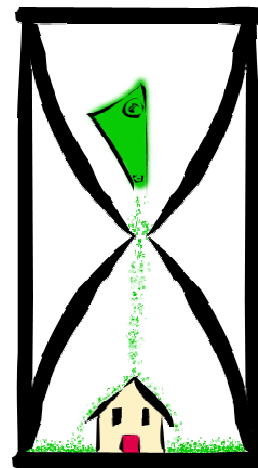


BUYING TIME:

This brief report is an outgrowth of the community based “Buying TIME” workshops which were launched nationally in Indianapolis in March of 2009.

This report has been written for you, whether you are behind on your mortgage or perhaps just struggling financially as times get tough. The intent is to provide a broad overview of things to consider to protect the largest and most important purchase you will ever make—your home.



T I M E cannot—literally—be bought. It continues to tick along whether we are paying attention or not. But the concept of buying time is one which we all understand.

When money is tight we feel like we are running out of time to make better choices or improve the situation. Consequently, we wish for more time.

T I M E doesn't cure anything but—T I M E—used wisely can frequently be what you need to reach an acceptable resolution to your housing problem.

Could you use some T I M E?

T I M E — to complete negotiations for a modification to a payment you can afford?

T I M E — to secure and close a reverse mortgage?

T I M E — to recover from your injury and get back to work?

T I M E — to facilitate and close on a short sale?

T I M E — to move on to more affordable housing?

T I M E — to find a tenant for the house you may be forced to leave?

WHERE TO START?

1. A realistic analysis of your current financial situation is necessary.
 - a. Are your housing and other monthly expenses more than your current income?
 - b. Have you depleted all resources you had set aside for both emergencies and available retirement funds?

- c. Has it been necessary to borrow money from family or friends to cover regular expenses during the past few months? Has this occurred more than once?

If you are honest with yourself you know that it is time for you to make some adjustments.

The mostly likely challenge is knowing **where** or **how** to do so.

Foreclosure is too broad to cover in a simple article. Nor can it be absorbed in a single sitting.

HOMPCI is committed to providing a broad range of resources which will help all consumers to better understand and manage their housing situation. The material which you can access via the website, the HOMPCIBlog and HOM INTros is invaluable.

We are adding to those resources a series of e-Reports which are:

- a. Available for a donation of any amount in order to sustain the organization so we are able to continue the valuable work we do.
- b. Will be e-mailed within six (6) hours on regular business days (Monday through Friday) during regular business hours (9am to 5pm EST). E-mail time will be longer over weekends and holidays. Please call (866) 507-5105 if you need a copy immediately.
- c. Comprehensive enough to provide you with detailed information on some aspect of the foreclosure issue
- d. Provide clear guidance from someone who will give it to you straight

The series will continually expand with new reports being added to address the challenges associated with responding to your housing issues. Chances are good that the specific topic you need addressed has been written on and if it hasn't, drop me a quick note and it can be added as one we need to address as soon as we can.

Foreclosure Prevention eReport

Current Topics in the Series

All these topics,
and more
will be available soon:

Cost: Donation.

www.HOMPCI.org

Get YOURS today!

- Options for Keeping My Home
- Foreclosure Basics
- Stop! Don't Leave Your Home
- Analyzing Your Choices—Go or Stay?
- Preparing a Crisis Budget
- MERS...Who is this and Why Should I Care?
- Judicial foreclosure
- Non-judicial Foreclosure
- Cash-for-keys
- Hardship package—Preparing an Effective One
- Mortgage Settlement hearings
- Options for Retention
- Disposition Options—When Staying is NOT Possible
- Bankruptcy & Foreclosure
- Do I Qualify for a Short Sale?
- Loan Modification
- HAMP—Can it help?
- HAFA—Not all it's Cracked Up to Be
- Seek Legal Counsel
- When Can the Bank Lock Me Out? Why?
- Who Can I Call when my Bank Won't Respond?
- Housing Counselors as an Intervention Option
- Preparing an "Answer"
- Taking Charge of Your Situation

STAY in the HOUSE

Do not abandon your home, even if you have not been able to pay the mortgage for many months. It is critical that you continue to live there and maintain it the best that you can—for as long as you possibly can do so. There are four good reasons why you should STAY

- a. You gotta live somewhere
- b. Your mortgage requires you to do so if this is your principal residence
- c. You can fight most effectively to avoid foreclosure if you are still in the house
- d. Something could change your situation in a positive way—
ANY DAY—you need to STAY

Powerful legal reason to stay

Your lender has the legal right to lock you out of the home IF you abandon.

Resources:

1. When Can the Bank Lock Me Out? Why? (\$4.99)
2. Can They Just Do That? (Free HOM INtro # 61)

*Always seek legal counsel if you feel unsure of the possible implications of the forms you are being asked to sign and how they could impact your future. However, this is NOT a substitute for doing some research on your own— it's your house, your life.
Your FUTURE*

How to help yourself—
without an attorney or
other professional?

While there are a number of situations which should not be attempted without legal advice, I certainly encourage you to explore the options to block/delay/avoid foreclosure which you might be able to handle on your own.

It would be a wise investment to purchase “**Avoiding Foreclosure Using a Qualified Written Request**” for step-by-step instructions on HOW to use this important consumer option which is mandated under Federal law. This eBook by Mildred Wilkins gives you EVERY detail to do it yourself (\$29.99)

FREE information is available from the usual resources listed in this report.

- Situations which REQUIRE legal help
 - a. Short sale with possible deficiency
 - b. Deed-in-lieu
 - c. Assumption
 - d. Cash for keys agreement

Resources: The usual ones mentioned plus the specific eReport on each of the subjects above for a broader understanding of WHY legal help is needed

- Why Bankruptcy may not help

Is discussed in detail in an eReport available elsewhere on this website.

Why do banks seem to be talking out of both sides of their mouths?

Because they are serving a couple of masters:

- a. Investors
- b. Guarantors

Because they have multiple concerns:

- a. Business Profits
- b. Political expediency

Because they operate nationally under multiple levels of government:

- a. Federal laws
- b. State laws

Because they have some practical issues:

- a. Overwhelming, unanticipated volume
- b. Totally inadequate capacity
- c. No clear sense of how to respond
- d. Poorly trained staff
- e. New guidelines and programs being added continually, without clear cut guidelines, instructions or support

Pitfalls to avoid

- a. Taking no action
- b. Making a decision with too little or no information
- c. Getting involved with scams
- d. Unnecessary bankruptcy
- e. Believing there is some magic solution, there isn't
- f. Failing to do your homework

ASSESSING YOUR SITUATION

A Reality Check:

Temporary
Permanent

Retention Options
Disposition options

When necessary consider letting the house go. Disposition options include:

- a. Pre-foreclosure sale
- b. Short sale
- c. Assumption
- d. Deed-in-lieu

Be sure you understand each of these options, the differences between them and the benefits as well as the drawbacks which accompany using either of them.

Resources:

1. This website, including HOM INtros
2. www.HOMblog.org
3. A New eReport—
“Disposition Options”
available for \$4.99

Do you qualify for a Hardship?

Maybe Yes, Maybe No:

Universal Hardship Test

- Was the default caused by a problem beyond your control? Can you document the cause?
- Did the problem lead to a decrease in income or an increase in expenses?
- Are you an owner-occupant?
- Are you in occupancy in the house?
- Do you have an asset (401K) which can be used to offset the problem?
- Are you willing to complete a hardship package and work with the lender to resolve your problem?