

The Home Affordability and Stability Plan

On March 4, 2009, the Treasury Department issued guidelines for this new program. There are two avenues open to borrowers who are experiencing difficulty in the current economic conditions—Refinancing or Modification..

Details

ELIGIBILITY AND VERIFICATION

REFINANCING

1. You must find out if your mortgage is owned by Fannie Mae or Freddie Mac. You'll need your loan number.
 - Call your lender using the phone number on your monthly statement
Or
 - Call 800-7FANNIE or 800-FREDDIE
Or
 - Visit fanniemae.com/homeaffordable and freddiemac.com/avoidforeclosure
2. Your loan must be current
3. You must have verifiable income
4. The home must be your primary residence.
5. The loan you want to refinance cannot exceed 105% of the current market value.

Before You Go There: Since home values in Arizona have declined significantly, the 105% loan to value ceiling will put the refinancing option out of reach for many home purchasers in Arizona.

For urgent assistance, contact the Homeowner's HOPE™ Hotline: **(888) 995-HOPE**
For more information on the Homeowners Affordability and Stability Plan, visit www.FinancialStability.gov, www.Treas.gov, or www.WhiteHouse.gov.



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20 Years Escrow and Title Experience!

MODIFICATION

1. You're an Owner-Occupant; not a speculator. Your occupancy will be verified through your credit report and other documentation. No investors, no vacant, no condemned property.
2. Your existing loan doesn't exceed \$729,750. Higher limits for owner-occupied property with 2—4 units.
3. Your loan originated on or before January 1, 2009
4. You can fully document income including signed IRS 4507-T, two most recent pay stubs and most recent tax return.
5. You are at risk of default due to
 - serious hardship
 - Decreased income
 - Payment shock due to an adjustable rate mortgage
 - Being "under-water" with a mortgage balance higher than the home value
 - High total debt (55% or more of your total income), but only if you enter HUD-certified consumer debt counseling
6. You must sign an affidavit of financial hardship.
7. Those who have already fallen behind in payments are eligible for modification, but borrowers who have not yet fallen behind are also eligible and are expected to have a better chance of succeeding.
8. Modifications can take place from now until December 31, 2012. Loans can be modified only once under the program.

Lenders now have clear and consistent modification guidelines. Lenders who have participated in the Financial Stability Plan are required to provide modifications under this plan. Other lenders will receive substantial incentives and it is expected that most major lenders will participate.



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