

Working With Your Lender to Stop Foreclosure

When you call your lender, be sure to have your account information handy and be ready to give a summary of the financial problems you are having. You should also have recent income statements and your household budget with you.

Be prepared for more than one conversation. Your lender may require that you complete a "loan work-out" package – you may not be eligible for help without it, so complete it as soon as you receive it.

Questions to ask:

- How much time is the lender willing to give you to complete a work-out?
 - What are your obligations under the work-out package?
 - What are the specifics? Be sure to ask what is due and when.
- Will a foreclosure sale of your property be put on hold while your lender looks at the possibility of a work-out package?

Visit the [Mortgage Bankers Association's Foreclosure Prevention Resource Center](#) for advice on calling your lender for assistance.

Preparing for Your Conversation

Be ready to provide a short explanation of why you are unable to make your mortgage payment. Did someone lose a job? Is there a medical emergency? Are you current on your loan but have not been able to refinance into better terms?

You'll also need to provide your servicer with important information about your property, income, and debt obligations.

Being prepared for this conversation will help your servicer understand your case and see if you qualify for a loan modification or other mortgage workout.

If you need assistance and cannot reach your servicer, you can contact one of the [local HUD approved counseling agencies in your area](#).

If Freddie Mac owns your loan, we can help you get in contact with your mortgage servicer. Your servicer should be able to tell you if your mortgage is owned by Freddie Mac. You may also use our secured look-up tool: [Does Freddie Mac Own Your Mortgage?](#)

Have These Documents Ready

Have these on hand for the conversation with your lender:

Last two pay stubs and most recent tax return

For a self-employed borrower, complete signed federal income tax return for the previous year or year-to-date profit and loss statement.

- Bank statements
- Proof of other income like alimony or Social Security
- Information about any second mortgage on the property
- Completed [Form 4506-T](#) [PDF], Request for Transcript of Tax Return
- Completed [Form 1126](#) [PDF 91K], Borrower Financial Information