



MEDLEY & KOSAKOSKI, LLC

ATTORNEYS AT LAW

LOSS MITIGATION

IN DANGER OF LOSING YOUR HOME?

You have choices. Do not let the Bank take your home.

Loss mitigation programs were established by the federal government and the mortgage industry in order to stop home foreclosures. They help foreclosure victims in default on their mortgages to find alternatives to home foreclosure. Every homeowner's situation is unique and each lender has their own policies regarding the use of these programs to stop foreclosure.

1. LOAN MODIFICATION

If you have incurred a long term financial hardship, our office can assist you in supplying the appropriate information to lender to take the appropriate measures to modify the term(s) of your mortgage. This could lower the interest rate and/or extend the term of the loan resulting in lower payments. There are costs and fees associated with a modification that you will be responsible for. All property taxes must be current or you must be participating in an approved payment plan with your taxing authority to be eligible for a modification.

2. SHORT PAYOFF

(Short Sale) (Pre-foreclosure Sale)

If you have suffered a long term financial hardship and are unable to maintain your loan or if you need to sell the property to avoid a default loss on the property, it is possible that the lender may be able to accommodate you with a short payoff. A qualified buyer is required. If this is an option you wish to pursue, you must inform the loss mitigation specialist assisting you immediately. There may be tax ramifications associated with any short payoff or foreclosure; therefore, we recommend you contact your tax advisor for details.

3. DEED-IN-LIEU OF FORECLOSURE

If you have incurred a long term financial hardship and your house has been on the market (at fair market value) for at least 90 days, you may be eligible for a deed-in lieu of foreclosure. To be considered for this option, you must complete a financial package and provide a copy of your recent active listing agreement. Also, there cannot be any additional claims or liens (other the mortgage) against the property. If you are approved for a deed-in-lieu, you will be giving up all rights to the property and the property will be conveyed to your investor. In exchange for the deed-in-lieu, the lender may waiver all deficiency judgment rights.

4. REPAYMENT PLAN

If you have incurred a short term financial hardship and your loan is two or more months past due, your loss mitigation specialist will also consider submitting a request for a payment plan to your lender for approval. Only after reviewing your financial situation will this option be considered. All clients must be able to show that they can afford this plan in order to be eligible.

PLEASE CALL 770 319-7592 OR EMAIL Leonard@MKALAW.COM FOR MORE INFORMATION