

MANAGING YOUR MONEY



When Debt Mounts, Take Action To Prevent Foreclosure

(NAPSA)—If your bills are piling up and you're worried about losing your home, you're not alone. As rising foreclosure rates indicate, thousands of Americans are touched by foreclosure every year. But many could be prevented, if homeowners sought help sooner from their mortgage company or through a new toll-free, confidential hotline.

Unfortunately, according to a national poll recently funded by the Homeownership Preservation Foundation, 53 percent of American homeowners would not contact their mortgage company for help if faced with delinquent payments.

Fortunately, many foreclosures could be prevented if homeowners called their mortgage company or the Foundation's toll-free hotline—(888) 995-HOPE—as soon as they recognize that they may have a problem paying their mortgage. The longer homeowners wait to call for help, the fewer options they have.

If you're a homeowner whose debt is continuing to grow and you're finding that you're having more and more difficulty paying your bills, consider taking the following action:

1. Take a close look at your bills—unopened envelopes or a steadily growing pile of bills from utility companies, your mortgage company, etc., are the most immediate signs you have a problem.

2. Open letters from your mortgage company and other creditors. Don't ignore these letters.

3. Admit you have a problem and dedicate yourself to getting help. If you avoid your mortgage company and other creditors, you may lose your home, and you will damage your credit.

888-995-HOPE

Call for free advice.



(888) 995-HOPE—Hotline to help homeowners avoid foreclosure.

4. Don't take it on yourself. Call for help. Call your mortgage company to understand what your options are.

5. If you don't feel comfortable calling your mortgage company, call the Homeownership Preservation Foundation at (888) 995-HOPE to receive free advice from counselors who work for HUD-certified nonprofit agencies.

6. BEWARE of phony counseling agencies (deal only with HUD-certified agencies), as well as offers in the mail or by phone that seem too good to be true.

7. Develop an action plan that focuses your resources on family essentials (shelter, food, health care, basic utilities, and transportation).

8. DO NOT sign any papers you don't understand.

9. Determine if you have the cash flow to continue paying a mortgage or to refinance your current mortgage. This will help you determine if you should sell your home and find less expensive housing.

10. Set a long-term goal of getting and staying out of debt and ensuring steady cash flow.

The Homeownership Preservation Foundation (www.995HOPE.org) is a Minneapolis-based nonprofit organization dedicated to helping homeowners facing financial difficulties retain their homeownership.