

TIPS ON AVOIDING FORECLOSURE

Getting into the house of your dreams is just the first step. The long-term objective is staying there. However, if making the mortgage payment is a struggle month after month, or if it is going to present a hardship to the family, then other options should be considered.

A home is usually a person's largest investment, thus it is one that should be protected, but not at all costs. A recent NFCC-MSN Money Financial Literacy Survey revealed that one in every 10 Americans with a mortgage, or roughly 10 million adults, report being late or missing a mortgage payment in the last year. For this reason, today's consumer often takes drastic steps to satisfy the mortgage payment. Some are resorting to payday loans, while others are dipping into their retirement plans at work.

Obviously, a payday loan should not be a long-term solution to a monthly shortfall. Paying triple-digit annualized interest is never good. Likewise, individuals continually tapping into their retirement plans could end up with no house and no money for retirement.

Average consumers do not know the difference between a short sale, a deed in lieu, a forbearance or a loan modification, nor should they. That's where professional help becomes essential. There is help available, the help is free, and the answer may lie at the other end of the phone.

Why does the consumer not reach out for assistance? Statistics show that over half of those whose homes are foreclosed on never speak with their lender/servicer prior to foreclosure. They are avoiding the one person who can help. The reasons are varied, but among them are:

- They do not believe that any real help is available;
- They do not understand the terms, thus do not feel they can even begin a conversation on the topic; and
- They simply cannot face it.

The struggling homeowner does not have to go through the process alone. With more than 1,600 certified housing counselors, the NFCC Member network has the largest number of housing counselors in the nation, and is the largest provider of HUD housing-related services. Housing counseling is available in-person or by phone at close to 900 locations from coast-to-coast. NFCC counselors stand ready to help homeowners evaluate their options.

The message cannot be stated loudly enough: You do not have to go through this alone. Call for help, the sooner the better. Let a trained professional review your situation and find the resolution option best-suited to your individual circumstances. Will the home always be saved? No. Is there life after foreclosure? Certainly. If you ever needed a friend in the business, now is the time.

If you're curious about your risk of foreclosure, go to www.MortgageHelpNow.org and take the Mortgage Reality Check. This is a simple test where you answer a dozen questions and are then slotted into the appropriate risk category for foreclosure. Eighty percent of those who have taken the quiz to date have fallen into the red danger zone indicating they are in imminent risk of foreclosure. You owe it to yourself and to your family to evaluate your risk. Take the quiz today.

For immediate help resolving your housing issue, call the dedicated NEA member line toll-free at 866-479-NEA2 (6322), or go online to the special Web page for NEA members at www.neamb.com/debtadvice.

If you are dealing with pressing financial issues or simply have some financial questions, NEA Member Benefits (NEA MB) has a solution. NEA MB has teamed with the National Foundation for Credit Counseling (NFCC) to provide both free and very affordable financial tools and services to NEA members and their families. Whether it's one-on-one counseling or an educational workshop, an NFCC member agency can provide you with the financial assistance you need. Take the first step toward securing your financial future—call the dedicated NEA member line toll-free at 866-479-NEA2 (6322) or visit the special Web page for NEA members at www.neamb.com/debtadvice. Help is just a call or click away!

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