

THE PURPOSE OF THIS DOCUMENT is not to share any legal advice but simply to help assist persons to contact others who may be of assistance. The information may or may not be helpful, and the legal realities change rapidly. Nonetheless, we hope this information is beneficial to you and are providing it as a public service. Please think carefully before following any advice from any source, and you may want to consult legal representation or another expert before taking any action.

If a link is no longer correct, you might use an internet search to seek the same information. Most of it comes from <http://www.needhelppayingbills.com/>

On January 10, 2011, I asked a social service provider in Madison & St Clair counties of Illinois if she would compile some information that would help people in foreclosure know who they could possibly contact for help and advice. That request resulted in this document. Thanks very much to her and those who assisted in compiling this information.

Pastor David Kueker
Caseyvillechurch.org

Federal Government Mortgage Assistance

Fannie Mae and Freddie Mac, which are now owned by the federal government, are providing mortgage help to over 600,000 homeowners. [More.](#)

Freddie Mac has opened Borrower Help Centers in several cities around the country. The centers will provide people with mortgage assistance, loan modifications, overall debt counseling, and other resources to deal with mortgage and financial problems. [Click here](#) to learn more.

The Borrower Help Network has also been launched by Freddie Mac. This is yet another resource for homeowners to use if they need mortgage or foreclosure assistance. [Click here](#) to learn more.

The federal government's Making Home Affordable program is working with various banks and lenders to ensure that they provide millions of homeowners with loan modifications and other programs as a way to ensure they get relief from their mortgage payments. [Click here.](#)

If you are one of the millions of homeowners whose mortgage balance exceeds the current property value of your home, otherwise known as underwater, the federal government [Home Affordable Refinance Program \(HARP\)](#) or the [Home Affordable Modification Program \(HAMP\)](#) mortgage assistance program may help.

Many private and government grants can also be used to [help pay your mortgage](#). While you do need to apply for grants, they can be another option to consider.

Learn about a federal government program, Hope for Homeowners, that is offered through the Federal Housing Authority (FHA), that will help hundreds of thousands of homeowners pay or refinance their mortgages (including subprime). Help may even be available if the value of your home has significantly declined. [More](#).

The Hope for Homeowners program has been expanded. Families can now receive aid on a second mortgage. Banks and lenders have been provided further incentive to participate in the [Hope for Homeowners](#) program.

Military Homeowners Assistance Program (HAP) provides assistance to military service members and their families who are facing housing issues. [More](#).

The Service members Civil Relief Act prevents a home foreclosure and will lower the interest rate on a home mortgage for military members. [Click here](#).

Another multi-billion dollar government assistance program, the Neighborhood Stabilization Program, has been created to provide states and homeowners with even more mortgage help. [Continue](#).

The FHA also greatly encourages that you explore all loan workout solutions with your lender. [More](#).

Another program offered by the Federal Housing Administration is the FHA Home Affordable Modification Program (FHA-HAMP). This helps homeowners before they fall behind on their payments. [Learn more](#).

Find information on the Home Affordable Foreclosure Alternatives (HAFA) program, which is the new federal government short sale program. This is a plan created by the Obama administration that provides financial incentives to both homeowners and lenders, and also simplifies the process. Find more on the [short sale program](#).

Free government foreclosure counseling - Grants are provided to over 900 law offices across the country as part of a federal government legal assistance program. While many services are offered by these attorneys to income qualified clients, one of them is free foreclosure assistance. [More](#).

Organizations That Provide Mortgage Help

Receive mortgage and foreclosure counseling from **The Alliance for Stabilizing our Communities (ASC)**. The organization was created from a partnership from the National Urban League (NUL), the National Coalition of Asian Pacific American Community Development (National CAPACD) and the National Council of La Raza (NCLR). [Click here](#) to learn more.

The **Cherokee Nation** offers resources and guidance to assist homeowners and help them prevent a home foreclosure. [Continue](#).

Many **Community Action Agencies** have programs and resources that homeowners can take advantage of. While they primarily focus on providing counseling, some of the community action agencies can provide cash grants, mediation services, and other tools to help a homeowner prevent or stop a foreclosure filing. [Click here](#) to learn more.

The NID-Housing Counseling Agency (NID-HCA) is a non-profit, HUD approved agency that assists homeowners with addressing financial situations including defaults and foreclosure, predatory lending, credit repair, referrals, foreclosure counseling, and other services. Their services are mostly free, and their goal is to help people stay in their homes. [Read more](#) on this agency.

Mortgage and foreclosure assistance from the **NeighborWorks America**. They can provide help from the National Foreclosure Mitigation Counseling. [More](#).

Neighborhood Assistance Corporation of America operates from over 40 offices across the nation and offers struggling homeowners numerous options to get mortgage help or prevent a foreclosure. Find [more details](#).

Save the Dream Tour: The NACA also has a venue to facilitate mortgage modifications. The Save the Dream Tour has tens of thousands of homeowners participating at each event, and thousands who attend have their mortgage restructured the same day. They can have their interest rates lowered to as low as 2%, or their principal reduced. More on the [Save the Dream Tour](#).

Union Plus provides mortgage assistance to union and organized labor members. Short and long term assistance can be provided to people who are struggling with their mortgage and housing expenses. [Read](#).

Options for Mortgage Help and Foreclosure Prevention

There are numerous solutions and programs that you and your lender can review. When it comes down to it, the solution to a foreclosure or mortgage problem will need to depend upon what you can afford to pay. This will be based upon, among other things, your income and expenses, what other assets and resources you have, the amount you are behind on your mortgage payments, what type of loan you have, and more. First, [understand the foreclosure process](#), and then explore some of options that can provide you with mortgage help and that can help you stop a foreclosure. They include:

Short sale can be an alternative to foreclosure, and it will allow you to sell your home for less than the current outstanding mortgage balance. [Continue](#).

Modify your mortgage loan. Loan modification can reduce your payments, waive fees, and more. [Continue](#). More lenders are also offering loan modifications with interest rates as low as 2%. They have determined this is in their best financial interest as well. Learn more on [low interest rate loan modifications](#).

Mortgage principal reductions are becoming more common. The latest data shows that banks and lenders are forgiving, deferring or reducing the principal on about 15% of home mortgages. Find more information on [mortgage loan principal reduction](#) programs from banks.

Short pay refinance is when the mortgage lender or lender will agree to reduce or discount your loan balance. This should be considered when the homeowner is facing an economic or financial hardship. A [short pay refinance](#) is when the home is refinanced with a new lender.

Many banks and lenders are now offering [Mortgage Forbearance agreements](#) and programs. These agreements will either reduce or suspend the borrowers monthly payments.

A [deed in lieu of foreclosure](#) is when a homeowner gives the lender back the convey and deeds the home back to the lender. This has several advantages for both the lender and the borrower, including less of an impact to credit scores, and it releases the homeowner from the debt they owe.

Declare bankruptcy to stop the foreclosure process and possibly keep your home. [Learn more](#).

Do not vacate your home if you receive a foreclosure notice. Stay put in your home to delay the process. [Continue](#).

Steps To Take Yourself To Help With Your Mortgage

([Mortgage counselors](#) can also help you with your mortgage options.)

[Know your mortgage.](#)

What do do if you are [behind on your mortgage payments.](#)

[Contact your mortgage servicer](#) to ask them about assistance they offer.

Consider [giving up your home without foreclosure.](#)

Get needed help from [mortgage, housing, and credit counseling.](#) These professionals will work directly with your lenders or banks on your behalf. Be sure to avoid the scam artists.

Consider [renting out a room](#) to provide an extra income stream that can help you pay your mortgage. The extra money can be used to help with mortgage payments.

Learn about the [types of mortgages](#) you can refinance into.

Bankruptcy can help save your home from foreclosure in a few ways. [More.](#)

Find the phone numbers of [mortgage servicers that can provide help.](#) Contact them to see what programs they offer.

Find free legal advice

(If you cannot find an attorney, you may find the information below helpful.)

Legal Services Corporation provides free legal advice for low and moderate income people across the nation. In addition, it is also the largest non-profit organization that provides legal assistance to the poor. It supports programs, offers services and resources that help people who are facing foreclosure, bankruptcy, eviction, domestic violence, and it offers legal aid for many other situations. People who need free legal advice and the help of lawyers, attorneys and other legal professionals have a place to turn to.

LSC awards grants to attorneys and legal service providers across the nation. They also review the organizations who receive the grants to ensure the programs they offer are high quality and that they comply with all federal regulatory and statutory requirements. They also provide training, counseling and technical assistance to programs at the state level.

In total, Legal Services Corporation provides funding and support to almost 140 independent, non-profit legal programs at the state level. Together these programs operate almost 1,000 offices across the nation that provide free legal assistance to low and moderate income families and individuals throughout the nation. Almost five million people receive help every year. They their services at no charge to those who qualify.

Who do the free legal advice programs help?

A wide variety of people can receive help. They include low and moderate income and the working poor, renters who are facing an eviction, veterans, families with children, farmers, people with disabilities, homeowners who have received a foreclosure notice, victims of domestic violence, victims of natural disasters, and the elderly.

Most people who ask for aid are women. In fact, three out of four clients of the program are female, many of whom are struggling to keep their families safe and their children together.

While the Legal Services Corporation and the non-profit organizations and attorneys its support provide a wide range of free legal advice to clients, there are some more common items that people need help with, and they include the following.

Foreclosure Legal Aid and Housing Assistance: Over 25 percent of the clients to the program involve foreclosures or evictions. These can range from people who need help to prevent a foreclosure or modify their loan, resolve landlord-tenant disputes, legal counsel that can assist renters who have received an eviction notices if their landlord is being being foreclosed on, and attorneys can even provide help to people who are trying to maintain federal government housing subsidies. Unfortunately the demand for free foreclosure assistance is tremendous, and some local attorneys just do not have the resources to address the housing crisis that is plaguing the nation. [Learn more](#) on how lawyers can help modify home loans and provide foreclosure prevention advice.