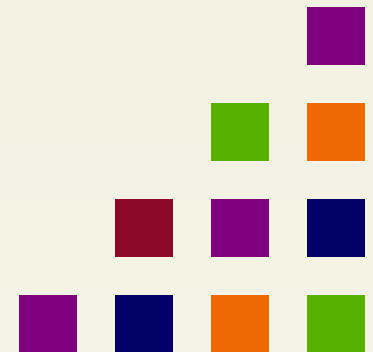
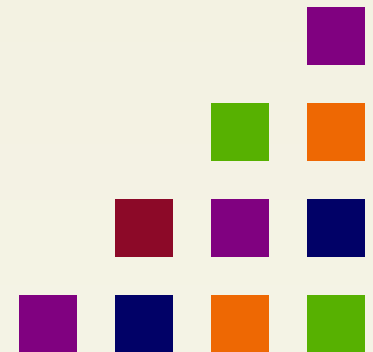


Resources for Working with Homeowners at Risk of Foreclosure



Overview

- Foreclosures in Minnesota & Olmsted County
- Minnesota's foreclosure process
- Foreclosure counseling
- Program Outcomes
- Helping clients avoid scams
- *Making Home Affordable* program
- Resources and next steps



Foreclosures in Minnesota

Scope of the issue: Statewide

	2005	2007	2009
Greater MN	2,707	7,430	8,560
Metro	3,759	12,974	14,459
Total	6,466	20,404	23,019

Source: *Foreclosures in Minnesota, A Report Based on County Sheriff's Sale Data*,
February 26, 2010. The full report is available at: www.hocmn.org



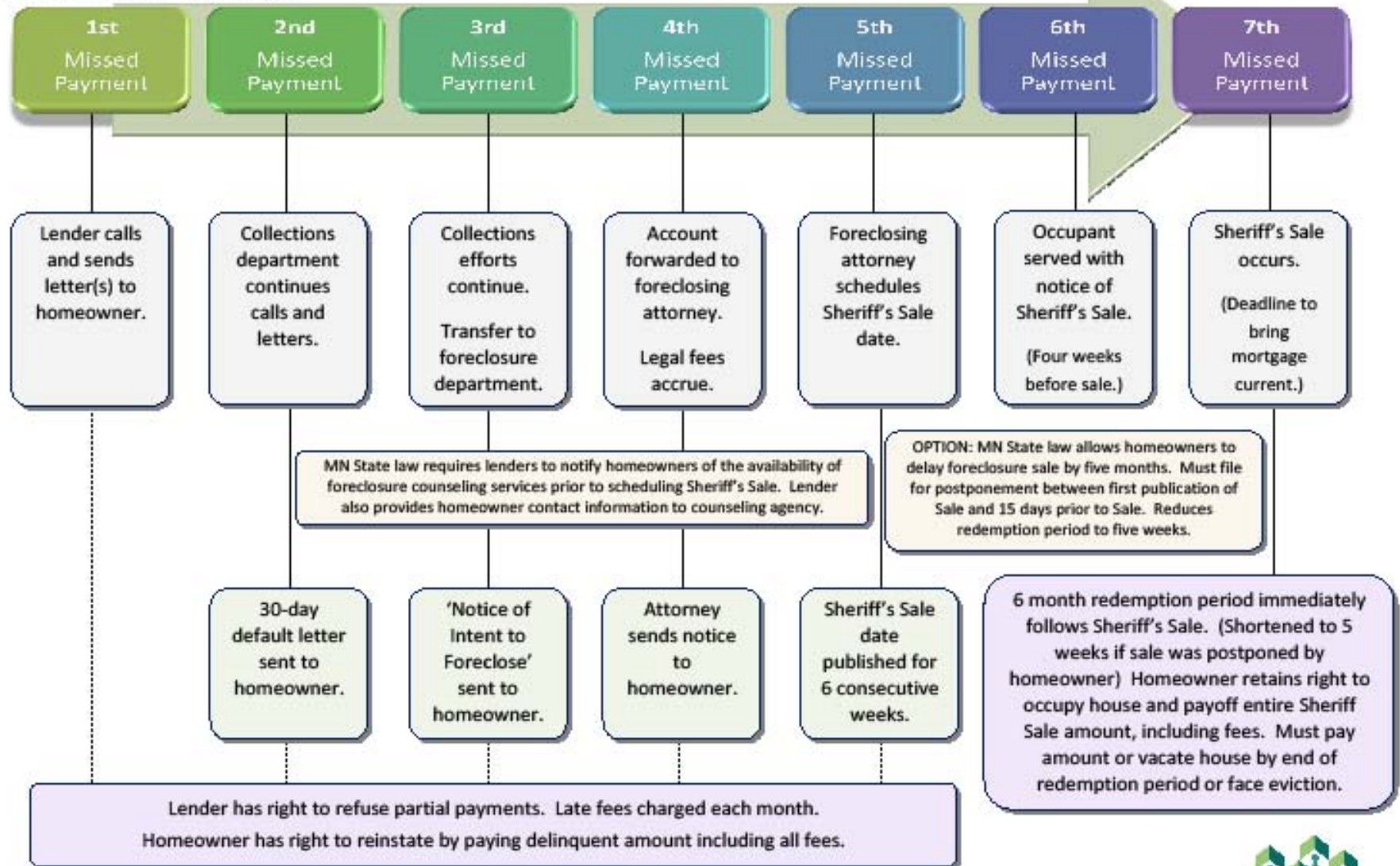
Foreclosures in Minnesota

Scope of the issue: Olmsted County



Foreclosure Process In Minnesota

Foreclosure by Advertisement

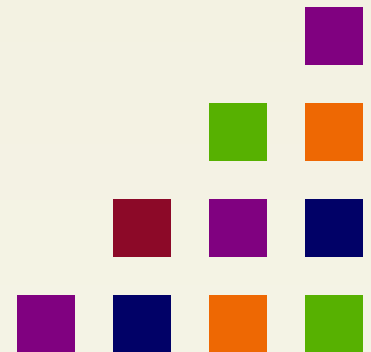


NOTE:

This document represents average timeframes and will vary by lender. Information is not presented as legal advice.

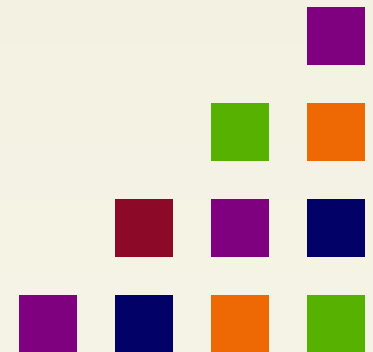
Foreclosure Counseling

The objective of foreclosure prevention is to work with households to reach long-term solutions that are **stable** and **affordable**.



Foreclosure Counseling

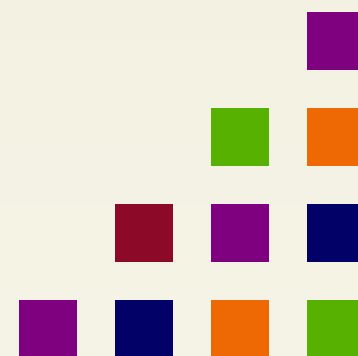
- Information about the foreclosure process.
- Customized plan to address household crisis.
- Identify options for preventing foreclosure.
- Financial and mortgage counseling.
- Reviewing programs such as Making Home Affordable.
- Negotiating with lender.
- Avoiding predatory practices.
- Smooth transition counseling, as needed.



Foreclosure Counseling

2009 Outcomes

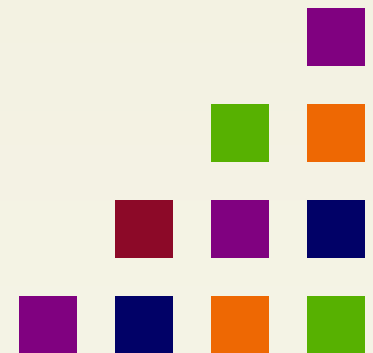
- 15,800 households served, up 34% from 2008
- 56% of clients avoided foreclosure (closed cases)



Foreclosure Counseling

Beware of Scams

- Buy back/lease to own
- **Anyone** who asks homeowner to sign over the deed or Power of Attorney
- For-profit loan modification companies (\$\$\$)
- Walk-Away services
- Quick and easy fixes



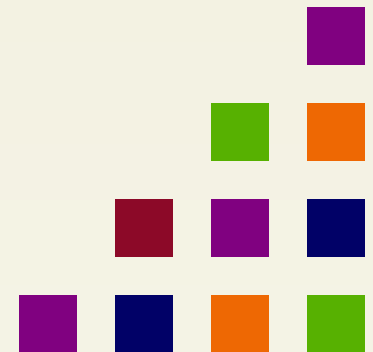
Making Home Affordable

Federal program designed to prevent foreclosures & stabilize housing market

Two Programs

- Refinance (HARP)
- Loan Modification (HAMP)

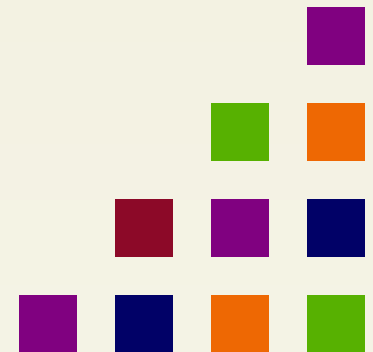
www.makinghomeaffordable.gov



Making Home Affordable

HARP (Home Affordable Refinance)

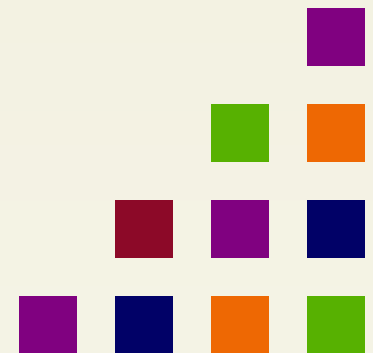
- Freddie Mac & Fannie Mae Loans only
- Must be current
- Up to 125% Loan-to-value
- Refinance into 30-Year fixed-rate mortgage



Making Home Affordable

HAMP (Home Affordable Modification)

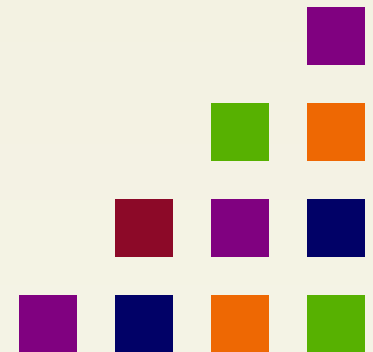
- Freddie Mac & Fannie Mae Loans AND
- 160+ Servicers
- Must be behind or in imminent danger of default
- Owner occupied (1 to 4 units)
- Loan prior to Jan. '09, under \$730k



Making Home Affordable

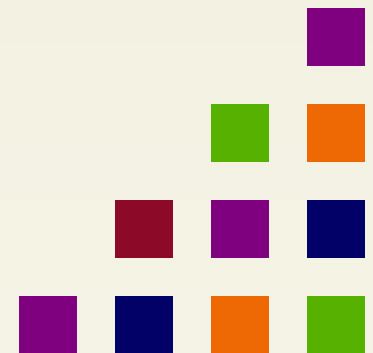
HAMP (Home Affordable Modification)

- House payment (PITIA) at 31% of gross monthly income
- Incentives for on-time payments
- 3-Month trial before modification is permanent

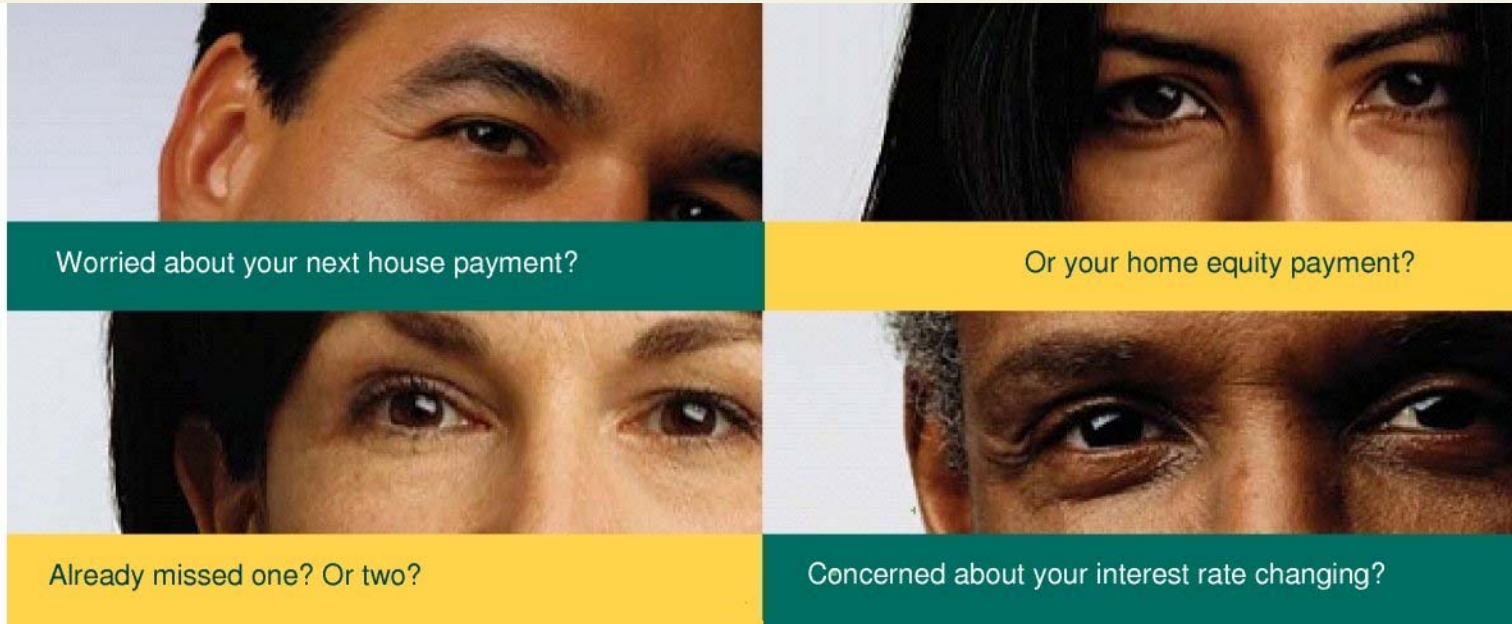


Additional Tools to Stay Informed

- e-Newsletter
- Center website: www.hocmn.org
- Blog: www.hocmn.blogspot.com
- Twitter Feed: www.twitter.com/mnhoc



THANK YOU



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