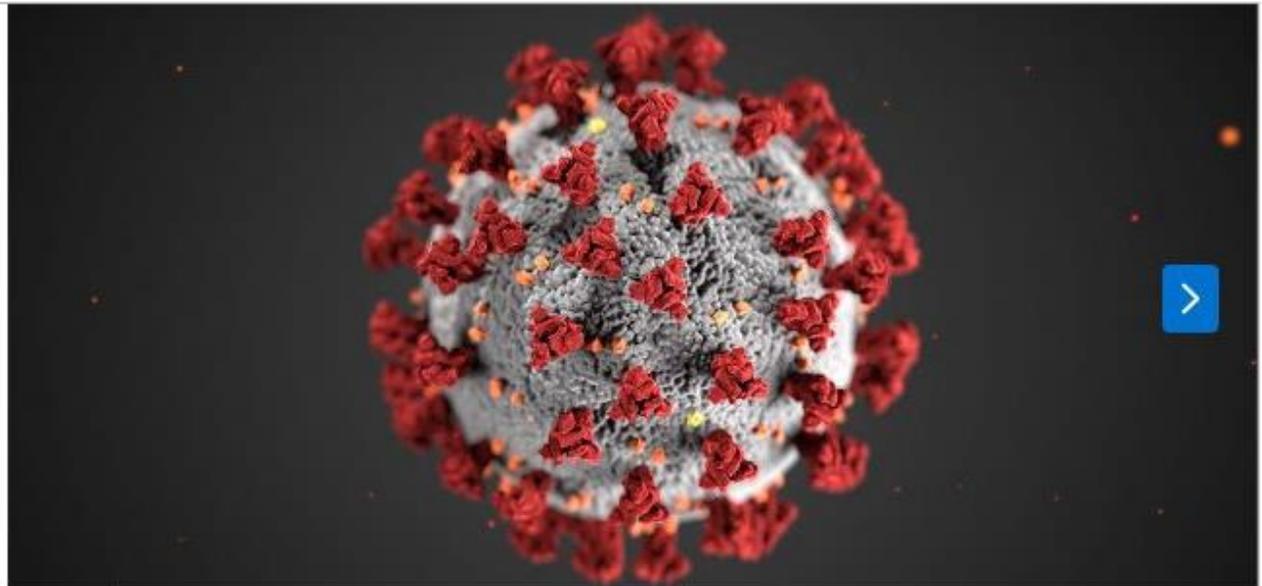


LOS ANGELES COUNTY  
CONSUMER &  
BUSINESS AFFAIRS

## Protect yourself financially from coronavirus

As you prepare for the possible spread of the coronavirus or COVID-19, here are resources to protect yourself financially.

[Know the steps to take](#)



Protect yourself financially



Report examines effects of COVID-19 pandemic



New Consumer Complaint Database enhancements



Having trouble making payments?



LOS ANGELES COUNTY  
**CONSUMER &  
BUSINESS AFFAIRS**



Newsroom

Contact Us

Select Language

Powered by Google Translate



California Department of Business Oversight



About | File a Complaint | Licenses | Publications | Search | Contact Us

# WELCOME TO THE DEPARTMENT OF BUSINESS OVERSIGHT



## BE COUNTED, CALIFORNIA!

California has launched a statewide effort to ensure an accurate and complete count of Californians in the 2020 Census.



Your Actions Save Lives

## COVID-19



LOS ANGELES COUNTY  
CONSUMER &  
BUSINESS AFFAIRS



# HPP



COMMUNITY DEVELOPMENT FINANCE INSTITUTION

TN 562.281.8861

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

[INFO@HPPCARES.org](mailto:INFO@HPPCARES.org)

145 W BROADWAY LONG BEACH CA 90802



FOR SCAM ALERTS, CONSUMER/BUSINESS NEWS  
AND MORE:



LACountyDCBA



@LACountyDCBA  
@LACoConsumidor  
@LACoSmallBiz



LACountyDCBA