

Mortgage Modification – Do You Qualify?

Are you having trouble making the payments on your mortgage? Are you fearful of losing your home? Before throwing up your hands and declaring bankruptcy, you may want to look into something called mortgage modification. [Mortgage modification](#) is not the same as a refinance.

With a mortgage refinance, you are looking for an entirely new loan. With modification, you are simply changing the terms of the existing loan to bring the mortgage current and make the payments more affordable. Besides lowered payments, mortgage modification may also give you a reduced interest rate, reduced late fees, and reduced penalties. All of this can help save your home and your peace of mind.

First, you must see if you qualify. Generally, you qualify for mortgage modification if:

- The house is your primary residence
- You have a financial hardship
- Your mortgage payment now exceeds 31% of your monthly income
- Your loan does not exceed current Fannie Mae and Freddie Mac loan limits

You probably won't qualify if:

- The home isn't your primary residence
- Your loan originated after Jan. 1, 2009
- Your unpaid principal is more than \$729,750

If you are thinking about a mortgage modification, you should be able to show your bank that:

- There has been a change in your financial circumstances
- You've made all efforts to keep up with your mortgage payments
- You're not purposely defaulting on payments in order to get a mortgage modification

Still not sure if you qualify? A law firm with experience working out mortgage modification agreements will be able to analyze your individual situation and help determine if something can be done to save your home.

What if you do not qualify? There is still hope. Sometimes there can be other methods of restructuring your finances so that you can make your mortgage payment. This can include debt negotiation or bankruptcy. Both can be used to bring relief and save your home. Don't lose your home without knowing all of your options.

An experienced debt relief law firm such as [Harold Shepley & Associates](#) can complete a thorough financial analysis for free. Contact them today to find out more information on saving your home.

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