

Homestead Solutions, Inc.

Non-Profit HUD-Certified Housing Counseling Agency

Dear Homeowner,

As a HUD-Certified Foreclosure Intervention Counseling Agency, we are happy to hear that you have decided to explore all the options available to you to prevent your home from being sold at a Sheriff's Auction as the result of a foreclosure judgment.

As a client, you are under **no obligation** to participate in our program. Our goal is to provide you with the information, tools and assistance to stop the foreclosure on your home. It is very important that you begin right away because the earlier we lay out a plan and begin a dialogue with your lender(s), the better chance we have of achieving your goals.

Depending on your situation and your lender, this process can take some time so please be patient as we attempt to work out a resolution for you with your lender.

Enclosed you will find the following forms:

1. **Scope of Services** – This explains what our agency does and how we do it.
2. **Authorization to Release Information** – This will allow us to pull your credit and speak with your lender to look at the options that will suit your needs. **Please fill out completely; missing information will delay activity on your file.**
3. **Hardship Letter** – When writing your Hardship Letter be extremely thorough and truthful. Provide exact dates and details about your situation whenever possible. If you have supporting information (doctors notices, unemployment papers, etc.) please provide copies. You want the lender to understand your reason for falling behind. This is a very important part of your paperwork. You may handwrite it or you may type it. Please sign and date it. **Please refer to website for examples of Hardship Letters.**
4. **Financial Statement** – It is critical to include all expenses and make sure to be as accurate as possible. Should you need to estimate an amount, do so on the high end. We need to be certain we're working with accurate information when setting up your plan.
5. **Level 1 Action Plan** – This document provides details that outline the first steps that need to be taken. It is important that you follow it closely and notify our office if you are unable to provide any of the requested documentation or if you have any questions about the Level 1 Action Plan.

We look forward to working with you and congratulations on taking the initial step to preventing foreclosure!

Please understand with the high volume of calls, we may not be able to speak with you right away when you call. We do return all calls within 24 hours. Lender negotiations is a process that takes time and we will be working hard towards the best solution for your situation.

Sincerely,

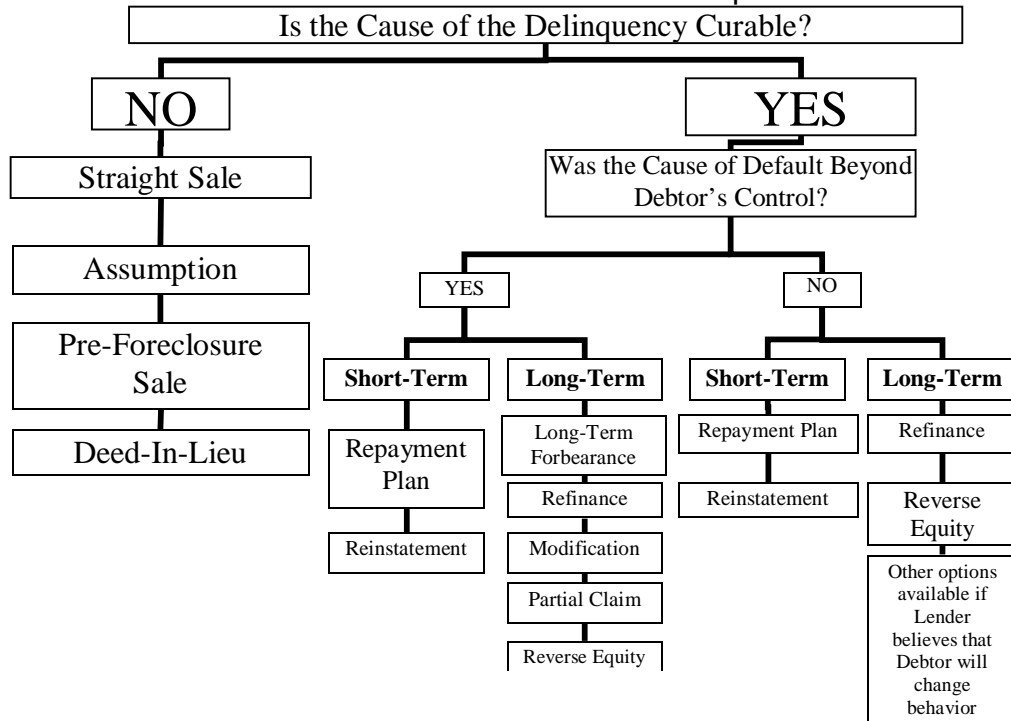
Homestead Solutions, Inc.
Foreclosure Intervention Advisors

Scope of Services

As a HUD-Approved Foreclosure Intervention Counseling Agency, our goal is to educate individuals who are at risk of losing their homes due to delinquent payments or expected delinquent payments to their lender.

Most people have a lot of questions and we are here to help you find the answers. Below is an overview of our process so you know what to expect when you seek out our assistance.

1. An HSI Advisor will typically interview you over the phone (or direct you to our online form) and fill out an intake sheet. You will be asked questions about your property and the finances related to that property. Because we are funded by the Department of Housing & Urban Development (HUD), a government agency, we are required to collect government recording data for statistical purposes. (ie, age, sex, race, etc) We assure you that the information you provide will be kept confidential.
2. The Advisor will ask you about your personal finances and discuss some of the options based on your situation. The Advisor will then discuss the client package and how to get that back to us. **It is important that this package is filled out as accurately as possible, missing information will delay negotiations and may be returned to you for missing information.**
3. Once this package is returned to us, you will then become a client. A member of our staff will contact you to set up a meeting with your Advisor to go over all your options, answer any additional questions and allow you to choose which route you want to take to prevent the foreclosure. Below is a chart that outlines the realistic options for our clients:



Homestead Solutions, Inc.

435 Algoma Blvd.

Oshkosh, WI 54901

Phone: 920-230-3324

Fax: 920-236-3313

www.HomesteadSolutions.org

Authorization to Release Information

Mortgage Company Name(s): _____

Mortgage Loan/Account Number(s)#: _____

Property Full Address: _____

Authorization from (date) _____ to (date) _____ (1 year)

I/We hereby authorize you to release to ALL the following staff of **Homestead Solutions, Inc (EIN# 56-2641741)**:

Mendee Hackbarth – Homestead Solutions, Inc.

Tad Krogstad – Homestead Solutions, Inc.

Doug Norton – Homestead Solutions, Inc.

Alisha Olson – Homestead Solutions, Inc.

Romi Norton – Homestead Solutions, Inc.

or its principals, agents, employees and assigns **any and all information** that they may require about my loan/account, including but not limited to balances, transfers, payoffs and servicing for the above referenced property. "Agents" shall include all real estate agents, attorneys, title agents and their assistants. You may reproduce this document to acquire reference from more than one source.

I/We authorize **Homestead Solutions, Inc. at 435 Algoma Blvd, Oshkosh, WI 54901 (920) 230-3324**, its staff or representatives, to act on my/our behalf for the purpose of seeking a resolution with regard to the property listed above. I/We authorize our lending institution/mortgage company to fax, mail, or email any items requested by Homestead Solutions, Inc. in reference to our mortgage delinquency immediately. I understand that Homestead Solutions, Inc. receives Congressional funds through the National Foreclosure Mitigation Counseling (NFMC) program and, as such, is required to share some of my personal information with NFMC program administrators or their agents for purposes of program monitoring, compliance and evaluation. I/we authorize Homestead Solutions, Inc. to submit our information to the National Foreclosure Mitigation Counseling Program, which may: open files to be reviewed for program monitoring and compliance purposes; pull our credit record solely for program evaluation purposes a minimum of two times between this day and June 30, 2010; and to conduct follow-up with us related to program evaluation. Pursuant to Public Law 91-50B, Title VI, Section 604 (2) & (3) A & B and Section 610 (a) – (d), I/We hereby authorize any Credit Reporting Agency to disclose any consumer credit information to Homestead Solutions, Inc. and hereby name the above staff as the authorized "person of my choosing." Additionally, you may discuss my file with Homestead Solutions, Inc. personnel (Law No. 1610 (d) 1). **I also agree to reimburse HSI for the expense of pulling my/our credit reports.**

Borrower Signature

Date

Social Security#

Birth date

Printed Name:

Co-Borrower Signature

Date

Social Security#

Birth date

Printed Name:

Homestead Solutions, Inc.
435 Algoma Blvd.
Oshkosh, WI 54901
Phone: 920-230-3324
Fax: 920-236-3313
www.HomesteadSolutions.org

CLIENT FINANCIAL STATEMENT

Borrower	Co-Borrower	Loan #																																																													
MONTHLY NET INCOME																																																															
<table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:30%;">Income</td> <td style="width:35%;">Borrower1</td> <td style="width:35%;">Borrower2</td> </tr> <tr> <td>Frequency</td> <td>_____</td> <td>_____</td> </tr> <tr> <td>Net Pay Wk 1</td> <td>_____</td> <td>_____</td> </tr> <tr> <td>Net Pay Wk 2</td> <td>_____</td> <td>_____</td> </tr> <tr> <td>Net Pay Wk 3</td> <td>_____</td> <td>_____</td> </tr> <tr> <td>Net Pay Wk 4</td> <td>_____</td> <td>_____</td> </tr> <tr> <td>Child Supp.</td> <td>_____</td> <td>_____</td> </tr> <tr> <td>Social Security</td> <td>_____</td> <td>_____</td> </tr> <tr> <td>Other</td> <td>_____</td> <td>_____</td> </tr> <tr> <td>Hourly rate</td> <td>_____</td> <td>_____</td> </tr> <tr> <td>Gross Annual Income</td> <td>_____</td> <td>_____</td> </tr> </table>	Income	Borrower1	Borrower2	Frequency	_____	_____	Net Pay Wk 1	_____	_____	Net Pay Wk 2	_____	_____	Net Pay Wk 3	_____	_____	Net Pay Wk 4	_____	_____	Child Supp.	_____	_____	Social Security	_____	_____	Other	_____	_____	Hourly rate	_____	_____	Gross Annual Income	_____	_____	<table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:50%;">1st Mortgage Co.</td> <td style="width:50%;">_____</td> </tr> <tr> <td>Mortgage Type</td> <td>_____</td> </tr> <tr> <td>Interest Rate</td> <td>_____</td> </tr> <tr> <td>Purch/Refi Date</td> <td>_____</td> </tr> <tr> <td>Monthly Payment</td> <td>_____</td> </tr> <tr> <td>Months Delinquent</td> <td>_____</td> </tr> <tr> <td>Total Loan Balance</td> <td>_____</td> </tr> <tr> <td>Estimated Value</td> <td>_____</td> </tr> </table>	1st Mortgage Co.	_____	Mortgage Type	_____	Interest Rate	_____	Purch/Refi Date	_____	Monthly Payment	_____	Months Delinquent	_____	Total Loan Balance	_____	Estimated Value	_____	<table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:50%;">2nd Mortgage Co.</td> <td style="width:50%;">_____</td> </tr> <tr> <td>Monthly Payment</td> <td>_____</td> </tr> <tr> <td>Months Delinquent</td> <td>_____</td> </tr> <tr> <td>Total Loan Balance</td> <td>_____</td> </tr> <tr> <td>How many people in the household</td> <td>_____</td> </tr> <tr> <td>Total number of dependants</td> <td>_____</td> </tr> </table>	2nd Mortgage Co.	_____	Monthly Payment	_____	Months Delinquent	_____	Total Loan Balance	_____	How many people in the household	_____	Total number of dependants	_____
Income	Borrower1	Borrower2																																																													
Frequency	_____	_____																																																													
Net Pay Wk 1	_____	_____																																																													
Net Pay Wk 2	_____	_____																																																													
Net Pay Wk 3	_____	_____																																																													
Net Pay Wk 4	_____	_____																																																													
Child Supp.	_____	_____																																																													
Social Security	_____	_____																																																													
Other	_____	_____																																																													
Hourly rate	_____	_____																																																													
Gross Annual Income	_____	_____																																																													
1st Mortgage Co.	_____																																																														
Mortgage Type	_____																																																														
Interest Rate	_____																																																														
Purch/Refi Date	_____																																																														
Monthly Payment	_____																																																														
Months Delinquent	_____																																																														
Total Loan Balance	_____																																																														
Estimated Value	_____																																																														
2nd Mortgage Co.	_____																																																														
Monthly Payment	_____																																																														
Months Delinquent	_____																																																														
Total Loan Balance	_____																																																														
How many people in the household	_____																																																														
Total number of dependants	_____																																																														
MONTHLY LIVING EXPENSES		EXPENSES	BUDGET																																																												
Housing: 1 st Mortgage _____ <input type="checkbox"/> includes escrow for taxes & ins 2 nd Mortgage _____ Homeowners Insurance _____ Property taxes _____			(office only)																																																												
Utilities: Electric _____ Gas _____ Heat _____ Water _____ Cable _____ Home Telephone _____ Cell _____ Garbage _____																																																															
Food: Groceries _____ Meals out _____ Delivered Goods _____ School Lunches _____ Work Lunches _____																																																															
Health: Pharmacy _____ Doctors _____ Dentist _____ Medical Bill Balance _____																																																															
Insurance: Auto _____ Hosp./Health _____ Life _____ Home Owners _____ Mortgage _____ Renters _____																																																															
Transportation: Gas _____ Maintenance _____ Parking _____ Tolls _____ Bus _____ Taxi _____ Registration _____																																																															
Family: Allowance _____ Daycare _____ Baby Sitter _____ Dues _____ Child Support _____ Alimony _____																																																															
Clothing: Personal/Spouse _____ Children _____ Other _____ Laundry _____ Dry Cleaning _____																																																															
Education: Lessons _____ Tuition _____ Supplies _____ Books/Magazines _____ Newspaper _____ School Sports _____																																																															
Personal: Beauty Shop _____ Haircuts _____ Toiletries _____ Household items _____																																																															
Donations: Religious _____ Other _____																																																															
Entertainment: Sports _____ Videos _____ Lottery _____ Hobbies _____ Gifts _____ Alcohol _____ Tobacco _____ Health Club _____																																																															
Misc.: Bank Service Charges _____ Postage _____ Pets/Food _____ Rental and Lease Items _____ P.O./Safety Deposit Box _____																																																															
Other: Car Pmts _____ Car Pmt Balance _____ CC Pmts _____ CC Balances _____ Other Loan Pmts _____ Other Loan Pmt Balance _____ OTHER _____																																																															
TOTAL MONTHLY LIVING EXPENSES:																																																															
Current Budget Total Net Income \$ _____ - Expenses \$ _____ = Dollars Left _____																																																															
Crisis Budget Total Net Income \$ _____ - Expenses \$ _____ = Dollars Left _____																																																															

Borrower1 Signature _____ Date _____ Borrower2 Signature _____ Date _____

LEVEL ONE ACTION PLAN

The following is your Level One Action Plan. This plan outlines the steps that need to be taken prior to your meeting with one of our Foreclosure Intervention Advisors.

Please follow the directions carefully.

1. The following items in this packet need to be **filled out completely**, signed and mailed or faxed to the Homestead Solutions office as soon as you receive this Action Plan:
 - a. Authorization to Release Information-**include mortgage loan number**
 - b. Client Financial Statement
 - c. Hardship Letter

We cannot proceed until we receive items a, b, and c.

2. When we receive a, b, and c in our office, our staff will then set you up as a client and contact you within 48 hours to set up an appointment with an advisor.

Bring COPIES of the items listed below to your session. If you need us to make copies for you we will, but because we are a non-profit we will ask for \$.25/copy.

If you fail to bring these items with you, we may have to cancel your appointment. Please also let us know if you have any physical or mental handicaps, so we can accommodate any special needs. We ask that no minors attend the appointments.

- 2009 Tax Returns with W-2s and/or 1099s
 - Bank Statements (2 most recent months)-checking and/or savings
 - Proof of Income – 60 days of Paystubs and/or Unemployment, Award Letters (Social Security, Disability, Food Assistance, Child Support) all forms of income need written proof
 - Recent mortgage statement or coupon book
 - Any other direct mail pieces offering assistance with your foreclosure
 - Any collection letters, foreclosure filings, etc.
 - Proof of expenses (Utility bills, credit card statements, etc.)
 - Other paperwork you deem important for us to review
 - Start Tracking Your DAILY Expenses
3. If any of the items listed above are not available, please write a short statement as to why the items are not being provided. For example, if you are unemployed, you won't have any pay stubs, or if you did not file tax returns, haven't received a recent mortgage statement or don't have a checking/savings account, these items will not be available.
 4. **Please bring a check, money order or cash (exact change is necessary) of \$20.00 for a credit report that we will need to pull on your behalf.**
 5. Start thinking about possible items in your current budget that can be reduced or eliminated if your goal is to remain in the property. If you have any questions, please feel free to contact our office.

**We will be working our hardest to find you the best route based on your situation. Please understand we will request updated information from you (bank statements, income verification) depending on what your mortgage company requests. If you delay in getting us requested information, please understand we are not able to work on your file until we get what we requested and your file may be closed if we don't get documents in time.

For your appointment, you **MUST BRING with you **COPIES** of the following:**

- ✓ Full Tax returns with W-2's and/or 1099 (must be signed and dated)
- ✓ Last two months of bank statements. (Checking and/or Savings)
- ✓ Last three months of ALL proof of income. (Check stubs and/or unemployment, SSI award letters, Disability, Food assistance, child support, rental income, etc.)
- ✓ Proof of residence. (Utility bill, credit card statement, etc.)
- ✓ Recent mortgage statement and/or payment book.
- ✓ Any other direct mail pieces offering assistance with your foreclosure. (optional)
- ✓ Any collection letters, foreclosure filings, etc. (optional but does help)
- ✓ \$20 reimbursement for credit report

Self employed clients must also bring:

- ✓ Last 2 years tax returns (must be signed and dated)
- ✓ Last 2 years 1099's and/or W'2s
- ✓ Year to date profit and loss statement, broken down monthly

Failure to bring these items to your appointment may result in a **CANCELLATION with the need to reschedule. If you find that some of these items are unobtainable, please write a brief statement explaining why.**

Only **COPIES will be taken at the time of your appointment. NO ORIGINALS. If we need to make copies for you, there will be a \$.25 charge PER copy made.**