

Refinancing Monthly Payment Estimator

1. Find your new interest rate in column 1 _____
2. Choose the appropriate factor from column 2 or 3 _____
3. Write down the amount of your mortgage _____
4. Divide the amount of your mortgage by \$1,000 _____
5. Multiply line 4 by the factor chosen in line 2 _____

*Approximate monthly
payment (principal and
interest only)*

Payment Factor Chart

INTEREST RATE	FACTOR FOR 30-YEAR TERM	FACTOR FOR 15-YEAR TERM
4.00%	\$4.77	\$7.40
4.25%	\$4.92	\$7.52
4.50%	\$5.07	\$7.65
4.75%	\$5.22	\$7.78
5.00%	\$5.37	\$7.91
5.25%	\$5.53	\$8.04
5.50%	\$5.68	\$8.18
5.75%	\$5.84	\$8.31
6.00%	\$6.00	\$8.44
6.25%	\$6.16	\$8.58
6.50%	\$6.33	\$8.72
6.75%	\$6.49	\$8.85
7.00%	\$6.66	\$8.99
7.25%	\$6.83	\$9.13
7.50%	\$7.00	\$9.28
7.75%	\$7.17	\$9.42
8.00%	\$7.34	\$9.56
8.25%	\$7.52	\$9.71
8.50%	\$7.69	\$9.85
8.75%	\$7.87	\$10.00
9.00%	\$8.05	\$10.15
9.25%	\$8.23	\$10.30
9.50%	\$8.41	\$10.45
9.75%	\$8.60	\$10.60
10.00%	\$8.78	\$10.75
10.25%	\$8.97	\$10.90
10.50%	\$9.15	\$11.06
10.75%	\$9.34	\$11.21

Source: McGraw Hill's
Interest Amortization Tables,
Second Edition, 1993

Financial Record Checklist

Home Purchase

- | | |
|---|---|
| <input type="checkbox"/> Deed | <input type="checkbox"/> Mortgage insurance Documents |
| <input type="checkbox"/> FHA/VA documents | <input type="checkbox"/> Note/Deed of Trust |
| <input type="checkbox"/> House warranties (if any) | <input type="checkbox"/> Offer to purchase |
| <input type="checkbox"/> HUD 1 Settlement Statement | <input type="checkbox"/> Title Insurance policy |
| <input type="checkbox"/> Mortgage | <input type="checkbox"/> Truth in Lending Disclosure |

Insurance

- | | |
|--|---|
| <input type="checkbox"/> Automobile Insurance policy | <input type="checkbox"/> Homeowner's insurance policy |
| <input type="checkbox"/> Flood insurance policies | <input type="checkbox"/> Life insurance policies |
| <input type="checkbox"/> Health Insurance policies | <input type="checkbox"/> Mortgage insurance policy |

Mortgage Payment/Tax Records

- | | |
|---|---|
| <input type="checkbox"/> Loan Payment/Coupon book | <input type="checkbox"/> Receipts for local taxes/assessments |
| <input type="checkbox"/> Paid real estate tax bill receipts | <input type="checkbox"/> Income tax records |
| <input type="checkbox"/> Loan statements (receipts of all payments) | |

Home Maintenance, Repair, Improvement

- Description of home improvements and costs
- Equipment and appliance warranties (include receipts)
- Household repair bill (include labor and materials)
- Household warranties
- Utility bills and receipts

Miscellaneous

- | | |
|---|---|
| <input type="checkbox"/> Cancelled checks | <input type="checkbox"/> Health benefit information |
| <input type="checkbox"/> Credit card information and statements | <input type="checkbox"/> Homeowners' association dues |
| <input type="checkbox"/> Current bank statements | <input type="checkbox"/> Savings account passbooks |
| <input type="checkbox"/> Education information | <input type="checkbox"/> Unpaid bills |
| <input type="checkbox"/> Employment records | <input type="checkbox"/> Wills (copies) |
| <input type="checkbox"/> Family health records | |

Safe Deposit Box

- | | |
|---|--|
| <input type="checkbox"/> Adoption Papers | <input type="checkbox"/> Deeds |
| <input type="checkbox"/> Automobile titles | <input type="checkbox"/> Divorce decrees |
| <input type="checkbox"/> Birth Certificates | <input type="checkbox"/> Household Inventory (with pictures) |
| <input type="checkbox"/> Bonds | <input type="checkbox"/> Marriage certificates |
| <input type="checkbox"/> Citizenship papers | <input type="checkbox"/> Original Wills |
| <input type="checkbox"/> Death Certificates | <input type="checkbox"/> Stock Certificates |

Consumer Checklists for Avoiding Foreclosure[©]

You may not be in trouble now, but many people are at some point in their lives. This is not legal advice. If you need legal advice, you should speak with a lawyer. The best way to avoid foreclosure is to make your mortgage the first bill that you pay each month. However, that is not always possible. The following pages provide general suggestions and ideas as to how you can prepare for and work through tough times.

Before Trouble Starts

Start a file, in a safe place, for records relating to your home

- Purchase and sale agreement
- Mortgage application
- Closing documents
- Property tax bills
- Property insurance information
- Letters you receive from and copies of letters you mail to the bank

Use checks or money orders to pay bills

- Do not send cash
- Do not use credit cards
- Keep a record of all payments (date paid and check number)
- Correct errors quickly

Pay high priority bills first

- Food
- Mortgage
- Utilities (heat, hot water, electricity, gas)
- Do **not** pay credit cards or other unsecured debts before the mortgage

When Things Start to Feel Tight

Where is the Money Going

- Create a budget that shows your current income and expenses
- Review every item on your budget
- Prepare a revised, realistic budget that you can live with until your circumstances change

Increase Your Income

- Collect federal and state benefits if you are eligible
- Claim the earned income tax credit if you are eligible
- Stop all voluntary deductions being taken out of your paycheck

Reduce Your Expenses

- Review every expense for potential savings -- reduce or eliminate unnecessary expenses

- Pay only for the type of phone service you need
- Cancel cable television service
- Identify ways to conserve energy
- Participate in a weatherization program
- Review your homeowners and auto insurance policies and shop around
- Claim the owner occupant property tax exemption and others for which you are eligible

Other Considerations

- Contact your mortgage servicer at the first sign of trouble
- Ask your utility company for budget billing so you can pay the same amount each month
- If you are behind on your utility bills, start an affordable repayment plan

After Falling Behind

Identify the Problem

- What caused your current situation (job loss, illness, divorce, decreased income)
- How long do you expect your difficulty to last
- What specific type of help do you need
- How much can you afford to pay toward your mortgage

Communicate

- Speak with your bank's delinquent loan or loss mitigation specialist
- Explain your situation
- Ask for a mortgage workout package
- Keep a phone log that shows the date and time of your call, who you spoke to, the person's phone number, and what was said
- Follow up your phone call with a letter and keep a copy for yourself
- Send all letters by certified mail and keep the receipt

Pay What You Can and Save the Rest

- Send to the bank as much of the mortgage payment as possible
- If the bank returns your payment, save the money and **do not spend it** on other bills

Know Your Options

- There are many ways the bank can help you if you fall behind on your mortgage. Which one you choose/need and what the bank allows will depend on your individual situation.

Reinstatement: You give the bank all of the back payments you owe and start making your regular monthly payment.

Partial Reinstatement: You pay at least one-half of the back payments first and agree to a repayment plan for the rest of what you owe.

Repayment Plan: You make the regular mortgage payment plus an additional amount toward the

back payments until you are caught up (usually no longer than 12 months). If the bank sets up a repayment plan for you, make sure it is reasonable. Do not agree to a plan that will not work for you.

Forbearance: The bank agrees that for a limited period of time it will accept a lower monthly payment or no monthly payment. At the end of the forbearance agreement you must bring the account current.

Modification: The bank agrees to change one or more terms of the mortgage. Possible changes include: reducing the interest rate, extending the term of the mortgage and adding the arrears to the unpaid principal balance of your loan. The bank will want you to make some type of "contribution" toward the back payments as part of the modification.

Short Sale: The bank may let you sell the home even if you owe more than the property is worth and agree to accept the lesser amount as payment in full. You must have a buyer and a signed purchase and sale agreement. Anyone else who has a lien on the property and the private mortgage insurer, if there is one, must also agree to the short sale.

Make Whole Sale: You sell the home and the the money from the sale pays off the mortgage and any other liens on the property. A make whole sale does not require the bank's approval.

Refinance: You take out a new mortgage to pay off the old mortgage. Sometimes it makes sense to refinance. You should contact a legitimate lender and proceed carefully. Beware of large fees and high interest rates.

Deed-In-Lieu: You cannot afford to keep the home and you give the house back to the bank. Do not ask for a deed-in-lieu when you have equity in the property or when a short sale is possible. The bank will not accept a deed-in-lieu if there are other liens on the property.

Documentation for A Workout (May vary from bank to bank)

- Signed and dated letter that briefly explains what happened
- Documentation of your hardship (doctor's letters, etc.)
- One month's worth of pay stubs or other proof of income
- Two most recent signed federal tax returns and W2s (3 years if self-employed)
- An accurate budget showing all of your monthly income and expenses
- A list of your assets (cars, bank accounts, etc.)
- A list of your liabilities (mortgages, loans, liens, other outstanding debts)
- This package must be complete before the bank will review it
- Keep copies for your file

Other Things to Know

Talk to a lawyer or counselor experienced in "default and delinquency counseling"

- If you cannot reach a solution with your bank
- If you disagree with the amount the bank says you owe

- If you wish to consider filing bankruptcy

Foreclosures move very quickly

- Keep track of deadlines
- Do not wait until the last minute to get help
- Your rights will be cut off once the foreclosure sale takes place

Foreclosures are public

- Foreclosure notices appear in newspapers and court records
- Some people may try to take advantage of you by offering a "quick fix"
- Carefully review offers to consolidate your credit card debts within a new mortgage as this may only make matters worse
- Avoid "deals" with high interest rates and large fees
- Do not agree to sell your home to someone who claims they will lease it back to you
- Talk to a lawyer or counselor before you sign anything

Where to go for help

- Your local non-profit housing organization
- Your mortgage company
- The U.S. Department of Housing and Urban Development (HUD)

Name and phone number of agency providing this list

Name and phone number of appropriate agency at city/town hall