Module 5.1
Study Guide

HUD Housing Counselors Training

U.S. Department of Housing
and Urban Development

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Module 5.1 Avoiding Foreclosure/ Avoidance Strategies and Industry Practices

Module Introduction

Module Introduction

Clients facing the daunting prospect of foreclosure and losing their homes due to a financial emergency are in crisis mode. They seek assistance with handling past due bills, determining if they can afford their home in the years to come, and working with **servicers** to request retention options so they can remain in their homes. In this module, you'll learn about key reasons for **foreclosure** and industry practices that contributed to the most recent foreclosure crisis, regulatory changes in the mortgage industry created to protect consumers, basic types of foreclosure procedures, and options available to a client facing foreclosure.

Servicer

A company that handles all the administrative aspects of a loan from the closing to the mortgage payoff, including managing the payments, escrow, and all documentation for records.

Foreclosure

A legal process in which mortgaged property is sold to pay the loan of a defaulting borrower. Foreclosure laws are based on the statutes of each state.

In Module 5.2, you'll learn about various retention strategies for clients to remain in their homes, as well as about mortgage default scams and how to report them.

In Module 5.3, you will learn about disposition strategies and how to help clients transition away from their homes.

Before we begin, let's look at the module learning objectives.

Lesson Objectives

By the end of this module, you will be able to:

1. Demonstrate comprehension of the events leading up to the most recent increase in foreclosure rates by naming three mortgage industry practices that increased mortgage default rates by borrowers.
2. Demonstrate comprehension of recent regulatory changes and nationwide legal settlements that may help clients avoid mortgage default and foreclosure.

3. Apply knowledge of critical foreclosure-related documents for both the judicial and nonjudicial process when discussing the foreclosure process with a client.
4. Evaluate a client's financial situation and the reasons the client is facing foreclosure.
5. Apply knowledge of different options available to a homeowner facing foreclosure, such as establishing an emergency budget, helping to determine if the client should stay in the home and the workout request process.

Industry Issues and Practices

The Foreclosure Crisis

Two Housing Counselors, Michele and Carmen

Homeowners who purchase their homes with a mortgage bear the risk of foreclosure if they cannot fulfill repayment terms. Even with precautionary measures, unexpected circumstances such as unemployment, medical emergencies, or other financial burdens may cause borrowers to face foreclosure; however, history shows that national economic factors can also result in higher foreclosure rates.

The foreclosure crisis that began in 2007 resulted from several factors, most notably adverse financial events and under-regulated mortgage industry practices. It has taken the United States many years to recover from this crisis, which also affected global financial markets and led to a worldwide economic downturn. Let's take a moment to discuss the events and practices that led to the rise in foreclosures.

We'll do this by joining housing counselors Carmen and Michele, who are participating in a national Housing Counseling Roundtable discussion about changes to regulations and programs as a result of the foreclosure crisis.

Let's recall key events by listening to Carmen and Michele's conversation before the meeting begins.

CARMEN: I can't believe this foreclosure work has been going on so long.

MICHELE: Neither can I. Remember when it all started? With some of the practices in place, you just knew it was too good to be true.

CARMEN: Yes, and so many people have suffered because of it.

MICHELE: Like loans with **negative amortization**—what a bad idea. How can you ever pay off a mortgage when it just keeps getting bigger?

CARMEN: Exactly! Homeowners who received five **HELOC** offers a day—immediately after buying a house! Many took out another loan because they thought their home values would continue to increase.

MICHELE: Yes, and then people went on vacation with the money or used it to pay off other debts. Taking on new debt to pay down other debt is always risky, especially when it places the home as collateral. Once property values started decreasing, everyone was stuck underwater with multiple mortgages.

CARMEN: And of course, there was all the **subprime lending**. I know subprime loans can provide an opportunity for borrowers with poor credit to purchase a home, but the industry took advantage of the concept. Lower credit borrowers were offered mortgages with terms they could not truly afford. So many of those people had to declare bankruptcy.

MICHELE: Or qualifying borrowers for loans with financing based on **teaser rates**. While they could afford the initial payments, they couldn't afford the adjusted payments once the rates changed.

CARMEN: Yes! Luckily those mortgage products and practices have been restricted. Oh, the meeting is starting; let's listen.

A key issue discussed in the roundtable is the role of the secondary mortgage market. With the rising demand for mortgages to sell on the secondary market, lenders relaxed underwriting guidelines to qualify borrowers and sell more mortgages.

Under the relaxed guidelines, lenders could approve borrowers for loans based on factors like introductory interest rates without considering the borrower's ability to pay after the rates increased. As a result, lenders attracted many borrowers who would not have qualified under the regular guidelines. After the introductory rate expired, many homeowners were on the road to financial difficulty, struggling with increased mortgage payments.

Negative Amortization

An increase in the principal balance of a loan caused by monthly payments that do not cover the interest due. The unpaid interest is added to the unpaid principal balance, causing the loan to grow over time. Can occur when an ARM has a payment cap that results in monthly payments that are not high enough to cover the interest due.

HELOC

A home equity line of credit, or HELOC, is a line of credit that you can take from at any time during the draw period, up to your credit limit. Typically, the draw period is 10 years and the repayment period lasts 15 years. A HELOC is generally offered at a variable rate and payments are typically interest-only during the draw period.

Subprime Lending

Loans to borrowers with poor credit. Typically charge higher interest rates to insure against losses.

Teaser Rates

An initial temporary interest rate on an adjustable-rate mortgage that results in lower mortgage payments. To attract borrowers, the rate is typically lower than the market rate, but only remains in effect for a short period of time before increasing, which in turn increases mortgage payments. This may be a sign of predatory lending.

Knowledge Check 1

Which contributed to the increase in foreclosure rates? Mark all that apply.

___ 1. Subprime lending

___ 2. Risky loan products with features like negative amortization

___ 3. Homeowners paying off mortgages early

___ 4. Aggressive marketing of HELOCs

___ 5. Demand from the secondary market

___ 6. Using teaser rates to qualify more borrowers

Regulatory Changes

In the roundtable, Carmen and Michele also learn that several regulatory changes aimed at protecting consumers were put into effect because of the dramatic increase in foreclosure rates and the subsequent economic crisis that the nation experienced.

They listen to a presentation on what counselors must know about these changes to best serve their clients.

PRESENTER: Since many of your clients will be affected by regulatory changes in the housing industry that are aimed at protecting consumers, you must be aware of these changes. The most significant change occurred with the creation of the Consumer Finance Protection Bureau (CFPB). You can learn more about these changes at www.consumerfinance.gov/rules-policy/final-rules/

Consumer Finance Protection Bureau

- Established by Congress as part of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 to address failures of consumer protections
- Protects consumers by carrying out federal consumer financial laws
- Supervises companies and restricts unfair, deceptive, or abusive acts or practices
- Takes consumer complaints
- Promotes financial education
- Monitors financial markets for new risks to consumers

Since its inception, the CFPB has been leading the charge in protecting consumers throughout the mortgage and financial industry. Through Title XIV of the Dodd-Frank Act, the agency has made significant changes related to mortgages. In Module 4.1, we covered key laws regulating the housing industry. Let's take a closer look at related changes implemented by CFPB.

- RESPA: Real Estate Settlement Procedures Act (Regulation X)
- TILA: Truth in Lending Act (Regulation Z)
- HOEPA: Home Ownership and Equity Protections Act

In 2013, CFPB issued various rules that governing mortgages and mortgage servicing. The changes affected the Mortgage Servicing Rules under RESPA and TILA, the Ability to Repay and Qualified Mortgage Standards under TILA, and the HOEPA Rule, which incorporates the High-Cost Mortgage and Homeownership Counseling Amendments under TILA and Homeownership Counseling Amendments under RESPA.

Effective January 10, 2014, these rules

- Strengthen protections for struggling borrowers by restricting **dual tracking**; requiring early notification of foreclosure alternatives; mandating a single application for foreclosure alternative options, as well as a prompt and fair review process; and prohibiting foreclosure until after all other alternatives are considered. Additionally, servicers cannot begin foreclosure proceedings until a mortgage is more than 120 days delinquent, giving borrowers a reasonable time to submit modification applications.

Dual Tracking

A process that occurs when the servicer moves forward with foreclosure while simultaneously working with the borrower to avoid foreclosure. Restricted by the CFPB mortgage servicing regulations.

- Protect consumers by requiring lenders to make a good-faith determination that the consumer can actually afford the mortgage; requiring servicers to be more transparent with fees/payments and ensuring that consumers see appraisal information.
- Make it easier for borrowers to understand the terms of their loans; require mandatory homeownership counseling for certain mortgage types and require that consumers receive information about homeownership counseling providers and expand mortgage protections.
- Expand the types of mortgage loans subject to HOEPA protections and impose additional restrictions on mortgages covered by HOEPA.

CFPB amended its mortgage servicing rules on August 4, 2016, to clarify industry obligations further and expand protections to struggling borrowers. The updated rule:

Requires servicers to provide specific borrowers with foreclosure protections more than once over the life of the loan, provided borrowers become current on payments at any time between completed prior and subsequent loss mitigation applications.

Improves policies and procedures on early intervention for struggling borrowers and clarifies loss mitigation requirements.

- Clarifies borrower protections when the servicing of a loan is transferred and provides important loan information to borrowers in bankruptcy.
- Ensures that surviving family members and others who inherit or receive property generally have the same mortgage servicing protections as the original borrower.

Joint State-Federal National Mortgage Settlements

National Mortgage Settlement (NMS) of 2012

- Reached between the Attorney Generals of 49 states and five servicers—Ally, formerly GMAC, Bank of America, Citi, JPMorgan Chase, and Wells Fargo; were involved in deceptive lending and foreclosure practices, like **robo-signing**, and were not verifying application information.
- Required servicers to appoint a single point of contact for loss mitigation efforts, have adequate trained staff, honor modification agreements made by a prior servicer, maintain better communication with borrowers, comply with the **Servicemembers Civil Relief Act**, improve standards for executing foreclosure documents, remove improper fees, and end dual tracking.
- Provided $50 billion in direct payments to signing states and the federal government, as well as relief to distressed borrowers, though many claims deadlines have since passed.
- The National Mortgage Settlement of 2012 led to loan modifications for homeowners facing difficulties, refinancing for those with underwater mortgages, and payouts for individuals who lost their homes. Following the servicing standards established by the NMS with the five largest banks, settlements were reached for SunTrust, Ocwen, and HSBC. The deadlines for claims in all settlements have now passed.
- Learn more at [NationalMortgageSettlement.com.](http://NationalMortgageSettlement.com)

Robo-Signing

The abusive practice in which important documents that require careful review are signed automatically or electronically without following appropriate procedures or verifying the information. This was common

Servicemembers Civil Relief Act

An act that protects military personnel and their dependents in issues related to housing, including certain protections against default judgments, foreclosure, and eviction.

With funds received from the National Mortgage Settlement of 2012, states created programs for homeowners facing foreclosure. We will profile an actual state program so you can see what assistance was made available through the settlement. The information presented displays real and prior examples of assistance programs for educational purposes, though actual program availability and structure can change.

Massachusetts Attorney General’s HomeCorps Program

In 2016, Massachusetts was guaranteed $318 million in a settlement against Morgan Stanley; $44.5 million was paid directly to the Commonwealth to create foreclosure mitigation programs.

With these funds, the HomeCorps program was created to mitigate future impacts of the foreclosure crisis by advocating for distressed borrowers facing foreclosure.

The program has done the following:

- Set up a helpline with loan modification experts to aid borrowers dealing with foreclosure, allocated a section on the Attorney General’s website, and launched a Twitter account to disseminate information to distressed homeowners.
- Launched a series of housing grant initiatives to support housing recovery efforts, including the legal representation for distressed borrowers, support for foreclosed residents looking for new places to live, and identification of and response to neighborhoods particularly hard hit by foreclosures and abandoned houses.

Examples are:

Borrower Representation Initiative: Massachusetts Legal Assistance Corporation (MLAC) and the National Consumer Law Center (NCLC) were awarded $6 million to fund 14 locations statewide staffed by 19 attorneys dedicated to foreclosure-related cases and delivered direct legal representation to homeowners facing foreclosure or eviction.

Loan Modification Initiative: Staffed by a statewide team of skilled Loan Modification Specialists, the Initiative offers direct loan modification advocacy to distressed Massachusetts borrowers to help many residents avoid unnecessary foreclosure.

Distressed Properties Identification and Revitalization Grant: (DPIR Grant) program provided 21 towns with funding to identify and prioritize a list of state-owned properties and ensure that individual property owners comply with state and local ordinances to bring properties into a state of good repair.

Knowledge Check 2

Match the regulatory change or nationwide settlement on the left with the reason for its creation on the right.

A. Consumer Finance Protection Bureau
B. National Mortgage Settlement
C. Issuance of New Mortgage Rules

___ 1. To make it easier for borrowers to understand loan terms, to require homeownership counseling for some mortgages, and to expand protections

___ 2. To create a federal agency charged with addressing failures of consumer protections

___ 3. To penalize five financial institutions for deceptive lending and foreclosure practices

Knowledge Check 3

Since receiving a loan modification several years ago, a borrower had been current on his mortgage until he recently suffered a severe reduction in income. A housing counselor advised the client to seek assistance from the servicer to prevent foreclosure. Due to the prior modification, the servicer claimed it could not evaluate the borrower for further relief. Is the servicer in compliance?

A. Yes
B. No

How to Avoid Foreclosure

Foreclosure Process(es)

Let's turn our attention to the foreclosure process and procedures involved in initiating foreclosure. To start, we'll review some definitions of mortgage delinquency.

Definitions of Mortgage Delinquency

Delinquent: A borrower is **delinquent** on the mortgage when all or part of a monthly payment is unpaid after the due date. The mortgage remains delinquent as long as the payment remains due but unpaid.

Delinquent

The failure of a borrower to make timely mortgage payments under a loan agreement. Most mortgages allow a grace period, usually ten to fifteen days, before a late fee may be assessed.

Default: A conventional loan is considered in **default** when a payment has not been paid after 60 to 90 days. For FHA loans, a loan is considered in default after 30 days. The grace period does not affect the period of delinquency or default. For example, if a borrower's payment is due on the first of the month and the servicer allows a 15-day grace period, the borrower will be 16 days delinquent if the mortgage payment is not made by the end of the grace period.

Default

The inability to make timely payments or fulfill legal obligations of loan terms. Mortgage loans are typically considered in default when a payment has not been made after 60 to 90 days.

Note: Delinquency on a manufactured home loan when the home is classified as personal property and not part of a mortgage is typically subject to collection and repossession processes described in Module 5.3. The foreclosure processes described in this module apply to mortgage loans, which could include manufactured homes taxed and titled as real estate.

To help clients in overcoming default and prevent foreclosure, counselors must thoroughly understand the state-specific regulations governing the legal foreclosures procedures. There are two primary types of foreclosure: judicial and non-judicial. While some states exclusively use one method or the other, some states employ both types of foreclosure. To understand the process, check with the agency responsible for foreclosures in your state. This agency is usually your state's Housing Finance Agency, Department of Community Affairs, Housing Department, or Attorney General's office.

Following the foreclosure crisis, the CFPB issued mortgage servicing guidelines regarding the foreclosure process, including details about timelines and consumer options. The 2016 CFPB Mortgage Servicing Rule amends the earlier guidelines to further protect borrowers at risk of foreclosure. It requires servicers to provide certain borrowers with foreclosure protections, such as the right to be evaluated for loss mitigation options, more than once over the life of the loan. In addition, recent updates, such as the Protections for Borrowers Affected by the COVID-19 Emergency under the Real Estate Settlement Procedures Act (RESPA), Regulation X, introduced in June 2021, have been implemented. The Bureau issued this final rule to amend Regulation X, establishing temporary procedural safeguards. These safeguards ensure that borrowers impacted by the COVID-19 emergency have a meaningful opportunity to be reviewed for loss mitigation before the servicer can initiate the first notice or filing required for foreclosure on certain mortgages.

While the foreclosure process is regulated at the state level and varies from one state to another, national guidelines will supersede state regulations. These guidelines are intended to help borrowers learn about options and foreclosure alternatives and provide sufficient time to apply for mortgage assistance.

Additionally, counselors should note that certain mortgages, like FHA loans, have distinct default servicing requirements. These guidelines, developed to aid borrowers facing payment challenges, typically impose more stringent criteria compared to state of federal guidelines.

Before we compare the types of foreclosure, let's take a moment to review the highlights of the Consumer Financial Protection Bureau's federal protections.

Note: For FHA borrowers determined to be at risk for default, telephone contact attempts must begin by day 10. For other FHA borrowers, servicers must begin telephone contact attempts by day 17. Written communications for all borrowers must begin by day 20.

Mortgage Service Guidelines

Servicer Contact & Personnel Requirements

- Servicers must make efforts to contact the borrower after 36 days of delinquency.
- Servicer must send borrower written notice to contact the servicer before 45 days of delinquency and provide information about housing counselors. Subsequent mortgage statements must include:
    - Information on risks of delinquency.
    - Updates about any foreclosure proceedings.
    - Contact information for housing counseling agencies.
    - Information about loss mitigation programs.
- Servicers must assign personnel to be available to help delinquent borrowers. These employees must:
    - Provide accurate information about loss mitigation or workout options and explain how a borrower can apply.
    - Locate information about and communicate the status of a loss mitigation application.
- Servicers must notify borrowers promptly and in writing that a loss mitigation application is complete.

Foreclosure Timeline Restrictions

- Servicers cannot make a first notice or filing for foreclosure until the borrower is more than 120 days delinquent.
- After 120 days, servicers cannot begin the foreclosure process while a borrower is

being evaluated for a loss mitigation plan. For completed loss mitigation applications, additional restrictions and timelines apply for required evaluation and appeal periods.

Servicer Evaluations and Explanations

- Servicers must be able to tell homeowners the circumstances under which the servicer may make a referral to foreclosure.
- Servicers are required to evaluate the borrower for all the foreclosure avoidance options for which the borrower may qualify, though they are not required to offer any specific loss mitigation options.
- Servicers must give specific reasons for denying a loan modification option.

Consumer Complaints about Mortgages

- To report complaints, consumers should call (855) 411-2372 (CFPB) or visit www.consumerfinance.gov/complaint.

Regardless of which foreclosure process a state utilizes, under CFPB regulations, servicers cannot initiate foreclosure proceedings until borrowers have received proper notice about delinquency and have been provided sufficient time to pursue foreclosure alternative options, a period not less than 120 days. Even after 120 days, servicers cannot begin foreclosure if any options are still under consideration. For instance, when a homeowner has a pending loan modification application, the lender can initiate foreclosure proceedings only after the application is denied, and a reasonable period for an appeal has passed.

Let's go over the basic differences between the two most common types of foreclosure: judicialand non-judicial.

Judicial Foreclosure	Non-Judicial Foreclosure
Foreclosure is a lawsuit, so the process is formalized. The servicer files a lawsuit in state court to obtain permission to foreclose. Many servicers will issue homeowners a notice of intent to foreclose before filing.	Courts are not involved; communication occurs between the homeowner and the servicer or the servicer's appointed representative in the foreclosure process.

<table>
<tr><th>Judicial Foreclosure</th><th>Non-Judicial Foreclosure</th></tr>
<tr><td>The servicer issues the homeowner a notice of the lawsuit, called a summons or a complaint, via in-person delivery, by mail, or by publication. The time frame for response varies, but the homeowner can choose to contest the foreclosure or let it proceed.</td><td>In many states, the servicer issues a Notice of Default (NOD). While the timeline for this notice used to differ significantly by state, CFPB guidelines now stipulate that the NOD can only occur after 120 days of delinquency.</td></tr>
<tr><td>If contested, the court will set a date for the homeowner and servicer to go before a judge and present arguments. The judge may decide on the case or order a trial if there is a difference of material facts. The servicer cannot take action regarding the foreclosure until the judge rules.</td><td>If the delinquency is not cured, the homeowner receives a Notice of Sale (NOS), typically 90 days after the NOD. The NOS gives the homeowner a certain number of days before the house will be sold, which varies by state. The homeowner typically has five to ten days before the sale date to cure the delinquency by paying all past due amounts, including arrearages, fees, and interest accrued.</td></tr>
<tr><td>If the judge issues a judgment allowing the foreclosure to go forward, the homeowner may still have 30 days to cure the delinquency in many states.</td><td>Once the period for reinstatement has ended, the servicer can schedule the sale. Very rarely will a servicer stop a foreclosure sale at this point.</td></tr>
<tr><td colspan="2">If not cured, an auction sale is scheduled. The ownership transfers to the servicer by lack of sale if the house is not sold at auction. At that point, the homeowner can be evicted following state regulations.</td></tr>
</table>

Though most foreclosures will follow a general outline of either the judicial or non-judicial process, specific procedures, timelines, and additional required notices will vary by state.

Because each state's approach to foreclosures is different, let's look at two examples of the foreclosure process. First we'll look at the process in Florida, which is a judicial foreclosure state, and then we'll look at the process in Washington, which is typically a non-judicial foreclosure state.

Keep in mind that foreclosure notices and proceedings cannot take place before 120 days of delinquency and a lender cannot pursue foreclosure until after all other alternatives have been considered.

Foreclosure Process in Two States: Florida and Washington

Florida: Judicial Foreclosure Process

1. Before enacting a **loan acceleration** clause or initiating foreclosure, lenders must send a notice, known as a breach letter or demand letter, to inform homeowners of default and allow a period for cure, usually 30 days.
2. If the homeowner has not cured the default by the deadline, the lender can file a court complaint in the county where the property is located. The court issues a summons to the borrower, who is the named defendant. The lender then records a notice of lawsuit on the property title.
3. The borrower has 20 days to file a response to the lawsuit. If the borrower fails to respond, the court will enter an order of default, which will result in a judgment for foreclosure. If the borrower does respond, a court hearing is scheduled. If the judge rules for the lender, a judgment of foreclosure is issued.
4. The court clerk schedules a foreclosure sale, usually 20 to 35 days from the date of foreclosure judgment. After the sale, lenders can seek a deficiency judgment against the borrower. They can also evict borrowers who do not leave the home voluntarily.

Washington: Non-Judicial Foreclosure Process

1. After alternative resolutions have been exhausted, the lender issues a Notice of Default by certified mail and records it with the county.
2. If the loan remains in default after 30 days, the lender can serve the homeowner with a Notice of Sale, which details the time, date, and location of the property's foreclosure auction. The auction must be scheduled at least 90 days after the lender provides the Notice of Sale and cannot take place within 190 days after the borrower first defaulted on the loan.
3. The borrower can avoid foreclosure by reinstating the mortgage any time up until 10 days before the actual foreclosure sale.

A counselor can help clients most effectively by knowing state processes.

Loan Acceleration

The process of accelerating the payment of the full loan balance. Once a homeowner is in default for a certain period of time, a clause in many promissory notes allows lenders to demand immediate payment of the remaining loan balance.

Knowledge Check 4

A counselor must know the foreclosure processes. Which of the following state agencies are typically where counselors can look for information on their states' processes? Mark all that apply.

___ 1. Housing Department

___ 2. Attorney General's Office

___ 3. State Housing Finance Agency

___ 4. Department of Community Affairs

Knowledge Check 5

Which actions below typically occur during a judicial foreclosure process and which actions typically occur during a non-judicial process?

Mark the actions that are judicial with an A and the ones that are non-judicial with a B.

___ 1. The client receives a Notice of Default in the mail.

___ 2. The client's opportunity to fight a foreclosure takes place in court.

___ 3. The servicer can't take any foreclosure action against a client until a judge grants them permission.

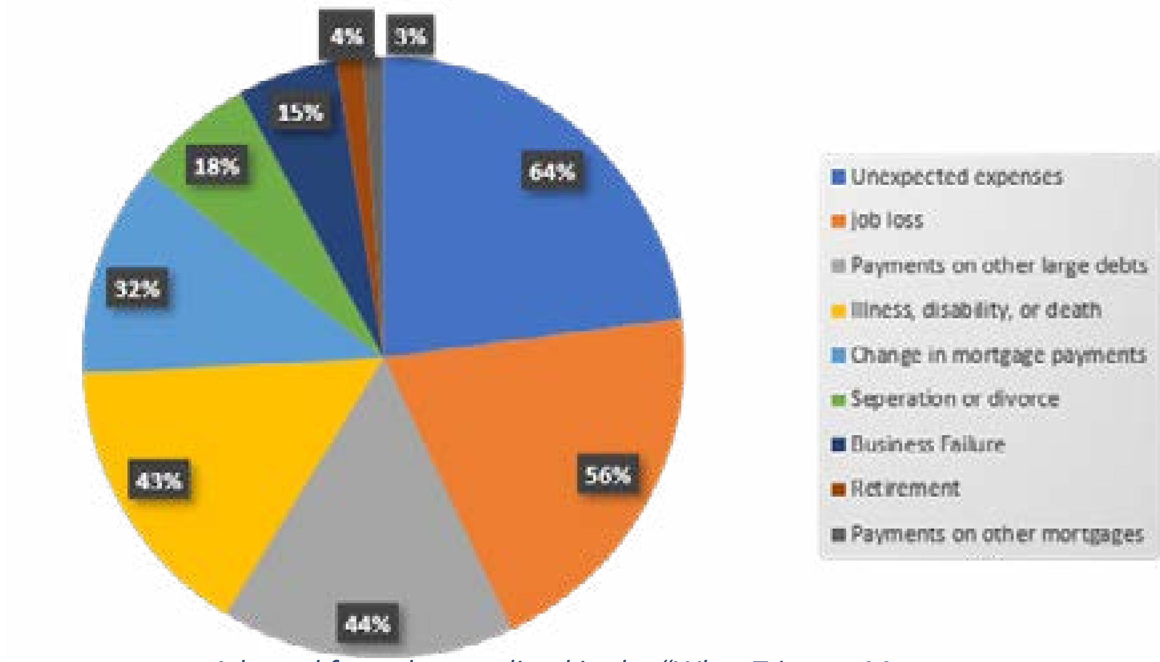
___ 4. Communication occurs between the servicer and the homeowner.

___ 5. The client has until five days before a foreclosure sale to cure a delinquency and stop the sale.

Evaluate Financial Situation

With information in mind about the key events that caused the most recent foreclosure crisis, the regulatory changes and settlements that occurred because of it, the different types of foreclosure processes, and the importance of seeking information and being informed to best advise your clients, let's now turn to counseling clients who are having trouble paying their mortgage and are facing foreclosure.

The most common reasons homeowners face foreclosure are reduced or lost income. Other reasons for hardship include medical bills, poor budget management, increases in expenses, and divorce.



Adapted from data outlined in the "What Triggers Mortgage Default? New Evidence from Linked Administrative and Survey Data," February 23, 2022, page 17.

Primary Reasons for Default Chart Data	
Unexpected expenses	64%
job loss	56%
Payments on other large debts	44%
Illness, disability, or death	43%
Change in mortgage payments	32%
Seperation or divorce	18%
Business Failure	15%
Retirement	4%
Payments on other mortgages	3%

To learn more, let's join a session with housing counselor Carmen and a new client named Craig. Craig has set up an appointment because he is a few months behind on his mortgage payments and has a Notice of Default (NOD) from his loan's servicer.

A Client, Craig, and a Counselor, Carmen

Carmen: Hi, Craig. How can I help you today?

CRAIG: Well, I was laid off a few months ago, and I haven't found a full-time job yet. I'm collecting unemployment, but the bills are piling up. My wife isn't working, and we have three children. We don't want to lose our house, but we don't know how to catch up.

CARMEN: I understand. A lot of people have been seeking assistance for similar reasons. I know you completed some paperwork about your finances before coming in today. Let's review your housing and other expenses and your current income.

CRAIG: I brought in a Notice of Default for my mortgage and the other required documents, too.

CARMEN: Your monthly mortgage statement does not show which type of mortgage you have. Knowing whether you have a **conventional mortgage** or other type of mortgage will help determine potential assistance options. To determine other options that might be available, we need to know if your mortgage was sold to Fannie Mae or Freddie Mac, which are government sponsored entities, or **GSE**s. This is easy to check; we'll go to their websites.

Conventional Mortgage

A private sector loan typically issued to borrowers with high credit ratings. Excludes subprime loans or mortgages insured by the U.S. government.

GSE loan or mortgage

A government-sponsored enterprise, or GSE, is a financial services entity created by Congress. A GSE loan or mortgage refers to a mortgage owned by Fannie Mae or Freddie Mac.

Fannie Mae or Freddie Mac have each developed specific products to assist homeowners with mortgages under their programs. We will discuss the Fannie Mae Flex Modification and the Freddie Mac Flex Modification in greater detail in Module 5.2. Counselors must check each client's mortgage to see if it is owned by one of these companies to fully understand the available options. If a client does not have the mortgage documents or the documents do not clearly indicate the mortgage type, contact the servicer to determine the type of mortgage.

Note: Manufactured homes financed with chattel or personal loans are not typically eligible for loss mitigation programs. However, evaluating the financial situation of a manufactured-home owner who is facing delinquency and creating an emergency budget are important steps to helping them avoid repossession and eviction.

Carmen and Craig first go to Fannie Mae's website for this purpose, www.knowyouroptions.com/loanlookup. She enters the requested information and learns Fannie Mae does not own his mortgage. They then go to Freddie Mac's website, www.freddiemac.com/mymortgage. Carmen enters the requested information and learns Freddie Mac does not own his mortgage either. MIP charges on the mortgage statement would indicate that Craig has an FHA mortgage, which Carmen could verify at the on-line FHA Resource Center or by calling the FHA Outreach Center at (800) CALL FHA (800-225-5342). Knowing this will help determine Craig's options.

During the counseling session, Carmen followed the first steps involved in completing the loss mitigation submission process, which guide her as she assists Craig. Through this process, she determines that he is behind on his mortgage because he was laid off and hasn't found a new full-time job, he wants to stay in his home, and he has a conventional mortgage that isn't owned by Fannie Mae or Freddie Mac.

Here's the complete process to request a retention option from a servicer:

Loss Mitigation Submission Process

1. Determine reason client is behind on mortgage payments.
2. Determine if homeowner wants to remain in the home (retention) or transition out of the home (disposition).
3. Identify the mortgage type (conventional, FHA, VA, or USDA, and if Fannie Mae or Freddie Mac owns it) to determine the available options and processes with the servicer.
4. Gather required financial documentation and determine affordability.
5. Complete the necessary forms to request the loss mitigation option.
6. Submit the request to the servicer.
7. Respond to additional requests for information.
8. If request is approved, discuss if it is affordable. If it is denied, determine why. Escalate, if necessary.

His reason for default—unemployment—is common and will help determine available retention options. Eligibility for retention options can be restricted based on unemployment and other considerations, including whether the homeowner occupies the home as their primary residence, and if the borrower has filed for bankruptcy.

Restrictions can also be based on where the client is in the foreclosure process. Is the client delinquent, in **imminent default**, or in default? Imminent default describes a borrower who is not yet in default but is currently delinquent and has a high risk of defaulting.

Craig is in default on his mortgage because he is more delinquent on his payments than his servicer permits. The point of default varies by state but is typically 60 to 90 days. At this point, a servicer can send the borrower a Notice of Default, which is what Craig has received. The process differs for FHA loans, which

Imminent Default

When default is reasonably foreseeable. Typically applies to borrowers who are either current or less than 60 days delinquent. With FHA mortgages, borrowers facing imminent default are defined as those who are current or less than 30 days past due on the mortgage obligation and are experiencing a hardship that prevents them from making the next payment.

are considered delinquent after 30 days. At this point, lenders will initiate the specific steps involved in the FHA Loss Mitigation process, which will be discussed in greater detail later in the module. Since he wants to stay in his home, Carmen knows to pursue an option where this could occur.

The type of mortgage he has dictates the request process. For example, if he had an FHA-insured mortgage, his servicer would have to consider retention options in a specific order. If Fannie Mae or Freddie Mac owned his mortgage, he would have different options. Since he has a conventional mortgage, a few options can be considered simultaneously.

Let's rejoin their session as they gather financial documentation and determine affordability by going over Craig's budget.

CARMEN: The next step is to gather your financial information and see if your home is affordable. Before we calculate your income, expenses, and other figures, let's go through your credit report to make sure that all the expenses are listed. Let's see. This report notes two credit cards.

CRAIG: Oh, I forgot about those. I just haven't been able to pay them.

CARMEN: That's all right. Let's add them to the budget to get an accurate picture of your overall financial situation and determine what is affordable.

Primarily, my role is to help you determine ways to increase your family's overall income, decrease expenses, and discuss how to resolve your default with your mortgage servicer to help you catch up on your payments. A repayment plan and forbearance would be good options for you, as they will enable you to pay less based on your current income, and then repay the rest over time once you increase your income. Next, we can discuss options for your other debts. For now, let's calculate your gross income and expenses.

Recall from Module 1.1 how to calculate gross income and expenses and from Module 2.1 how to calculate front-end and back-end ratios. Using the information from the worksheet, Carmen is able to determine Craig's gross income, expenses, **front-end ratio**, and **back-end ratio**.

Front-End-Ratio

A rate that calculates a borrower's housing expenses as a percentage of gross monthly income. Used by counselors to measure client housing affordability. Frequently used by lenders to qualify borrowers for a mortgage. Also called a housing ratio.

Back-End-Ratio

A rate that calculates a borrower's total monthly debt, including housing and other debt obligations, as a percentage of gross monthly income. Frequently used by lenders to qualify borrowers for a mortgage. Also called a debt-to-income ratio.

	Description	Current	Adjusted	Amount Saved
Income				
	Employment Income 1	$2,150	$0	$0
	Employment Income 2	$0	$0	$0
	Social Security/ Disability	$0	$0	$0
	Pension/Retirement	$0	$0	$0
	Child Support	$0	$0	$0
	Benefits	$0	$0	$0
	Other	$0	$0	$0
	Total Income	**$2,150**	**$0**	**$0**
Expenses				
Housing	Mortgage/Rent	$1,150	$0	$0
	Insurance—Homeowners/Renters	$70	$0	$0
	Taxes	$65	$0	$0
	Maintenance	$25	$0	$0
	Warranty	$0	$0	$0
	Association Dues	$0	$0	$0
	Other	$0	$0	$0
Transportation	Vehicle Payment 1	$100	$0	$0
	Vehicle Payment 2	$100	$0	$0
	Gas/Fuel	$140	$0	$0
	Parking	$0	$0	$0
	Auto Insurance	$190	$0	$0
	Vehicle Registration/ Taxes/Fees	$0	$0	$0
	Auto Maintenance/ Service/Repairs	$0	$0	$0
	Public Transportation	$0	$0	$0
	Other	$0	$0	$0

	Description	Current	Adjusted	Amount Saved
Utilities	Electric	$0	$0	$0
	Gas	$35	$0	$0
	Water	$70	$0	$0
	Trash	$0	$0	$0
	Internet	$50	$0	$0
	Streaming Services	$80	$0	$0
	Home Phone	$20	$0	$0
	Cell Phone	$170	$0	$0
	Other	$0	$0	$0
Food	Groceries	$330	$0	$0
	Dining Out	$200	$0	$0
	Other	$0	$0	$0
Healthcare	Premiums (if no employer plan)	$0	$0	$0
	Co-pays	$0	$0	$0
	Prescriptions	$0	$0	$0
	Other	$0	$0	$0
Loans	Credit Card Payments	$120	$0	$0
	Student Loans	$0	$0	$0
	Personal Loans	$0	$0	$0
	Other	$0	$0	$0
Savings	Emergency Fund	$0	$0	$0
	Large Purchase	$0	$0	$0
	Retirement	$0	$0	$0
Personal	Clothing	$0	$0	$0
	Children's Clothing	$0	$0	$0
	Hygiene/Barber/Beauty	$70	$0	$0
	Gym/Health/Sports	$0	$0	$0
	Dry Cleaning	$0	$0	$0
	Other	$0	$0	$0
Children	Childcare	$0	$0	$0
	Extracurricular Activities	$0	$0	$0
	Tuition	$0	$0	$0
	School Supplies	$0	$0	$0
	Other: Allowance	$200	$0	$0

	Description	Current	Adjusted	Amount Saved
Miscellaneous	Alimony/Child Support	$0	$0	$0
	Charity/Donations/Tithe	$0	$0	$0
	Gifts	$0	$0	$0
	Entertainment (streaming services, in-app purchases)	$70	$0	$0
	Pets (food, medical)	$0	$0	$0
	Insurance (life, disability, umbrella)	$0	$0	$0
	Household maintenance	$0	$0	$0
	Other	$0	$0	$0
	Total Expenses	**$3,255**	**$0**	**$0**

CARMEN: According to the calculations, your monthly gross income from unemployment is $2,150, and your monthly expenses are $3,255, including your mortgage and other monthly debts. It looks like your family will have to adjust its budget until you are employed full-time again, and we'll have to talk to your mortgage servicer about options with your mortgage since you're past due by $4,834.

I want to point out that right now you have no **surplus income**. When considering retention options for a borrower, servicers typically want to see some surplus income, or income left over after all expenses are paid, as this income can go toward the mortgage. Let's revisit your surplus income after we adjust your budget.

Surplus Income

The amount of income left over after all financial obligations are met. Calculated by subtracting expenses from net income.

Knowledge Check 6

Which items does a counselor need to know to evaluate a client's budget? Mark all that apply.

___ 1. Credit score reflecting recent negative impact

___ 2. Monthly income from a part-time job

___ 3. Credit report information including delinquencies

___ 4. Mortgage information including past due amount

Knowledge Check 7

What are the most common reasons why individuals face foreclosure? Select one of the following options.

A. Increase in expenses and reduction in income
B. Medical bills and poor budget management skills
C. Poor investment and/or not being able to flip an investment property
D. Reduced and/or lost income

Knowledge Check 8

What is the correct order of steps in the loss mitigation request process?

A. Complete forms ______________
B. Respond to additional requests for information ______________
C. Determine client housing intentions ______________
D. Submit package ______________
E. Determine type of mortgage ______________
F. Consider servicer approval or denial ______________
G. Determine reason client is delinquent ______________
H. Gather documents ______________

Emergency Budget

Since Craig wants to remain in his home, Carmen will now focus on helping him determine if this is the best option and, if so, how to proceed.

Let's return to their counseling session.

CARMEN. If you want to stay in your home and your servicer will work with you, your family will have to make some tough financial decisions. But, you'll have challenging decisions whether or not you stay in your home.

Before we talk to the servicer, we'll have to create an **emergency budget**. This is different from a typical household budget because it cuts out many expenses and focuses on stretching your income to meet your financial obligations, which is the most important goal of an emergency budget.

Let's talk about income first. Can you think of any ways you can increase your income?

> **Emergency Budget**
>
> A household budget created to increase savings, reduce expenses, and/or pay down debt in financial emergency situations.

CRAIG: Well, I'll keep looking for work. My wife was offered a part-time job, making $500 per month. She is willing to take it now that our kids are older. Actually, my eldest two kids can get jobs after school. That can eliminate the need for us to pay them an allowance. Also, my kids can share a car instead of each having their own cars.

CARMEN: Those are all great solutions. If your children have cars, they can possibly take over the expenses associated with them too. Now, how else do you think you can decrease expenses?

CRAIG: We'll have to live without some things we've gotten used to, like eating out and streaming services. We've already cut back, but I can see we need to do more.

Craig has taken the first steps toward improving his situation.

Here are some specific steps that Craig considers to increase income and decrease expenses, similar to those discussed in Module 1.1. The difference here is that Craig is creating an emergency budget, a much stricter version of a typical household budget often created to increase savings and/or pay down debt.

Ways to Increase Income and Decrease Expenses

Increase Income

- Secure full-time job
- Secure part-time job
- Pick up more hours at current job
- Sell assets or other valuable items (car, jewelry)
- Teach a skill/craft/activity
- Sell a craft or market a skill (car repair, tutoring)
- Help spouse and/or children secure job/income source

Decrease Expenses and Debt

- Prioritize "needs" over "wants"
- Eliminate "wants" altogether (eating out, cancel unnecessary subscriptions)
- Cancel or downgrade services (streaming services, in-app purchases)
- Eliminate miscellaneous spending
- Stick to a trimmed shopping list
- Change insurance coverage for lower premiums, but don't cancel
- Have children help pay for insurance and gas costs for car
- Have children share a car

Note: Keep in mind that increases in verifiable income may impact qualification for loss mitigation options. Any changes in income should be reported to the servicer.

Next, Carmen and Craig finalize the emergency budget to guide his family's finances. He thinks it will be hard work but says he can make it work until he finds a new job. Take a moment to review his emergency budget before rejoining their session.

	Description	Current	Adjusted	Amount Saved
Income				
	Employment Income 1	$2,150	$2,150	$0
	Employment Income 2	$0	$500	$500
	Social Security/ Disability	$0	$0	$0
	Pension/Retirement	$0	$0	$0
	Child Support	$0	$0	$0
	Benefits	$0	$0	$0
	Other	$0	$0	$0
	Total Income	**$2,150**	**$2,650**	**$500**
Expenses				
Housing	Mortgage/Rent	$1,150	$1,150	$0
	Insurance—Homeowners/Renters	$70	$60	$10
	Taxes	$65	$65	$0
	Maintenance	$25	$0	$25
	Warranty	$0	$0	$0
	Association Dues	$0	$0	$0
	Other	$0	$0	$0
Transportation	Vehicle Payment 1	$100	$100	$0
	Vehicle Payment 2	$100	$100	$0
	Gas/Fuel	$140	$100	$40
	Parking	$0	$0	$0
	Auto Insurance	$190	$150	$40
	Vehicle Registration/ Taxes/Fees	$0	$0	$0
	Auto Maintenance/ Service/Repairs	$0	$0	$0
	Public Transportation	$0	$0	$0
	Other	$0	$0	$0

	Description	Current	Adjusted	Amount Saved
Utilities	Electric	$0	$0	$0
	Gas	$35	$30	$5
	Water	$70	$60	$10
	Trash	$0	$0	$0
	Internet	$50	$50	$0
	Streaming Services	$80	$0	$80
	Home Phone	$20	$0	$20
	Cell Phone	$170	$100	$70
	Other	$0	$0	$0
Food	Groceries	$330	$300	$30
	Dining Out	$200	$0	$200
	Other	$0	$0	$0
Healthcare	Premiums (if no employer plan)	$0	$0	$0
	Co-pays	$0	$0	$0
	Prescriptions	$0	$0	$0
	Other	$0	$0	$0
Loans	Credit Card Payments	$120	$120	$0
	Student Loans	$0	$0	$0
	Personal Loans	$0	$0	$0
	Other	$0	$0	$0
Savings	Emergency Fund	$0	$0	$0
	Large Purchase	$0	$0	$0
	Retirement	$0	$0	$0
Personal	Clothing	$0	$0	$0
	Children's Clothing	$0	$0	$0
	Hygiene/Barber/Beauty	$70	$0	$70
	Gym/Health/Sports	$0	$0	$0
	Dry Cleaning	$0	$0	$0
	Other	$0	$0	$0
Children	Childcare	$0	$0	$0
	Extracurricular Activities	$0	$0	$0
	Tuition	$0	$0	$0
	School Supplies	$0	$0	$0
	Other: Allowance	$200	$0	$200

	Description	Current	Adjusted	Amount Saved
Miscellaneous	Alimony/Child Support	$0	$0	$0
	Charity/Donations/Tithe	$0	$0	$0
	Gifts	$0	$0	$0
	Entertainment (streaming services, in-app purchases)	$70	$0	$70
	Pets (food, medical)	$0	$0	$0
	Insurance (life, disability, umbrella)	$0	$0	$0
	Household maintenance	$0	$0	$0
	Other	$0	$0	$0
	Total Expenses	**$3,255**	**$2,385**	**$870**

Loan Modification Request

CARMEN: We now have an emergency budget in place that allows for a little surplus income, and we know that you have a conventional mortgage. Let's talk about how to request assistance such as a repayment plan or forbearance from your mortgage's servicer.

To complete the process, we'll:

1. Complete the necessary forms for the request.
2. Submit the request to the servicer.
3. Respond to additional requests for information.

If the request is approved, we can discuss if it is affordable. If it is denied, I can help you determine why and help you escalate the case if needed.

CRAIG: Would they modify my mortgage permanently? It seems like that's what everyone is telling me to request.

CARMEN: Not in this situation; it's not the right assistance to request since you're unemployed and because you could afford a monthly payment that is temporarily lower and then pay the past due amount back over time once you find work.

CRAIG: I see. I agree; that seems fair.

We will discuss the loss mitigation process in depth in Module 5.2, when Carmen and Craig submit a request for assistance. Unfortunately, not every client will be able to keep their home. Sometimes a client is simply unable to afford the home, and a modification could be detrimental to them in the future.

Possible indicators that a client will not be able to remain in the home include:

- Temporary or permanent disability of the homeowner, which prevents them from working.
- Illness or disability of a family member, which requires the homeowner to stop working to care for them.
- Drastic reduction in income, which will not be overcome.
- Job transfer at a time when the homeowner cannot sell the home because the mortgage balance is higher than the property value.
- Death of an income-earning borrower.
- Divorce or separation.

When counselors meet with clients in these situations, they should focus on helping them transition out of their homes. There are several options for these clients, and certain procedures that counselors can follow to be of assistance. Reasons for transitioning from the home and disposition options will be discussed in Module 5.3.

Knowledge Check 9

Which is a reasonable option for a homeowner facing foreclosure? Mark all that apply.

___ 1. Talk to servicer about modification or repayment plan

___ 2. Remain in the home without paying mortgage

___ 3. Establish an emergency budget to catch up on payments

___ 4. Send partial mortgage payments when possible

Knowledge Check 10

Which action should a client **avoid** when creating an emergency budget to remain in his home?

A. Asking older children who live with them to help pay some bills
B. Missing mortgage payments
C. Cooking dinner at home every night
D. Earning extra income from a side business

Summary

In this module, you learned to:

1. Demonstrate comprehension of the events leading up to the most recent increase in foreclosure rates by naming three mortgage industry practices that increased mortgage default rates by borrowers.
2. Demonstrate comprehension of recent regulatory changes and nationwide legal settlements that may help clients avoid mortgage default and foreclosure.
3. Apply knowledge of critical foreclosure-related documents for both the judicial and nonjudicial process when discussing the foreclosure process with a client.
4. Evaluate a client's financial situation and the reasons the client is facing foreclosure.
5. Apply knowledge of different options available to a homeowner facing foreclosure, such as establishing an emergency budget, helping to determine if the client should stay in the home and the workout request process.

Appendix

Knowledge Check Answer Key

1. **Correct checked answers:**

✓ 1. Subprime lending—This industry practice was a critical factor in the rise in foreclosure rates.

✓ 2. Risky loan products with features like negative amortization—This industry practice was a critical factor in the rise in foreclosure rates.

___ 3. Homeowners paying off mortgages early—These homeowners made extra payments because they could afford to and avoided foreclosure.

✓ 4. Aggressive marketing of HELOCs—This industry practice was a key factor in the increase in foreclosure rates.

✓ 5. Demand from the secondary market—Lenders offered more loans to meet the secondary market's demands.

✓ 6. Using teaser rates to qualify more borrowers—Lenders qualified many borrowers based on what they would pay with a loan's introductory rate rather than what the rate would most likely be after the teaser rate expired.

2. **Correct matched items:**

(A) Issuance of New Mortgage Rules: 1. To make it easier for borrowers to understand loan terms, to require homeownership counseling for some mortgages, and to expand protections.

(B) Consumer Finance Protection Bureau: 3. To create a federal agency charged with addressing failures of consumer protections.

(C) National Mortgage Settlement: 5. To penalize five financial institutions for deceptive lending and foreclosure practices.

3. **Is the servicer in compliance?**

(B) No

Servicers are required to provide certain borrowers with foreclosure protections more than once over the life of the loan, provided that borrowers become current on payments at any time between completed prior and subsequent loss mitigation applications.

Incorrect answer: (A) Yes

4. **Mark all that apply:**

✓ 1. Housing Department
✓ 2. Attorney General's Office
✓ 3. State Housing Finance Agency
✓ 4. Department of Community Affairs

Depending on the state, any one of these offices could have information on your state's foreclosure process.

5. **Mark the actions that are judicial with an A and the ones that are non-judicial with a B.**

(A) Judicial	(B) Non-Judicial
2. The client's opportunity to fight a foreclosure takes place in court.	1. The client receives a Notice of Default in the mail.
3. The servicer can't take any foreclosure action against a client until a judge grants them permission.	4. Communication occurs between the servicer and the homeowner.
	5. The client has until five days before a foreclosure sale to cure a delinquency and stop the sale.

6. **Mark all that apply:**

___ 1. Credit score reflecting recent negative impact—While credit scores are important for overall financial understanding, the score is not necessary to create a budget.
✓ 2. Monthly income from a part-time job—Income is an important part of the budgeting process.
✓ 3. Credit report information including delinquencies—A credit report ensures that you have the full financial picture, including past due accounts.
✓ 4. Mortgage information including past due amount—Mortgage information is important in this situation so a counselor can see why the client is having trouble making payments.

7. **(D) Reduced and/or lost income**

Often, clients seeking counseling say that they are facing foreclosure due to reduced or lost income.

Incorrect answers: (A) Increase in expenses and reduction in income—These are reasons for foreclosure but not the most common; (B) Medical bills and poor budget management skills—These are reasons for foreclosure but not the most common; and (C) Poor investment and/or not being able to flip an investment property—Few flippers seek counseling assistance to save these properties.

8. Correct order:

(G) Determine reason client is delinquent

(C) Determine client housing intentions

(E) Determine type of mortgage

(H) Gather documents

(A) Complete forms

(D) Submit package

(B) Respond to additional requests for information

(F) Consider servicer approval or denial

9. Correct checked items:

✓ 1. Talk to servicer about modification or repayment plan—A servicer may be more likely to work with you if you inform them of your situation.

___ 2. Remain in the home without paying mortgage—You won't be able to stay in your home indefinitely if you don't pay your mortgage. Typically, extended nonpayment will result in foreclosure, after which the new owner, usually the lender, can start eviction proceedings.

✓ 3. Establish an emergency budget to catch up on payments—An emergency budget allocates money to priority payments first by cutting unnecessary expenses.

___ 4. Send partial mortgage payments when possible—In many cases, servicers will not accept partial payments. Always speak to your servicer before starting a payment plan.

10. (B) Missing mortgage payments

Homeowners need to show their servicer they are making a good-faith effort to meet their financial obligations.

A. Asking older children who live with them to help pay some bills.

C. Cooking dinner at home every night

D. Earning extra income from a side business

Incorrect answers: (A) Asking older children who live with them to help pay some bills—Teenagers and adult children can help with the bills if necessary; (C) Cooking dinner at home every night—Eating at home is an easy way to save money; (D) Earning extra income from a side business—Extra income will alleviate the financial pressure a client is feeling

Resources

CFPB Issurance of Final Rules TILA

https://www.federalregister.gov/documents/2023/09/21/2023-20476/truth-in-lending-regulation-z-annual-threshold-adjustments-credit-cards-hoepa-and-qualified

2013 Home Ownership and Equity Protection Act (HOEPA) Rule

https://www.federalregister.gov/documents/2023/09/21/2023-20476/truth-in-lending-regulation-z-annual-threshold-adjustments-credit-cards-hoepa-and-qualified

CFPB 2023 Issuance of Final Rules Under RESPA

https://www.consumerfinance.gov/rules-policy/final-rules/real-estate-settlement-procedures-act-regulation-x-digital-mortgage-comparison-shopping-platforms-and-related-payments-to-operators/

CFPB Issuance of Final Rules

https://www.consumerfinance.gov/rules-policy/final-rules/truth-lending-regulation-z-annual-threshold-adjustments-card-act-hoepa/

CFPB Mortgage Complaint

www.consumerfinance.gov/complaint

Consumer Finance Protection Bureau

www.consumerfinance.gov

Fannie Mae Loan Look-Up Tool

www.knowyouroptions.com/loanlookup

Freddie Mac Loan Look-Up Tool

ww3.freddiemac.com/loanlookup

National Foreclosure Mitigation Counseling Program Congressional Reports

https://www.neighborworks.org/_neighborworks_/Documents/HomeandFinance_Docs/Foreclosure_Docs/NFMC_Docs/Urban-Instit/NFMC_CapstoneReport-2018.pdf

National Mortgage Settlement of 2012

www.nationalmortgagesettlement.com

United States Foreclosure Laws

www.foreclosurelaw.org