

MANAGING YOUR MONEY



What Homeowners Can Do To Prevent Foreclosure

(NAPSA)—The risk of foreclosure is a growing concern in many parts of the country, due to softening housing markets, tightening credit and rising interest rates.

Fortunately, there are steps homeowners can take to prevent foreclosure.

The first step is for borrowers to contact their lender or a certified credit counselor. Despite available resources for working through tough times, many people avoid contacting their lender because they are afraid or believe it will do no good.

"The earlier a lender is contacted, the greater opportunity to address each homeowner's circumstances," said Comptroller of the Currency John C. Dugan. "Experience shows the sooner a delinquent borrower is engaged, the more likely the chances of avoiding foreclosure."

Federal regulators, including the Office of the Comptroller of the Currency, encourage lenders to work with borrowers, especially when it comes to keeping their homes.

Credit counseling can be an effective place to start. The Center for Foreclosure Solutions, a non-profit partnership sponsored by NeighborWorks America and the Homeownership Preservation Foundation, works to get information to borrowers having difficulties paying their mortgage. Housing counselors are available around the clock, seven days a week, at



Nobody wins in a foreclosure. That's why lenders are motivated to work with borrowers if they are having a hard time paying their mortgage.

(888) 995-HOPE to assist in English and Spanish.

The Department of Housing and Urban Development (www.hud.gov) also has online resources to help people prevent foreclosure, including a list of approved counselors.

The OCC is also working with regulators to prevent similar trouble with future loans. Federal regulators have proposed guidance for banks and lenders that will ensure creditors consider a borrower's ability to repay the full loan and will require clear disclosures of loan risks and terms. This helps homeowners understand the full cost and risk of a mortgage before they close.

National bank customers can call OCC Customer Assistance about their bank at (800) 613-6743, 8 a.m. to 8 p.m. EST, Monday to Friday or visit www.occ.gov.