Stopping Home Foreclosure

By Kevin OHara

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A Foreclosure Prevention Service has numerous ways it can help you deal with the foreclosure process. Under the law, you have a right to remain in the property for a certain period of time. If you can't pay the full amount owed without creating a hardship for your family you need a legal review of your situation, your rights, and your choices before you agree to anything. Protect yourself and your family.

Forebearance:
The lender stops or postpones legal action. Usually granted when homeowner makes satisfactory arrangements to bring the overdue mortgage payments current.

Loan Modification:
A loan modification seeks to avoid foreclosure by negotiating with the lender to modify the terms of the loan. Loan modifications may include adjusting the interest rate, extending the loan period or adding the delinquent portion and fees back onto the principal of the loan to be repaid over time.

Mortgage Refinancing:
In most cases, once foreclosure has started, homeowner has been through several months of late payments or no payments. These late payments have a devastating effect on homeowners credit rating. In addition, the new mortgage company will easily find out about the current foreclosure action. This most often leads to a denial of the refinance loan application. If homeowner is approved homeowner can bet it will be at a very high interest rate with higher than normal closing costs.

Sale Of The Property:
If a homeowner has been unable to work with a lender, or find another suitable solution in a timely manner, it is time to seriously consider selling. When time is of the essence homeowner should consider selling your property to an investor who offers "a quick closing". Typically, this will be for less than fair market value, but can be a benefit to homeowner because it is a quick "as is" sale with no real estate commissions. "As is" means homeowner would not have to spend any money doing repairs, or spend time putting the house in perfect shape. By selling the house "As is" to an investor, homeowner

gets a quick sale − allowing homeowner to instantly stop the foreclosure and salvage your credit.

Deed In Lieu Of Foreclosure:
This service is when homeowner voluntary deed title to homeowner property to the lender. A homeowner basically gives the house back to the bank. The ordinary effect of the taking of a Deed in Lieu is to extinguish the lenders deed of trust and vest the lender with the title subject to all other existing liens and encumbrances. In effect, the lender becomes the new owner. The lender is not required to accept the Deed in Lieu and can show his/her refusal by filing a Notice of Non Acceptance with the County Recorder.

Bankruptcy:
Bankruptcy is not the best option but does delay the process and place everything on hold for a while.

Bankruptcy should only be an option if homeowner needs to buy time so homeowner can raise the cash to payoff the entire debt.

Keep your rights from being violated during foreclosure. Keep your home and defend your rights.

Buying A Home After Foreclosure − Ways To Get Approved

By Carrie Reeder

Before attempting to buy a home after foreclosure, it is important to educate yourself on the necessary steps, and improve your odds of getting approved. Certain situations are extremely damaging to your credit report. These include bankruptcy, foreclosure, repossession, etc. Fortunately, you can rise from a bad credit situation. Here are a few tips to help you get approved for a mortgage after a foreclosure.

Negative Effects of a Home Foreclosure

Aside from embarrassment and shame, having a home foreclosure will significantly decrease your credit score. Immediately following a foreclosure, it is difficult to obtain any type of credit, especially a home loan. Because many factors contribute to the inability to repay a mortgage loan, those who experience a foreclosure may be able to afford a new home loan.

For example, if foreclosure was due to loss of employment, once the previous homeowner finds work, they may be able to handle a new mortgage. The problem lies in getting approved. Lenders could careless about the circumstances surrounding bad credit. Their main concern is determining whether you are a good candidate for a loan. Thus, it is essential to improve credit before applying.

Maintain Regular Payments with Existing Creditors

The best approach for improving your credit score following a foreclosure is to keep up with regular payments to your other creditors. For example, if you have three credit cards, make an effort to pay the bills on time. If possible, payoff the credit card balances. This will increase your available credit, which is perfect for quickly boosting credit rating.

If you do not have a credit card, another tactic involves applying for a new line of credit. This might consist of an auto loan or secured credit card. Likewise, maintain on−time payments. Be aware that late payments or skipped payments will cause further damage to your credit rating.

Choose a High Risk Mortgage Lender

When applying for a mortgage loan after a foreclosure, many traditional lenders will not approve a loan request. For this matter, request quotes from several sub prime or high risk mortgage lenders. These lenders approve loans to people who have a difficult time securing financing.

Try using

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