

Do It Yourself Loan Modification FREE Report

A Loan Modification is an agreement between the lender and the borrower to modify the terms of the current loan to offer more affordable payments. The goal is to keep the borrower in the home, avoid foreclosure and maintain the integrity of the neighborhood. Recent legislation has directed lenders to make every effort to offer homeowners a viable solution to foreclosure thru modification of their loan. However, borrowers need to learn everything they can about the process of a loan modification.

Yes, borrowers can contact their lender themselves to get a loan modification.

The loan modification process can be frustrating and confusing for many distressed homeowners. If you are considering contacting your lender about a loan modification to avoid foreclosure, you need to get as much information upfront as possible so you will be prepared and able to present your case in the best possible light. To help you understand how the loan modification process works and what you can expect, here are the Top 10 Questions about Loan Modifications:

1. What exactly is a loan modification? A loan modification is a permanent change in one or more terms of a borrower's home loan, allows the loan to be reinstated, and results in a payment the homeowner can afford.
2. Can the lender include late charges in the Loan Modification? Per HUD, the accrued late charges should be waived by the lender at the time of the loan modification-this varies depending on the type of loan-but always request a complete breakdown and description of all fees and penalties from your lender.
3. Can the bank require an interior inspection of the property if they have concerns about the property condition? Yes, the lender may conduct any review it deems necessary to verify that the property does not have physical conditions which might adversely impact the value.
4. How do I know if I will qualify for a loan modification? The number one criteria your lender is looking at is your ability to make the new modified payment now and in the future. You need to supply the lender with proof of your income, along with a complete and accurate financial statement detailing your income and expenses to show them that if granted the loan modification, you will be able to afford the new, lower payment.

5. Do I have to be currently delinquent on my payments to get a loan modification? Most lenders are now accepting loan modification applications from homeowners who are not currently delinquent, but who are able to prove to their bank that due to imminent interest rate increases, they will no longer be able to afford the loan payment under the terms of their loan. It is advisable to contact your lender as soon as possible to start the loan modification process, regardless of if you are delinquent or not.

6. What is an acceptable Hardship situation? Each homeowner has a unique set of circumstances that caused them to fall behind on their home loan, but generally the lenders consider divorce/separation, loss of income, death of spouse, co borrower or family member, illness, job relocation, military service to be acceptable reasons to consider a loan modification. A compelling loan modification letter included in your loan modification application is a very important part of a successful loan modification.

7. Will a loan modification help me stop foreclosure? Yes, that is the goal of a loan modification. By working with your lender to find a loan workout solution, your loan is brought current and the foreclosure process is halted.

8. Can my missed payments be added back into my new loan modification? Yes, the arrears can be added to the new loan balance and spread out over the term to allow the loan to be brought current.

9. Can I do a loan modification myself or should I pay someone to represent me? That is entirely up to you and your comfort level with dealing with your lender, but also your current financial situation as most loan modification companies require a large upfront fee. So if you are able to read and learn a few things about loan modification, yes, you can do a loan modification by yourself. Regardless of what you decide, the first thing you should do is learn all you can about the loan modification process, your legal rights, and what it takes to get a loan modification application approved.

10. So how do I get started to modify my loan? Before contacting your bank's loss mitigation department or a loan modification company, do your homework-learn as much as you can about the loan modification process so you can make informed decisions.

Loan modifications used to be reserved for borrowers whose mortgages became delinquent because of job losses, divorce proceedings, or illness, but today they are also open to those

individuals who are suffering in the aftermath of adjustable rate mortgages skyrocketing and placing the monthly payment beyond the means of the borrower.

Loan Modification is the #1 way to stop or prevent foreclosure & Stop Foreclosure and Rising Payments. Are you behind on your payments? Are you losing your family's home? Is your lender refusing your payment? Loan modification is a term very unfamiliar to homeowners but not for very long. Loan Modification Requirements sounds intimidating to the average homeowner but the process is indeed simpler than you might think. The term loan modification has been getting a lot of attention lately and rightfully so. Loan modifications are less of a loss to lenders than foreclosure.

As the number of non-performing residential and commercial mortgages continue to grow on the balance sheet of banks and other financial institutions nationwide. One of the larger hindrances to a sale of any mortgage pool has been uncertainty over pricing. After all, just what is a troubled mortgage really worth, when the value of the collateral securing the loan, is losing more value by the day?

If you would like to take a shot at doing your own loan modification get our \$25.00 guide that will help your doing just that at <http://www.homerecovery.info/>