

BORROWER PAYMENT OPTIONS

FORECLOSURE AVOIDANCE, CALIFORNIA SB 1137

HOME RETENTION PROGRAMS

Options that may be available to borrowers who are unable to afford their mortgage payments and who wish to avoid foreclosure, and instructions on how to explore those options:

- At this point, if your loan has not matured, you may bring your loan current if you have the ability to do so.
- The U.S. Department of Housing and Urban Development (HUD) funds free or very low cost housing counseling nationwide. Housing counselors can help you understand the law and your options, organize your finances and represent you in negotiations with your lender if you need assistance. Find a HUD-approved housing counselor near you or call (800) 569-4287 or TTY (800) 877-8339.
- You may find other alternatives on the HUD website including articles on “Tips for Avoiding Foreclosure” by going to the following web site at <http://www.hud.gov/foreclosure/>.
- [Refinance] Depending on your financial situation, you may be able to refinance your loan with your lender or with another lender. At this time, there is no guaranty that you will qualify for a refinance, so you should consider all of your options even if you decide to try to refinance.
- [Pre-Foreclosure sale of property] If you cannot refinance your property, you may be able to sell it before it is foreclosed. However, time is important so you may want to investigate this option and other options right away.
- Depending on your financial situation, and subject to the lender’s policies and agreement, you may be able to arrange for the following in order to avoid or delay the foreclosure of your property:
 - A **Forbearance Agreement or workout agreement** where the lender and borrower agree, in writing, that the lender will defer foreclosing so long as the borrower does certain things including, but not limited to, making agreed upon post-default payments;

- A **Loan Modification** – where the lender and borrower agree, in writing, to modify the terms of the loan;
- If you have not been able to sell your property and have no lien junior to your lender's deed of trust, your lender may accept a **deed-in-lieu of foreclosure** in satisfaction of the amount of your loan.
- Where the current fair market value of your property is less than the amount you owe on your loan, the lender may agree to a **short sale** allowing your property to be sold for less than the amount of the loan balance.

The borrowers should collect and be prepared to present financial documents to the beneficiary or authorized agent (ZTS) when discussing options for avoiding foreclosure:

- Mortgage or Loan statements for all senior or junior mortgages.
- Latest payment notification.
- Letters from the loan servicer.
- Personal information list including, names of qualified borrowers, property and residence address, social security numbers, contact phone numbers, employers name with address and phone numbers.
- Bank statements from all qualified borrowers for two months
- Note is borrower is represented by an Agent or Representative, then borrower needs to complete the Agent Authorization Form.

The telephone number to Zenith Trustee Services for borrowers wishing to discuss options for avoiding foreclosure with their mortgage, beneficiary, or authorized agent is 760-758-7622. Business hours are 8 a.m. to 4:30 p.m. PST, Monday through Thursday and 8 a.m. to 12 p.m. Friday.

Please be advised that Zenith Trustee Services is attempting to collect a debt and any information obtained will be used for that purpose.

The state Rosenthal Fair Debt Collection Practice Act and the Federal Fair Debt Collection Practices Act require that, except under unusual circumstances, collectors may not contact you before 8 a.m. or after 9 p.m. They may no harass you by using threats of violence or arrest r by using obscene language. Collectors may not use false or misleading statements or call you at work if they know or have reason to know that you may not receive personal calls at work. For the most part, collectors may not tell another person, other than your attorney or spouse, about your debt. Collectors may contact another person to confirm your location or enforce a judgment. For more information about debt collection activities, you may contact the Federal Trade Commission at 1-877-FTC-HELP or www.ftc.gov.

Toll free number made available by the United States Department of Housing and Urban Development (HUD) to find a certified housing counseling agency is 1-800-569-4287 or TTY/TDD 1-800-877-8339. You may find other useful consumer information on foreclosure alternatives on the HUD website at <http://www.hud.gov/foreclosure/> including an article on “Tips for Avoiding Foreclosure”.