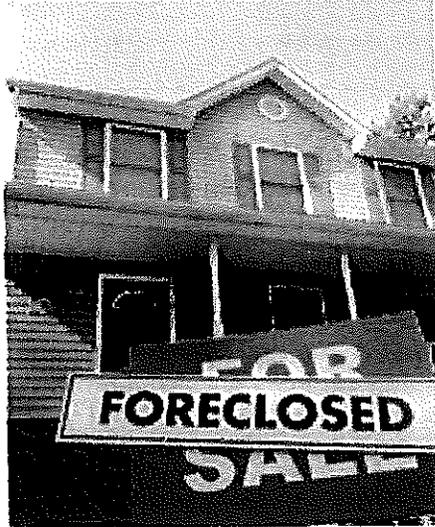


Community Notice



Are you having trouble keeping up with your mortgage payments? Have you received a notice from your lender asking you to contact them?

- Don't ignore the letters from your lender
- Contact your lender immediately
- Contact the Western Piedmont Council of Governments -- a HUD-approved Housing Counseling Agency
- (828)322-9191 ext. 226

If you are unable to make your mortgage payment:

1. Don't ignore the problem.

The further behind you become, the harder it will be to reinstate your loan and the more likely that you will lose your house.

2. Contact your lender as soon as you realize that you have a problem.

Lenders do not want your house. They have options to help borrowers through difficult financial times.

3. Open and respond to all mail from your lender.

The first notices you receive will offer good information about foreclosure prevention options that can help you weather financial problems. Later mail may include important notice of pending legal action. Your failure to open the mail will not be an excuse in foreclosure court.

4. Know your mortgage rights.

Find your loan documents and read them so you know what your lender may do if you can't make your payments. Learn about the foreclosure laws and timeframes in your state (as every state is different) by contacting the State Government Housing Office.

5. Understand foreclosure prevention options.

Most lenders have options other than foreclosure. The Loss Mitigation Department is responsible for determining if your loan can be restructured or payments deferred so that you can remain in your home.

6. Contact the Western Piedmont Council of Governments

The U.S. Department of Housing and Urban Development (HUD) provides funding for this service. All counseling services are provided free of charge to you. Housing counselors can help you understand the law and your options, organize your finances and represent you in negotiations with your lender if you need this assistance.

7. Prioritize your spending.

After healthcare, keeping your house should be your first priority. Review your finances and see where you can cut spending in order to make your mortgage payment. Look for optional expenses-cable TV, memberships, entertainment-that you can eliminate. Delay payments on credit cards and other "unsecured" debt until you have paid your mortgage.

8. Use your assets.

Do you have assets-a second car, jewelry, a whole life insurance policy-that you can sell for cash to help reinstate your loan? Can anyone in your household get an extra job to bring in additional income? Even if these efforts don't significantly increase your available cash or your income, they demonstrate to your lender that you are willing to make sacrifices to keep your home.

9. Avoid foreclosure prevention companies.

You don't need to pay fees for foreclosure prevention help-use that money to pay the mortgage instead. Many for-profit companies will contact you promising to negotiate with your lender. While these may be legitimate businesses, they will charge you a hefty fee (often two or three month's mortgage payment) for information and services your lender or a HUD approved housing counselor will provide free if you contact them.

10. Don't lose your house to foreclosure recovery scams!

If any firm claims they can stop your foreclosure immediately if you sign a document appointing them to act on your behalf, you may well be signing over the title to your property and becoming a renter in your own home! Never sign a legal document without reading and understanding all the terms and getting professional advice from an attorney, a trusted real estate professional, or a HUD approved housing counselor.

Home Protection Program

The North Carolina Home Protection Program and Loan Fund helps workers who lose their jobs as the result of changing economic conditions avoid foreclosure of their homes. Created by the General Assembly in 2004 and operated by the North Carolina Housing Finance Agency, the program was recently expanded to assist workers who have lost their jobs in all 100 counties.

If the client qualifies, they can receive a zero-interest loan that is usually equal to the lesser of \$24,000, 24 months of monthly mortgage payments, or the minimum amount required to bring loans and other mortgage-related obligations current. The Agency first uses the proceeds of the loan to bring the homeowner current. Then, on a monthly basis, the Agency will use the remaining loan proceeds to remit payment on mortgage-related obligations until all proceeds are used. Repayment is deferred for 15 years, unless the home is sold, refinanced or is no longer your principal residence. In those events, the loan also becomes due. The loans can be either short-term—to bring a mortgage current, or long-term—to keep a mortgage current for up to 24 months while the client participates in an approved retraining program.

A unique component of the program is a temporary 120-day stay of foreclosure. Under N.C. statute (Session Law 2005-276, Section 20.2, as amended), once a homeowner's completed application has been received by the Agency, the stay of foreclosure is imposed. While the stay protects the client from foreclosure, it does not protect against collection, prevent late payments from being included on your credit report, or relieve the client from honoring any agreements to pay mortgage-related obligations.

Homeowners apply through the Western Piedmont Council of Governments, who offers housing counseling and determines whether applicants are eligible for assistance from the loan fund. If the counseling agency decides the client is eligible, it will help you complete the application. Homeowners must provide all necessary information with the application, including the circumstances that caused the financial hardship and the factors affecting prospects for resuming mortgage payments. Please note that the counseling agency's determination of eligibility for a loan does not guarantee assistance; the North Carolina Housing Finance Agency approves or denies all loans.

To be eligible for a loan, the client must meet all of the following criteria:

- have lost their job due to changing economic conditions
- have a mortgage that is secured by real property
- demonstrate an ability to resume the mortgage payment after the assistance ends, and
- have had a stable employment and credit history prior to job loss.

Assistance is available on a first-come, first-serve basis, and until funds are expended. Homeowners who need assistance should be directed to Laurie Powell at the Western Piedmont Council of Governments. Her phone number is (828)485-4249.