

## Senator Lieberman's Mortgage Assistance Tip Sheet

Over the past year, we have seen a vast increase in the number of Connecticut residents experiencing foreclosures. If you or someone close to you has fallen, or expects to fall, behind on mortgage payments, Senator Lieberman urges you to reach out as soon as possible to agencies that may be able to help you. New federal legislation aims to help struggling American homeowners cope with the economic slowdown and avoid foreclosure. In addition, state law and recently enacted state legislation provide certain safeguards for Connecticut homeowners. For instance, some unemployed and underemployed homeowners may apply for a 6-month protection from mortgage foreclosure and the restructuring of their mortgage payments.

Acting now increases the potential for a solution. The following resources can help you to understand better options that may be available:

- **HOPE Hotline.** The Homeownership Preservation Foundation operates the free Homeowner's HOPE Hotline, **1-888-995-HOPE**. The HOPE Hotline can be reached 24 hours a day, 7 days a week. The Homeownership Preservation Foundation is an independent nonprofit that provides HUD-approved counselors that are certified and trained to set up a plan of action designed just for you and your situation. Spanish-speaking counselors are also available. Additional information and online counseling may also be obtained online at: <http://www.995hope.com>.
- **Connecticut State Mortgage Assistance.** Connecticut has three major programs at the state level to help homeowners keep their homes. The Emergency Mortgage Assistance Program (EMAP) provides mortgage assistance payments to eligible homeowners. The Homeowner's Equity Recovery Opportunity (HERO) Loan Program allows the state to purchase eligible mortgages directly from lenders and place those borrowers on an affordable repayment plan. The Connecticut FAMILIES Program enables at-risk homeowners to apply to the Connecticut Housing Finance Agency (CHFA) for refinancing. Homeowners may contact CHFA Special Programs Call Center at 860-571-3500 (toll free at 877- 571-CHFA) for more information.
- **Governor's Mortgage Foreclosure Assistance Hotline.** Governor M. Jodi Rell has established a Mortgage Foreclosure Assistance Hotline at the Connecticut Department of Banking for Connecticut residents facing foreclosure on their homes. To access the hotline, call (877) 472-8313 toll-free, Monday through Friday, 8 am to 5 pm. The Connecticut Department of Banking also offers a website on "avoiding foreclosure." The site offers advice to people falling behind on their mortgage payments. To access this resource, please visit: <http://www.ct.gov/dob/cwp/view.asp?a=2235&q=386114>.

- **Neighborhood Assistance.** The Neighborhood Assistance Corporation of America provides in-person guidance. They are located at 144 Orange Street in New Haven, and can be reached at 203-562-6220.
- **Legal Services.** The Legal Assistance Resource Center of Connecticut, which offers statewide legal services, can be reached at 1-860-344-0380 in the Middletown area, and at 800-453-3320 from elsewhere within Connecticut.

## **The Housing and Economic Recovery Act of 2008**

On July 30, 2008, with my support, the President signed into law the Housing and Economic Recovery Act of 2008 ( H.R. 3221). The legislation includes a number of provisions designed to help struggling Americans homeowners cope with the economic slowdown and avoid foreclosure.

### ***The HOPE for Homeowners Program***

Most importantly, the legislation establishes the HOPE for Homeowners Program, which will allow the Federal Housing Administration (FHA) to insure distressed loans for principal residences that have been renegotiated at a significant discount to the borrower. In order to qualify for the program, the loan must be negotiated down to no more than 90 percent of the home's current value. The program is voluntary; both the borrower and lender must agree to participate.

To protect taxpayers, guidelines will be established to ensure that this program is utilized only by homeowners who are truly distressed. No investors or investor properties will qualify. Homeowners must certify, under penalty of law, that they have not intentionally defaulted on their loan to qualify for the program and must have a mortgage debt-to-income ratio greater than 31 percent as of March 1, 2008. Borrowers will also be required to purchase FHA insurance and share any equity they earn from future appreciations in their property equally with FHA. Before participating in the program, all subordinate liens must be extinguished. This will have to be done through negotiation with the first lien holder.

FHA is currently in the process of implementing HOPE for Homeowners, which is set to begin on October 1<sup>st</sup>, 2008. As more information on this program becomes available, this page will be updated accordingly. In the meantime, if you are interested in refinancing your loan through the program, it is suggested that you reach out to your lender as soon as possible.

### ***Other Provisions***

- Pre-Foreclosure Counseling. To help families avoid foreclosure, the legislation provides \$150 million in new funding for housing counseling. These funds will be distributed by the Neighborhood Reinvestment Corporation by the end of 2008 to ensure families can quickly get the help they need. In addition, \$30 million will be provided to help provide legal services to distressed borrowers.
- Preserving the American Dream for Our Nation’s Veterans. To assist returning soldiers avoid foreclosure, the legislation lengthens the time a lender must wait before starting foreclosure from three months to nine months after a soldier returns from service and provides returning soldiers with one year relief from increases in mortgage interest rates. In addition, the Department of Defense is required to establish a counseling program to ensure veterans and active service members can access assistance if facing financial difficulties.
- Reverse mortgages. The legislation increases the loan limit on reverse mortgages for seniors to \$625,000.

## Mortgage Servicer Contact Numbers and Websites for Homeowners

In addition to the governmental and nonprofit organizations, it is important that you reach out to your mortgage servicer. Through the HOPE NOW Alliance, most mortgage servicers provide a dedicated phone number for homeowners having trouble with their mortgage. Have your account number ready when calling.

Company	Phone Number	Website/Email
Acqura Loan Services	866-660-5804	<a href="http://www.acqura.net">www.acqura.net</a>
American Home Mortgage Servicing, Inc.	877-374-3100	<a href="http://optiononeonline.com">optiononeonline.com</a>
Aurora Loan Services	800-550-0509	<a href="http://myauroraloan.com">myauroraloan.com</a>
Bank Of America	800-846-2222	<a href="http://bankofamerica.com">bankofamerica.com</a>
Carrington Mortgage Services, LLC	800-790-9502	<a href="http://myloan.carringtonms.com">myloan.carringtonms.com</a>
Citi Mortgage/Citi Residential	866-915-9417	<a href="mailto:mortgagehelp@citi.com">mortgagehelp@citi.com</a> <a href="mailto:officeofhop@citirl.com">officeofhop@citirl.com</a>
Countrywide Home Loans	800-669-6650	<a href="http://countrywide.com">countrywide.com</a>
EMC Mortgage / Bear Stearns	877-362-6631	<a href="http://emcmortgageservicing.com">emcmortgageservicing.com</a>
First Horizon Home Loans	800-364-7662	<a href="http://firsthorizon.com">firsthorizon.com</a>
GMAC / Homecomings	800-799-9250	<a href="http://homecomings.com">homecomings.com</a> <a href="http://gmacmortgage.com">gmacmortgage.com</a>
Home Loan Services, Inc. (d/b/a First Franklin Loan Services & NationPoint Loan Services)	800-500-5022	<a href="http://viewmyloan.com">viewmyloan.com</a> <a href="http://nationpoint.com">nationpoint.com</a>
HomeEq Servicing	877-867-7378	<a href="http://www.homeeq.com">www.homeeq.com</a>

HSBC Consumer Lending	800-333-5848	<a href="http://www.beneficial.com">www.beneficial.com</a>
HSBC Mortgage Services	800-365-6730	<a href="http://hsbcmortgageservices.com">hsbcmortgageservices.com</a>
HSBC Mortgage Corporation	888-648-3124	<a href="http://www.us.hsbc.com">www.us.hsbc.com</a>
IndyMac Federal Bank	866-355-7273	<a href="http://www.imb.com">www.imb.com</a>
JP Morgan Chase Prime Loans	800-446-8939	<a href="http://www.chase.com">www.chase.com</a>
JP Morgan Chase Non Prime	877-838-1882	N/A
JP Morgan Chase Home Equity	866-582-5208	N/A
Land America Lender Services	800-909-9525p & 800-274-6600	<a href="mailto:customersupport@myloancare.com">customersupport@myloancare.com</a>
Litton Loan Servicing	800-999-8501	<a href="http://www.littonloan.com">www.littonloan.com</a>
National City Mortgage Company	800-523-8654	<a href="http://nationalcitymortgage.com">nationalcitymortgage.com</a>
Nationstar Mortgage LLC	888-480-2432	<a href="mailto:customer.service@nationstarmail.com">customer.service@nationstarmail.com</a>
Ocwen Loan Servicing, LLC	877-596-8580	<a href="http://ocwencustomers.com">ocwencustomers.com</a>
Saxon Mortgage / Morgan Stanley	888-325-3502	<a href="http://www.saxononline.com">www.saxononline.com</a>
Select Portfolio Servicing, inc.	800-258-8602	<a href="http://www.spservicing.com">www.spservicing.com</a>
SunTrust Mortgage	800-443-1032	<a href="http://www.suntrustmortgage.com">www.suntrustmortgage.com</a>
Washington Mutual	866-926-8937	<a href="http://www.wamu.com">www.wamu.com</a>
Wells Fargo Home Mortgage	877-216-8448	<a href="http://www.wellsfargo.com">www.wellsfargo.com</a>
Wells Fargo Financial	800-275-9254	<a href="http://financial.wellsfargo.com">financial.wellsfargo.com</a>
Wilshire Credit Corp. / Merrill Lynch	888-917-1050	N/A