



SaveMeFromForeclosure.com

Free Report

“How to Avoid Foreclosure: What most people won’t tell you!”

**Your step-by-step guide to
understanding all of your options
when facing foreclosure.**

“How To Avoid Foreclosure: What Most People Won’t Tell You!”

Foreword:

By ordering this free report you have taken the first step towards avoiding a potential foreclosure and educating yourself on all of your options. This free report was compiled after years of helping individuals stop foreclosures and get on with their lives. In this report you will find information on saving your home from foreclosure. SaveMeFromForeclosure.com has shown homeowners how to not only stop foreclosure but also how to save thousands of dollars by avoiding the biggest mistakes many others make! Many people in situations just like yours are hesitant to do anything because they are having a hard time finding out who and what to believe. Homeowners are often surprised at how few people are aware of how to help them truly find an answer to their problem.




We hope this report will provide you with valuable information to help you make the important decision of how to avoid a potential foreclosure.

Purpose: Have Information to Make the Right Decisions




The purpose of this report is to quickly arm you with the most information about your choices so you can make the right decisions **fast**. As you are aware, when faced with a foreclosure, time is not on your side.

By now you have probably received a lot of junk mail from realtors, bankruptcy attorneys, mortgage brokers, and investors looking to buy your home. They believe that their solution is the best one for you, without objectively analyzing and comparing all of your options. However SaveMeFromForeclosure.com understands that *everyone’s situation is unique*. This report will explain **ALL** of the options available to you including:








KEEPING YOUR HOME BY:

-  **Reinstating your loan**
-  **Refinancing your home**
-  **Filing for bankruptcy**

OR SELLING YOUR HOME FAST BY:

-  **Selling your home to an investor**
-  **Listing your home with a realtor**
-  **Entering into a “Workout Agreement” with your lender**

In addition to explaining these options this report lays out the steps you will need to take to avoid a foreclosure including:

-  **Understanding all of your options.**
-  **Analyzing your options against your personal situation.**
-  **Figuring out where you are now and where you want to be.**
-  **Creating a personal plan.**
-  **Finding the right people to help you implement your plan.**
-  **Implementing your plan.**
-  **Signing up for a credit repair service.**

No one can make the right decisions, without the right knowledge first. This report will walk you thru all of these options and provide you with the tools and knowledge to make the right decision about avoiding a foreclosure. You have many options and this report will help you decide which option is right for you. After reviewing the report feel free to contact your local affiliate of SaveMeFromForeclosure.com to set up a free consultation to further help you understand your options and create a plan of action to avoid a potential foreclosure and getting your financial future back on track.

Knowing Your Options So You Can Make Educated Decisions

When faced with a foreclosure you have many options. It is important to understand all of your options and know who can help you save your home, your financial future or both. Once you understand your options you can make an educated decision on whether you want to and can keep your or if you need to sell quickly. At SaveMeFromForeclosure.com we believe you have numerous options when facing foreclosure. Let’s first start with understanding your options.

KEEP YOUR HOME

OPTION 1: REINSTATE YOUR LOAN

The option of reinstating your loan is available to homeowners who can demonstrate to a lender that they have available funds to pay back the outstanding balance on their mortgage in a short time (up to 24 months). This solution works best for homeowners who can make up their total past due balance through a combination of lump sum payments and/or “extra” payments (spread out over a 12-24 months) in addition to their regular mortgage payment.

An Everett, WA homeowner lost his consulting contract and was unemployed for 4 months. During this time he was unable to pay his mortgage and was \$12,000 past due on his mortgage when he started working again. Once he started working he tried to begin paying his mortgage again but the lender would only accept full payment of his balance due. SaveMeFromForeclosure.com helped him use his \$6K signing bonus to get a forbearance agreement in place allowing him to make up the remaining \$6,000 over 18 months. This also allowed him to keep his original loan terms.

To better understand the steps you may have to take to reinstate your loan let’s first look at the different options you have for reinstating your loan.

Total Reinstatement.

This process involves bringing your loan current in one payment. You will be required to provide a certified check that will include all past due payments, late charges and any fees and costs, which have been assessed to your account.

Repayment Plan.

This process involves making up the amount past due over a period of months by paying a full payment plus a partial payment on the past due balance each month. You will be required to give your bank a cash contribution equivalent to 30-50% of your total arrears (total of late payments, bank fees and attorney’s fees).

Forbearance Plan.

This option involves reduction or suspension of payments for a period of time followed by a period of time during which the deferred payments are made up, similar to the repayment plan.

Loan Modification.

This option includes changing the original terms of the mortgage through one or a combination of the following methods: increasing the loan balance to cover the delinquent interest and/or increasing the number of payments to pay off the entire loan. A loan modification requires the prior approval of the investor. A modification fee will be charged as well as a cash contribution toward compliance with any additional requirements of the bank and/or investor.

Partial Claim Program.

Certain loans qualify for this program, in which the homeowner is required to give a cash contribution equivalent to 30-50% of total arrears, and the remainder of the arrears is loaned to the homeowner interest free. The homeowner will have the remaining term of the mortgage to pay off this loan in full.¹

The **PROs** of choosing the foreclosure reinstatement option is that it helps you keep your house and avoid a foreclosure. You also avoid filing for bankruptcy, and do not have to pay lender fees and try and refinance your home. You get to keep your original loan, which is especially helpful if you negotiated a good interest rate when you originally took out the loan.

The **CON’s** of choosing this option are that you will have to come out of pocket with some funds to get into a plan. This is usually a minimum of 30% of the outstanding total past due balance, but could be as high as 50%. Obviously, if you don’t have the funds, foreclosure reinstatement is not an option for you. Furthermore, after you send in the funds, the remaining outstanding past due balance is added onto your loan amount, and spread out over anywhere between 6 and 24 payments (months). Make sure before you enter into a foreclosure reinstatement plan, that you have the funds available to get into the plan, and also to continue making the new, higher payments.

This option is not for everyone, as there is an up front fee to enter into this option. If you choose to move forward with this option it is something you could do on your own. However, many people have a difficult time getting through to the loss mitigation

¹ Compliments of Foreclosure Relief Group, INC., 2006

department of their bank and they must be prepared to be aggressive, persistent and to stay on top of the lender. In addition, many people don’t have the bank contacts or negotiating skills to get the best possible plan. Finally, if you have a job to go to each day; do you have actually have the time, and appropriate levels of privacy at work to work on this each day?

SaveMeFromForeclosure.com can provide professional assistance in helping you reinstate your loan and give you peace of mind in knowing that an experienced professional is handling your reinstatement negotiations.

OPTION 2: REFINANCE

A Bellingham, WA couple was 2 months behind on their mortgage. They had only bought their house 3 years ago but with the recent increase in property values and new mortgage solutions available, a SaveMeFromForeclosure.com affiliate was able to help the family refinance their home and avoid a foreclosure while also paying off some of their other high interest debt utilizing some of the equity in their home.

Sometimes the best option for an individual or family facing foreclosure is to refinance their loan. In today’s quickly changing mortgage loan environment there is usually a loan to meet your needs. However, refinancing your loan isn’t always the best solution given your specific situation.

The obvious **PROs** to refinancing your loan is that you can stay in your home and possibly set yourself up for better financial freedom. Additionally, if you have a competent mortgage broker, he or she should be able to set your closing date so that you get to “skip” a mortgage payment. This month of “no mortgage payment” is often exactly what someone needs to get him or herself back on track financially.

Nevertheless, refinancing can be a long and difficult process especially if you are already one or two payments behind on your mortgage. Unfortunately the **CONS** of refinancing often times outweigh the **PROs**.

Some of the **CONS** of refinancing include:

Up front out of pocket cost for an appraisal.

While you have to pay for an appraisal anytime you refinance your loan, the key in a foreclosure situation is that the loan to value (LTV) requirements be met. Lenders are very strict about only refinancing when a LTV meets their guidelines. If your appraisal does not fall within the LTV guidelines that the lender has set then they will not underwrite your loan. So you might pay for an appraisal (\$350-500) and not be able to use it. If you try and refinance with another lender, they most likely will want their own appraisal done, so you can see that appraisal fees can begin to add up very quickly.

All of the lender and broker fees that get added onto your loan balance can quickly eat up your equity.

Many times in a foreclosure refinance, you are required to pay points. One point is equal to one percent of the loan amount. So if you are borrowing \$250,000, and the broker is charging you 2 points, that is an extra \$5,000 you are paying just in broker fees. Then you must also add in all of your possible closing costs: settlement fee, lender fee, underwriting fee, transfer tax, recordation charges, title insurance and credit report, just to name a few. Do not be surprised if your closing costs alone add up to ten, fifteen, maybe even TWENTY THOUSAND DOLLARS. (NOTE: closing costs differ from State to State).

A new, bigger payment.

Your loan balance is going to increase, but you are borrowing enough to pay off the loan, and all of the late fees, and attorneys’ fee that come along with a foreclosure. Add to the fact that your credit score is much worse now than when you originally got the loan, and you are going to be paying an increased interest rate on a larger loan amount. Let’s be realistic for a minute: if your old payment was difficult to make, what makes you so confident that you can make a new, bigger payment? There are some instances where we have helped families refinance into a new, bigger payment, and they could handle it. Most of those instances usually were based on short-term job loss, or perhaps a medical emergency that had to be paid for. Unfortunately, we meet with many clients who want to refinance, but are not realistic about the new payment that they will be saddled with. This is always an important consideration when refinancing.

Now that you understand the **PROs** and **CONs** of refinancing, the most important thing you must remember when considering refinancing is to ***make sure you carefully read all the paperwork before the closing!*** Don’t get to the closing table to find out you have a pre-payment penalty and additional closing costs you did not anticipate.

If you decide that refinancing is your best option it is important to make sure you find the right person to help you out. It is surprising how many homeowners just turn on their computers and start searching the Internet in search of a new loan. You will want to work with a local broker or bank that understands your area and you can deal with on a local basis. SaveMeFromForeclosure.com has partnered with local banks and brokers in your hometown who understand the foreclosure process and can work with you directly. These individuals will not waste your time and can get the job done.

OPTION 3: BANKRUPTCY

The final option available to a homeowner facing foreclosure is to file for bankruptcy. This option should *always* be the homeowner’s last resort.

If the homeowner chooses to file for bankruptcy the **PRO** is that the homeowner can sometimes stay in his or her house, and some, but certainly not all debts can be forgiven. (*Note: Bankruptcy laws differ by State and you should consult a bankruptcy lawyer regarding how a bankruptcy will affect your financial situation and future*). Unfortunately there are bigger **CONS** to this option. A bankruptcy will be on the homeowner’s permanent record and the mortgage payments could be higher than before. If the homeowner couldn’t make the old payment, how can he or she make the new, bigger payment?

A Fairfax, VA man was in danger of foreclosure, but had plenty of equity (over \$250,000) in his home. He had lost his job, and couldn’t qualify for a new mortgage. He felt confident in his ability to find a new job relatively quickly, but with the pending foreclosure, and mounting credit card debt, he decided to meet with a bankruptcy attorney referred to him by SaveMeFromForeclosure.com. The attorney took care of all of the paperwork, the man was able to keep his home, and within weeks had a new job that allowed him to make his bankruptcy payment, and keep his house.

If you do choose to file for bankruptcy you need to inform yourself of all your options and the impact of what this will do to your long-term financial status. It is important to work with someone in your community who is a licensed bankruptcy attorney. SaveMeFromForeclosure.com can help you identify licensed bankruptcy attorneys in your area. It is important to understand that bankruptcy attorney’s are not allowed to pay a commission for referrals. We refer our clients out qualified bankruptcy attorneys who can help you thru this very important financial decision.

SELL YOUR HOME FAST

OPTION 1: SELL TO AN INVESTOR

A Virginia family was four months behind on their mortgage payments, and didn't know what to do. There was an IRS lien against their property, and the husband's wages were being garnished. They were 3 weeks away from losing their home when they contacted SaveMeFromForeclosure.com. The affiliate explained everything to them in plain English and bought their house “as-is”, a day after their initial phone conversation. All the details were taken care of by SaveMeFromForeclosure.com and the family avoided foreclosure and saved their credit.

Oftentimes homeowners have reasons to want to get out of their home quickly and avoid a foreclosure with the least amount of work and risk. For these people selling to an investor may be their best option.

The obvious **PROs** to selling to an investor is that the homeowner can close quickly; sell their house in “as-is” condition with no contingencies (retail buyers are going to want things fixed, and will require a home inspection, etc); oftentimes be paid in

all cash and immediately halt the foreclosure as soon as the title is transferred; and sometimes the homeowner will find flexibility on their move out dates.

The **CONS** of choosing the option of selling to an investor is that you will have to move to a new home and you will not receive retail price with all cash offers. Some investors may be able to provide you with full retail value if they can find equity in the house upon rehabbing the property or purchasing your home subject to your existing mortgage.

Selling to an investor is usually the quickest and easiest option to avoid a foreclosure while retaining some equity in the home, if any exists. If you consider selling to an investor you should work with someone who invests in your community who knows your market and can facilitate a quick and smooth transaction.

SaveMeFromForeclosure.com has affiliates across the nation and in your community who can make all cash offers for you home if you choose this option.

OPTION 2: LIST WITH A REALTOR

Listing with a realtor can some times be a good option for people who have time on their side and a house in a desirable market in good condition. The obvious **PRO** of listing with a realtor is that you might get “market value” for your home, assuming you want to move.

The obvious **CON** of listing with a realtor is that you will have to pay the realtor’s commission. Remember that the seller pays BOTH the listing and buyer’s agents’ commissions. This frequently can cost 6% or more. Imagine if you sell a \$300,000 property - *that is \$18,000 in commissions alone!* Furthermore, as the seller, the homeowner must first make the house look presentable, deal with buyers and be willing to show their home at all times with no guarantee anyone will buy the home in time to stop the foreclosure. If you are lucky enough to get an offer, remember that buyers are picky people, and will make an offer subject to a home inspection. The inspector will spend 3-4 hours going through your home with a fine-toothed comb. If they find anything “wrong” with your property, be prepared to fix it, and to have the funds available to do the repairs (or hire a professional to do them for you). If you are already behind on your payments you may not have the time to list your home with a realtor.

A Baltimore, MD woman was facing a potential foreclosure. Her husband suddenly passed away leaving her with a lot of debt and very little in savings. Because the widow realized early on that her expenses might have led her to a foreclosure she contacted SaveMeFromForeclosure.com. An affiliate explained all of her options and suggested she list with a realtor as the home was in a desirable neighborhood, had been well maintained and had appreciated significantly over the 20 years the couple had lived there. She also had not yet been late on a payment and had time to list with a realtor and potentially get top “market value.” Her house did sell in less than 3 months and the widow was able to move on with her life and avoid financial problems.

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If you have the time and ability to list your home with a realtor you want to work with a realtor who knows your market area and can help you get top dollar for your home. SaveMeFromForeclosure.com has partner realtors in your area who can help you list your home and sell it in the shortest time possible with the highest return possible.

OPTION 3: WORKOUT AGREEMENT







A Washington, DC homeowner was behind on her payments, and owned a property that had deteriorated over the years. The property needed approximately \$40,000 in repairs. The value of the home was \$200,000 in “fixed up” condition, but the homeowner’s loan balance was \$195,000. SaveMeFromForeclosure.com was able to work with the bank’s loss mitigation department, and have them take a payoff less than \$195,000. The homeowner sold her house, didn’t have to make one repair, and saved her credit from having a foreclosure on her permanent record.

Individuals who may want to consider a “workout agreement” are those who have little or no equity in his or her home. During a “workout agreement,” a SaveMeFromForeclosure.com affiliate or qualified professional contacts your mortgage company on your behalf to enter into a workout agreement. He or she negotiates a payoff of the property if you owe more than what it is worth.

The **PROs** of the “workout agreement” is that the homeowner can sell his or her property rather than go through foreclosure. The **CONs** are that the homeowner must go through the process with no guarantees. A “workout agreement” takes time with no cash for the homeowner and then you still must move out of your home. However, in some cases, this is a good option for individuals facing foreclosure.

If you decide that a “workout agreement” may be the right choice for you, you need to make sure you have a professional working with you who understands “workout agreements” and can help you negotiate with your bank. Of all the options, this option can take the longest and provide the least reward. But for some, it may be the only option.

Now that You Know Your Options, What’s Next?

 Analyzing your options against your personal situation.	 Finding the right people to help you implement your plan.
 Figuring out where you are now and where you want to be.	 Implementing your plan.
 Creating a personal plan.	 Signing up for a credit repair service.

Now that you **understand all of your options** it is important to **analyze your options against your personal situation**. In **analyzing your options** against your personal situation you want to consider **where you are now and where you want to be in the short and long term**.

Your decision will be based on your personal situation. You may have just received a notice of default and know that a foreclosure is forthcoming. You may have just been thru a divorce and have some time on your hands but have realized that you need to move quickly or things could turn for the worse.

Once you have **analyzed your options** against your personal situation you must now **create a personal plan** to help you avoid a foreclosure. Your personal plan should provide you a road map to avoiding a foreclosure and achieving your short and long-term goals. Your personal plan should also outline the options available to you, ranked from first to worst. While you might have an option that sounds great to you (i.e., refinance), it is not always going to be available to you, and you will need a Plan B, Plan C and probably even a Plan D. Having a plan is critical to successfully dealing with your problem, yet most people never get around to doing much, if any, planning first.

Once you have created your plan you will need to **find the right people to help you implement your plan**.

Throughout the foreclosure process, from the first notice of non-payment, all the way to receiving that dreaded letter from the lender's law firm, it is important to get professional help. You may need:

- **An Attorney** to review the foreclosure filing or help you file for bankruptcy if you choose this route.

- **A Mortgage Lender** to assist you with refinancing and who is familiar with alternative and creative financing options.
- **A Realtor** to list your house for sale or assist you in finding a new home or rental upon the sale of your current home.
- **An Investor** to purchase your home from you quickly or help you in a “workout agreement” with your bank.
- **A professional** who can help you with a “workout agreement” or foreclosure reinstatement.

Be aware of who is helping you when facing a foreclosure and be sure to choose the right people who are knowledgeable with your local area and the foreclosure process. One of the benefits to working with SaveMeFromForeclosure.com is that we can help you with ANY of the possible solutions. We have partnerships with investors, realtors, mortgage brokers, bankruptcy attorneys and “workout agreement” and foreclosure reinstatement professionals, so that no matter which path you choose, we are there to help and guide you through the many steps to avoiding a foreclosure.

Be aware of the individual who is trying to help you: the mortgage broker who says, “refinance,” the bankruptcy attorney who screams, “File for chapter 13,” the realtor who begs, “list with me,” or the investor who shouts “cash for your house.” It is much better to work with a team of individuals who can help you objectively analyze your options, and determine which is best for your unique situation. Do not forget that when working with an individual who can only offer his or her solution to you (mortgage broker, realtor, bankruptcy attorney, etc.) they probably have their own personal agenda in mind, along with a solution for you, and may not tell you other solutions available to you, or the cons of the solution that they suggest.

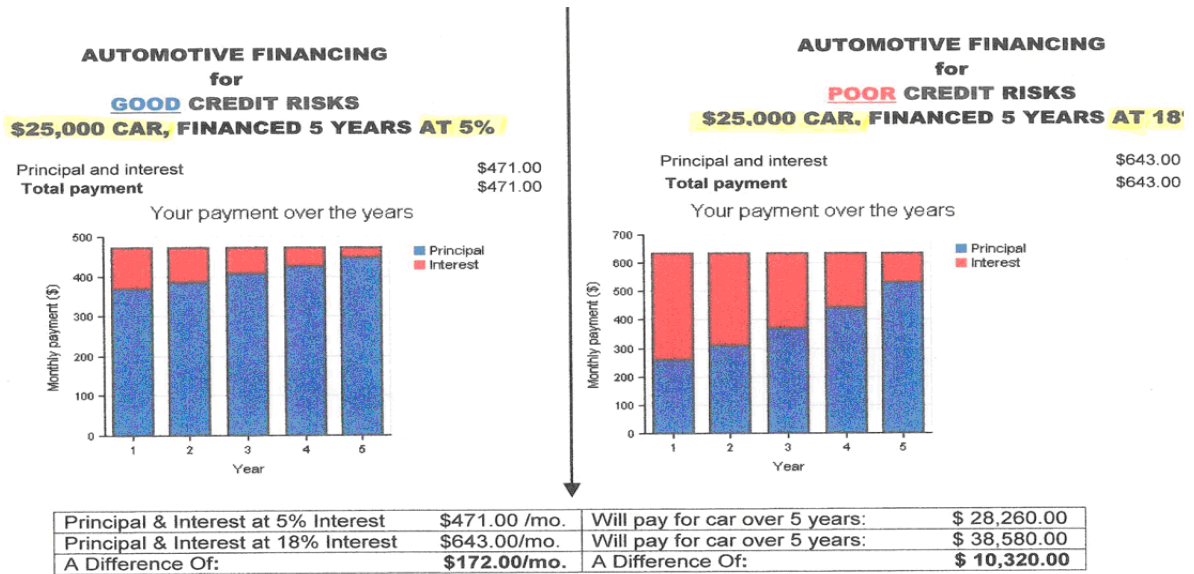
Once you have a plan and have found the right people to help you, it is time to implement your personal plan. As you have probably learned by now the most important thing you can do today is to educate yourself on your options and then set a realistic plan in motion to avoiding a foreclosure. Without a plan to STOP YOUR FORECLOSURE you are unlikely to avoid this financially devastating event.

And you have also learned that without the right people helping you implement your plan to stop your foreclosure you are likely to meet failure. Homeowners today facing foreclosure no longer have to face this problem alone. Today there are teams of individuals who help people facing foreclosure stop their foreclosure and move on with their lives. SaveMeFromForeclosure.com is the right company, with the right people in your local area who can help you today.

You’ve Stopped the Foreclosure But You Aren’t Done Yet . . .

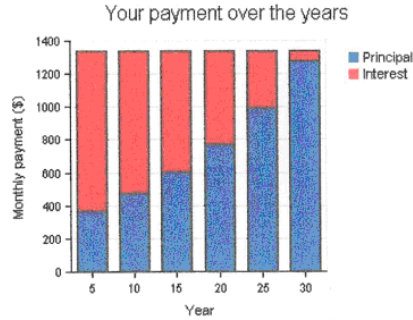
Credit Repair Services: Putting yourself back on track to financial freedom

Do you know what bad credit can do to your monthly living expenses? The graphs below illustrate how poor credit can affect how much an individual pays for automotive financing, home mortgages and credit card financing. After taking a look at these graphics you will understand what it means to your total payments over the years if you have poor credit.



HOME MORTGAGE RATES
for
GOOD CREDIT RISKS
250,000 HOUSE, FINANCED 30 YEARS AT 6%

Principal and interest	\$1,342
Taxes and insurance	\$0
Mortgage insurance	\$116
Total payment	\$1,458



HOME MORTGAGE RATES
for
POOR CREDIT RISKS
\$250,000 HOUSE, FINANCED 30 YEARS AT 12%

Principal and interest	\$2,571
Taxes and insurance	\$0
Mortgage insurance	\$116
Total payment	\$2,688



Principal & Interest at 6% Interest	\$1458/mo.	Will pay for house over 30 years:	\$ 524,880
Principal & Interest at 12% Interest	\$2688/mo.	Will pay for house over 30 years:	\$ 967,680
A Difference Of:	\$1230/mo.	A Difference Of:	\$ 442,800

CREDIT CARD INTEREST RATES
for
GOOD CREDIT RISKS
15,000 BALANCE AT 3% INTEREST, PAYOFF 5 YRS.

Principal and interest	\$269.00
Total payment	\$269.00



CREDIT CARD INTEREST RATES
for
POOR CREDIT RISKS
\$15,000 BALANCE AT 23% INT., PAYOFF 5 YRS.

Principal and interest	\$440.00
Total payment	\$440.00



Principal & Interest at 3% Interest	\$269.00/mo.	Will pay interest over 5 years:	\$ 1,140.00
Principal & Interest at 23% Interest	\$440.00/mo.	Will pay interest over 5 years:	\$ 11,400.00
A Difference Of:	\$171.00/mo.	A Difference Of:	\$ 10,260.00

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² Graphics compliments of: Mack Financial Group

SaveMeFromForeclosure.com also offers credit repair services to our clients. We feel that it is important to not only help our clients avoid foreclosure but to help them avoid any potential foreclosures in the future and put them on the road to a better financial future. When creating your plan of action make sure to include a credit repair service as one of your final steps.

What Now?

All of the information you have been provided may be a bit overwhelming. SaveMeFromForeclosure.com has affiliates in your area that can provide you with a free consultation and walk you thru your options and help you create a plan of action. SaveMeFromForeclosure.com can offer assistance and advice, and help you decide where to go from there.

The last thing you need to understand is that time is not on your side. When you are facing foreclosure the quicker you get educated on your options the better chance you will have of avoiding a foreclosure.

We at SaveMeFromForeclosure.com hope that this report has provided you with the information and tools to make the right decisions. If you would like further assistance and help in deciding what option may be right for you and creating your plan of action please call us for a free consultation. Our affiliates may be able to assess your situation over the phone and give you immediate advice on the steps you may need to take. Often times our affiliates can come out and meet with you one-on-one to discuss your options and help you create your plan of action.