

# Predatory Lending Warning Signs

*When you are in foreclosure, you will receive letters and postcards from foreclosure, rescue companies.*

## Beware of any company that:

- Seeks you out to “solve” your financial problems
- Pressure you to make a quick decision
  - Demand large up-front fees
  - Tell you not to contact a lawyer
- Ask you to sign papers without giving you a chance to read them
- Ask you to sign papers with blank spaces
  - Ask you to sign a deed
  - Offer to file bankruptcy for you

*These companies may pretend that they want to help you, but what they want is your money or your property.*

## LIGHTHOUSE COMMUNITY DEVELOPMENT

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# BEWARE!

## Don't Become a Scam Target

- Don't pay anyone money to help you save your home. Legitimate help is free.
- Don't trust anyone who guarantees that they can save your home.
- Don't sign anything you don't understand.

## How to Register Scam Complaints

### Foreclosure scam complaints:

Contact the Michigan Attorney General  
[www.Michigan.gov/ag](http://www.Michigan.gov/ag)  
(877) 765-8388

### Licensed mortgage broker or lender complaints:

Contact the Office of Financial and Insurance Services  
[www.Michigan.gov/ofis](http://www.Michigan.gov/ofis)  
(877) 999-6422

## Foreclosure-Related Resources

### Local

Lighthouse Community Development  
Home Preservation Hotline  
(248) 972-1496

### State

[www.Michigan.gov/MSHDA](http://www.Michigan.gov/MSHDA)

### Federal

[www.ftc.gov/credit](http://www.ftc.gov/credit)  
[www.makinghomeaffordable.gov](http://www.makinghomeaffordable.gov)



## LIGHTHOUSE COMMUNITY DEVELOPMENT

# Home Preservation



# Tips & Tools

SUPPORT • RESOURCES • EMPOWERMENT

## What Can I Do to Preserve My Home?

### 1. Eliminate all unnecessary expenses

- Turn off cable
- Stop dining out
- Watch food and clothing budgets carefully, cut back where possible

If staying in your home is your first priority, pay your mortgage first, then your car note and utility bills. If your mortgage lender will no longer accept payments, save the money that you would have paid to them.

### 2. Increase your earnings

Look for a new, higher income position, or obtain part-time employment.

### 3. Inquire about home-retention options

If you have sufficient income to afford your mortgage payment, call your lender to ask about home-retention options. Ask to speak to a loss-mitigation representative.

*Your lender may consider the following:*

**Forbearance** - a temporary delay in making monthly payments for a short period of time.

**Loan Modification** - a change to one or more of the terms of your mortgage to bring you current and keep your payment affordable.

**Partial Claim** - a small interest-free loan to bring you current without making monthly payments

4. If you know that the property is unaffordable, ask your lender to consider:

**Short Sale** - a property sale for an amount less than the principal balance in order to avoid a future deficiency judgment.

**Deed-in-Lieu of Foreclosure** - the title to your property is given back to your lender.

5. **Please contact us!** **FREE** reputable advice, counseling services and housing resources are available in our community. We have information about many options.

KNOW YOUR HOME PRESERVATION OPTIONS

EVEN IF YOU ARE NOT LATE - CALL TODAY!

## We Can Help!

If you are in need of information or assistance, make your first call to

### LIGHTHOUSE COMMUNITY DEVELOPMENT

We are working in partnership with other community agencies to help homeowners prevent foreclosure

FOR MORE INFORMATION, CALL

248-972-1496

**MANY FORECLOSURES ARE PREVENTABLE!**

## What is a Sheriff Sale?

Your bank or mortgage lender is foreclosing on your home or other real property. Part of the foreclosure process is the Sheriff Sale, at which an investor, or even your lender makes an offer to buy your property for the remaining balance of your mortgage.

The Sheriff Sale is a matter of public record. Lists of foreclosed properties are published in newspapers, circulated on the Internet, and so-called "investors".

Financial predators may try to take advantage of you because they know you are in trouble. Be careful, and avoid solicitations that charge you for services which you can do yourself.

After the Sheriff Sale, you have six months to redeem the foreclosure. This six-month period is called the redemption period, during which you can pursue one of the three courses of action:

- Sell your home
- Repurchase your home
- Stay in your home free of charge, save money

*You will not have to leave your home on the day of the Sheriff Sale*