

PRESIDENT OBAMA'S HOME AFFORDABLE MODIFICATION PROGRAM

The **Home Affordable Modification** program will help 3 to 4 million at-risk homeowners avoid foreclosure by reducing their monthly mortgage payments.

How IT WORKS:

- Provides incentives to mortgage lenders to reduce the monthly mortgage payments of qualified homeowners to an affordable level
- Provides additional financial incentives to these homeowners to make their payments on time

WHO IS ELIGIBLE:

To qualify for a Home Affordable Modification, homeowners must:

- Be an owner-occupant of a one-to-four unit property
- Have an unpaid principal balance that is equal to or less than \$729,750 (higher for two to four unit properties)
- Have a loan that was originated before January 1, 2009
- Have a mortgage payment (including taxes, insurance, and homeowners association dues) that is more than 31% of gross (pre-tax) monthly income
- Have a mortgage payment that is no longer affordable, perhaps because of a significant change in income or expenses (applicants will be screened for financial hardship)
- Have income that will allow them to make ongoing monthly mortgage payments

HOMEOWNERS INTERESTED IN A HOME AFFORDABLE MODIFICATION SHOULD:

- Assemble current income and mortgage information
- Contact their lender directly to see if they qualify for a loan modification under the Home Affordable Modification program
- Attend the "Fix Your Mortgage Event" on May 2nd at the Chicago Police Department Training Academy, 1300 W. Jackson Blvd.

For more information, go to: www.makinghomeaffordable.gov



CITY OF CHICAGO
RICHARD M. DALEY, MAYOR

PRESIDENT OBAMA'S HOME AFFORDABLE REFINANCE PROGRAM

The **Home Affordable Refinance** program will help 4 to 5 million at-risk homeowners with a solid payment history and an existing mortgage owned by Fannie Mae or Freddie Mac to refinance into lower interest rates or more stable mortgage products – even if decreasing home value has made conventional refinancing impossible.

HOW IT WORKS:

- All loans refinanced under the plan will have a 15- or 30-year term with a fixed interest rate
- The refinanced loans will have no prepayment penalties or balloon notes

WHO IS ELIGIBLE:

To qualify for a Home Affordable Refinance, homeowners must, at minimum:

- Be an owner-occupant in a one-to-four unit property
- Have a loan owned or controlled by Fannie Mae or Freddie Mac
- Be current on mortgage payments
- Have a mortgage that is the same or slightly less than the current home value
- Have a stable income sufficient to support the new mortgage payments

HOMEOWNERS INTERESTED IN A HOME AFFORDABLE REFINANCE SHOULD:

- Assemble current income and mortgage information
- Contact their lender directly to see if they qualify for a refinance under the Home Affordable Refinance program

For more information, go to: www.makinghomeaffordable.gov



CITY OF CHICAGO
RICHARD M. DALEY, MAYOR