

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
Reinstatement	Pay the total delinquent amount you owe, in a lump sum payment and by a specific date or pay less than the total amount owed followed by 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.
Repayment Plan	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.
Deferment	After making full loan payments each month over several consecutive months, the loan is brought current.	Allows you the opportunity to get back on track after a short interruption in making the monthly payment.
Interest Only Payments	Make reduced payments by paying the interest only due on past due payments as part of a plan to bring the loan current over an extended period.	Allows you the time to catch up on the interest due on the loan and re-establish a record of making payments at a reduced rate. Once the interest is caught up, regular payments will resume.
Forbearance Plan	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.
Modification	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
Short Sale	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.
Deed-in-Lieu of Foreclosure	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.

We Want to Help

Take action to gain peace of mind and control of your housing situation. Call us at 800-542-7093 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.

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 mortgage 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.

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 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.

Important Information

As of [today's date], your loans is [] days past due. We are here to assist you in resolving the delinquency on your loan. On [Date], your loan will be [] days past due, and your loan could be reviewed for foreclosure, judgment or sheriff's sale. To avoid further action, please fill out the **Mortgage Assistance Application** and return it to our office so that we can determine what options might be available to you.

In order to assist you with your loan, please complete, sign and return the entire **Mortgage Assistance Application**, along with all applicable documents required to complete your application. General Electric Credit Union (GECU) will conduct a thorough review of your current financial situation and the hardship that you are experiencing. GECU will work with you to identify which programs offer you a feasible and sustainable loan workout solution. If it is determined that you do not qualify for a loan workout, you will be notified in writing. Please note that GECU has a modification program for closed-end loans only.

If you have filed Chapter 7 Bankruptcy and did not reaffirm on your loan, please note that the loss mitigation review is limited to a possible short sale or deed-in-lieu option. If you have filed Chapter 13 Bankruptcy, any loss mitigation programs available that you may qualify for will need to be approved by the bankruptcy courts if your bankruptcy case is still active. We recommend that you speak with your bankruptcy attorney about all loss mitigation options. Additionally, to the extent your original obligation was discharged, or is subject to an automatic stay of bankruptcy under Title 11 of the United States Code, this letter is for compliance and/or informational purposes only and does not constitute an attempt to collect on a debt or to impose personal liability for such obligation.

All documents contained with this **Mortgage Assistance Application** must be completed in full, signed and notarized by all borrowers and returned to General Electric Credit Union, Attn: Loss Mitigation, 10485 Reading Road, Cincinnati, OH 45241 to be considered for a loan modification. If you provide only some of the documents requested, we will look to see if there are other loss mitigation options available to you, but you may not be considered for a loan modification. We request that all documents be returned within **14 business days** from the date of this letter in order to minimize the potential damage to your credit caused by being late on your payment. As required by FACT Act, we may report information about your account to the credit bureaus and late payments, missed payments or other defaults on your account may be reflected in your credit report.

If we do not receive your **Mortgage Assistance Application** within 14 business days of the date of this letter, you will be sent a letter advising that we are unable to consider you for any loss mitigation options as this time because you failed to respond to our request. If you send the packet back at a later date, we will review the packet upon receipt to see if there are loss mitigation options available to you at that time.

Once we receive documents from you, an acknowledgment will be sent to you along with a request for more information if your packet is missing required documentation. The letter will contain a list of any missing documents and will provide a deadline for producing your missing documents. You will have loss mitigation specialist assigned to you and if you do not provide the additional information, you may not be eligible for some of the loss mitigation options available at that time. We will still look at all forms of loss mitigation available with the information you provide. We will send you a letter acknowledging receipt of your documents and will begin the evaluation process. This process is usually completed within 30 days of receipt of your **Mortgage Assistance Application**.

We encourage you to take the time to go through the evaluation process. Our goal is to provide assistance when possible to our members when they have difficulty making their scheduled payments.

Instructions:

1. All signers on the Note/Mortgage must complete or be included in the **Mortgage Assistance Application**. Additionally, all parties on the Note/Mortgage must provide the documentation as set forth in the **Required Documentation Checklist**. Review the list of required documentation and submit all that apply to your specific situation:
 - a. **Note:** Some information may need to be provided by individuals who signed the Mortgage but did not sign the Note. Also, for signers on the Note who have filed bankruptcy or been discharged in bankruptcy, all documents requested should still be returned.
2. All signers on the Note should complete all sections of the **Mortgage Assistance Application** and **Member Certification and Agreement**.
 - a. **Note:** If you have filed bankruptcy or been discharged in a bankruptcy, please review all agreements with your bankruptcy counsel.
3. Make sure the **Member Certification and Agreement** is notarized.
4. Complete the IRS Form 4506-T.
5. Return the completed **Mortgage Assistance Application Packet** to:

Mail to: General Electric Credit Union
Attn: Loss Mitigation
10485 Reading Road
Cincinnati, OH 45241

Fax to: 513-733-0210

Email to: lossmitigation@gecreditunion.org

Note: We must have originals for all documents that are notarized.

Required Documentation Checklist:

1. Proof of income for the past 45 days.
 - a. Proof of income may include pay stubs, income statements, profit and loss statements.
 - b. Please provide a recent bank statement to confirm your income if you do not receive pay stubs and your source of income is deposited directly into your checking or savings account. (Example: SSI, Disability Income, Allotment)
2. A copy of your most recent checking or savings account statements. (2 months, all accounts)
3. Homeowners' Insurance declaration page.
4. Copy of your most current property tax bill.
5. Most recent retirement/401k statement.
6. Most recent Social Security/SSI/SSDI and/or pension benefit award letter(s).
7. Signed IRS Form 4506-T

Additional Documentation to Provide IF APPLICABLE.

8. Lease agreement on rental properties.
9. Unemployment benefit award letter. Notice of layoff, termination, or furlough from employer.
10. Divorce, separation, child support, death certificate. PLEASE NOTE: If you receive child support, alimony, or separation maintenance income, you are not required by law to report it. You should only include this amount if you would like it to be included in the income calculation.
11. A copy of the sales and contract or purchase agreement (Short Sales). A copy of the Listing Agreement of the property.
12. Written authorization to discuss your account with your real estate professional, attorney, POA, etc.

If you are denied a modification or if you wish to challenge the determination in your case you have the right to appeal the decision. All appeals must be made in writing and must be made within 30-days of the notice of the decision. Please send your written appeal to the following address:

General Electric Credit Union
Attn: Loss Mitigation
10485 Reading Road
Cincinnati, OH 45241
Email: lossmitigation@gecreditunion.org

Our offer to review any information that you submit DOES NOT REPRESENT A GUARANTEE that relief will be granted by the mortgage loan investor and the insurer or the Guarantor of your loan.

Please be advised that some mortgage relief programs may have Federal tax implications. Please consult with your tax preparer or contact the IRS for additional information.

If you have any other mortgage loans secured by the same property with a different servicer, you should consider contacting that servicer to discuss any available loss mitigation options they may have.

If you think the credit union has been unfair or misleading, discriminated against you in lending, or violated a federal consumer protection law or regulation, contact the Ohio Department of Commerce for help at:

Ohio Department of Commerce
Division of Financial Institutions
77 South High Street, 21st Floor
Columbus, OH 43215-6120

Fax (614) 644-1631

If you have questions regarding the completion of the forms or obtaining information, please contact the Loss Mitigation department at 800-542-7093, option 5 or 513-243-4328, option 5.

Thank You!

Loss Mitigation Department
General Electric Credit Union

BANKRUPTCY NOTICE: To the extent your original obligation was discharged or is subject to an automatic stay of bankruptcy under Title 11 of the United States Code, this letter is for compliance and/or informational purposes only and does not constitute as an attempt to collect a debt or impose personal liability for such obligation. Please note, GECU reserves the right to exercise its legal rights, including, but not limited to foreclosure of the lien interest only against the property securing the original obligation. Any negotiations or arrangements entered into do not constitute a waiver of your discharge, an attempt to collect against you personally or/and attempt to revive your personal liability for the debt.