



148 North 48th Street, Phoenix, AZ 85034

We understand that financial circumstances may change from time to time, affecting your ability to meet your obligations.

**We Are Here to Help—Call us at 602-335-5676 or Toll Free 800-456-9191 (X35676)**

Let us work with you to understand the issues affecting your mortgage payments. We'll explore what assistance may be available to you and discuss the forms and documentation needed to determine if you qualify for an option to avoid foreclosure.

**Options May Be Available**

The right option for you depends on your individual circumstances. When you provide the required information and documentation about your situation, we can determine if you qualify for temporary or long-term relief, including mortgage options that may allow you to stay in your home or leave your home while avoiding foreclosure. Review the **Information on Avoiding Foreclosure** page for an overview of these options.

**Act now and call us 1-800-456-9191 (x55676) The sooner you respond, the quicker we can determine whether you qualify for an option to avoid foreclosure.**

**Getting Started**

**Remember, you need to take action by calling us at 602-335-5676 or Toll Free 800-456-9191 (x55676) right away—or get started by completing and returning the attached Mortgage Assistance Application** along with other required documents **to us via Email:**

**Loss.MitigationUser@desertfinancial.com, Mailing Address: 148 North 48<sup>th</sup> Street, Phoenix AZ 85034 or FAX: 602-634-2993.**

**Additional Resources**

**For additional information about preventing foreclosure, avoiding fraud scams and accessing approved counseling at no cost to you.**

- Visit the Desert Financial Credit Union web site <https://www.desertfinancial.com/personal/loans/home-loan-overview/mortgage-payment-assistance>
- Visit Fannie Mae's [www.KnowYourOptions.com](http://www.KnowYourOptions.com) (Fannie Mae Loans only)
- Find available HUD-approved housing counselors – Call the US Department of Housing and Urban Development at 1(800) 569-4287 or visit [www.hud.gov/counseling](http://www.hud.gov/counseling)

Sincerely,

Desert Financial Credit Union

**Information on Avoiding Foreclosure**

## Learn more About Options to Avoid Foreclosure

The variety of options summarized below may help you keep your home. For example, you may be eligible to modify your mortgage, lowering your monthly payment to make it more affordable. Contact us to determine if you qualify.

Depending on your circumstances, staying in your home may not be possible. In this case, a short sale or deed-in-lieu of foreclosure may be a better choice than foreclosure – see the table below for more information.

Don't delay, as failure to take action may result in foreclosure proceedings being initiated on your mortgage.

OPTIONS TO STAY IN YOUR HOME	OVERVIEW	BENEFIT
<b>Reinstatement</b>	Pay the total amount you owe, in a lump sum payment and by a specific date. This may follow a forbearance plan as described below	Allows you to avoid foreclosure by bringing your mortgage current if you can show you have funds that will become available at a specific date in the future.
<b>Repayment Plan</b>	Pay back your past-due payments together with your regular payments over an extended period of time.	Allows you time to catch up on late payments without having to come up with a lump sum.
<b>Forbearance Plan</b>	Make reduced mortgage payments or no mortgage payments for a specific period of time.	Gives you time to improve your financial situation and possibly qualify for a better option than would be available right now.
<b>Modification</b>	Receive modified mortgage terms to make it more affordable or manageable after successfully making payments during a "trial period" (e.g., completing a three month trial period plan) that requires payment of the approximate amount of the modified payment.	Permanently modifies your mortgage so that your payments or terms are more manageable as a permanent solution to a long-term or permanent hardship.
OPTIONS TO LEAVE YOUR HOME	OVERVIEW	BENEFIT
<b>Short Sale</b>	Sell your home and pay off a portion of your mortgage balance when you owe more on the home than it is worth.	Allows you to transition out of your home without going through foreclosure. In some cases, relocation assistance may be available.
<b>Deed-in-Lieu of Foreclosure (restrictions may apply)</b>	Transfer the ownership of your property to us.	Allows you to transition out of your home without going through foreclosure. In some cases, relocation assistance may be available (Fannie Mae loans only).

## We Want to Help

Take action to gain peace of mind and control of your housing situation. Call us at 602-335-5676 or Toll Free 800-456-9191 (x55676) and we'll talk about available options and help you understand the forms and documents we need from you to determine if you qualify for an option to avoid foreclosure.

# Homeowner Checklist

**GET STARTED** – Use this checklist to ensure you have completed all required forms and have the right information to submit to the Loss Mitigation Department.

## Step 1 – Required Forms

Completed & Signed!	Document Name/Type <i>The following documents will be required by your mortgage company. They must be completed and signed by every person (borrower) on the mortgage.</i>
<input type="checkbox"/>	<a href="#">Mortgage Assistance Application</a> (Fannie Mae/Freddie Mac Form 710)
<input type="checkbox"/>	Income documentation as outlined in Form 710 based on income type
<input type="checkbox"/>	Hardship documentation as outlined in Form 710 based on hardship type
<input type="checkbox"/>	Short Form Request for Individual Tax Return Transcript ( <a href="#">IRS Form 4506T-EZ</a> ) or a Request for Transcript of Tax Return (IRS Form 4506-T) signed by the borrower

## Step 2 – Supporting Documentation

*The following documents may be needed during your counseling session. You will want to have the most current/recent version of these documents. Note: This is not a comprehensive list. Your counselor may require additional documents.*

Complete!	Homeowner/Mortgage Information
<input type="checkbox"/>	Drivers license (or state-issued photo ID)
<input type="checkbox"/>	Second lien mortgage statement (if applicable)
<input type="checkbox"/>	Homeowners Association (HOA) statement (if applicable)
<input type="checkbox"/>	Property/Homeowners/Hazard Insurance Statement
<input type="checkbox"/>	Property tax bill
<input type="checkbox"/>	Utility bill (gas or electric statement)
Complete!	Financial Information for All Borrowers
<b>❶ Bank Accounts</b> (include all pages of the statement/s, even blanks)	
<input type="checkbox"/>	Checking Account Statement (last 2 months)
<input type="checkbox"/>	Savings Account Statement (last 2 months)
<input type="checkbox"/>	Other Bank Account Statements (last 2 months)—Investments, 401Ks, stocks, bonds, etc.
<b>❷ Federal Tax Returns</b>	
<input type="checkbox"/>	Last 2 years (all filed pages, must be signed)
<b>❸ Income</b> (select the most applicable source[s] of your income)	
<input type="checkbox"/>	➔ <i>Are You Employed? If so, provide:</i> Paystubs for the past 30 days.
<input type="checkbox"/>	➔ <i>Do you have supplemental income? (child support or alimony, rental or boarder income, other) If so, provide:</i> 30 days of documentation
<input type="checkbox"/>	➔ <i>Are You Self Employed? If so, provide:</i>
<input type="checkbox"/>	• Profit and Loss (P&L) Statement year-to-date (with minimum of 3 previous months)
<input type="checkbox"/>	• Personal and/or business bank account statements for all bank or investment accounts (last 4 months)
<input type="checkbox"/>	➔ <i>Are you Retired? If so, provide:</i>
<input type="checkbox"/>	• Social Security/Social Security Disability Insurance – Award Letter
<input type="checkbox"/>	• Pension – Award Letter

## Frequently Asked Questions

### 1. Will It Cost Money to Get Help?

There should never be a fee from your lender or qualified counselor to obtain assistance or information about foreclosure prevention options. However, foreclosure prevention has become a target for scam artists. Be wary of companies or individuals offering to help you for a fee, and never send a mortgage payment to any company other than the one listed on your monthly mortgage statement or one designated to receive your payments under a state assistance program.

### 2. What is foreclosure?

Forfeiture of your home through a legal process where your mortgage company repossesses the property and you will have to move. This process may involve an eviction, you may remain liable for your first lien mortgage debt and it may be as long as seven years before you are eligible for another Fannie Mae or Freddie Mac loan.

### 3. Will the Foreclosure Process Begin If I Do Not Respond to My Lender's Notices Regarding Missed Payments?

If you do not respond to your lender's notices to you regarding past due payments, your lender may refer your loan to foreclosure in accordance with your mortgage loan documents and applicable law.

### 4. Should I Still Contact My Lender if I Have Waited Too Long and My Property Has Been Referred to an Attorney for Foreclosure?

Yes, the sooner the better!

### 5. What if My Property is Scheduled for a Foreclosure Sale in the Future?

If your lender receives a complete Mortgage Assistance Application and the supporting documents it requires with only 37 or fewer calendar days before a scheduled foreclosure sale, there is no guarantee it can evaluate you for a foreclosure alternative in time to stop the foreclosure sale. Even if the lender is able to approve you for a foreclosure alternative prior to a sale, a court with jurisdiction over the foreclosure proceeding (if any) or public official charged with carrying out the sale may not halt the scheduled sale.

### 6. Will My Property be Sold at a Foreclosure Sale If I Accept a Foreclosure Alternative?

No. The property will not be sold at a foreclosure sale if you accept an offer for an alternative to foreclosure and comply with all requirements.

### 7. Will my credit score be affected?

Desert Financial will continue to report the delinquency status of your loan to credit reporting agencies. If approved for workout assistance Desert Financial will report your entry into a Trial Period Plan and/ or modification in accordance with the requirements of the Fair Credit Reporting Act and the Consumer Data Industry Association requirements. **Credit scoring companies generally consider the entry into a plan with reduced payments as an increased credit risk as a result; entering into a trial period plan/modification may adversely affect your credit score, particularly if you are current on your mortgage or otherwise have a good credit score.** For more information about your credit score, go to [ftc.gov/bcp/edu/pubs/consumer/credit/cre24.shtm](http://ftc.gov/bcp/edu/pubs/consumer/credit/cre24.shtm)

## Beware Of Foreclosure Rescue Scams!

Scam artists have stolen millions of dollars from distressed homeowners by promising immediate relief from foreclosure, or demanding cash for counseling services when HUD-approved counseling agencies provide the same services for FREE. If you receive an offer, information or advice that sounds too good to be true, it probably is. Don't let them take advantage of you, your situation, your house or your money. **Remember, help is FREE.**

### How to Spot a Scam – beware of a company or person who:

- Asks for a fee in advance to work with your lender to modify, refinance or reinstate your mortgage.
- Guarantees they can stop a foreclosure or get your loan modified.
- Advises you to stop paying your mortgage company and pay them instead.
- Pressures you to sign over the deed to your home or sign any paperwork that you haven't had a chance to read, and you don't fully understand.

- Claims to offer "government-approved" or "official government" loan modifications.
- Asks you to release personal financial information online or over the phone and you have not been working with this person and/or do not know them.

**How to Report a Scam – do one of the following:**

- Go to [www.preventloanscams.org](http://www.preventloanscams.org) and fill out the Loan Modification Scam Prevention Network's (LMSPN) complaint form online and get more information on how to fight back. Note: you can also fill out this form and send to the fax number/e-mail/address (your choice!) on the back of the form.
- Call 1(888)995-HOPE (4673) and tell the counselor about your situation and that you believe you got scammed or know of a scam.