

SOUND OFF *Patty McManus*

What are available options if you fall behind on your mortgage?



The first thing to know is that there are options for a homeowner who has fallen behind on mortgage payments, even if the homeowner has been served with documents and is so far behind that they could be facing foreclosure.

I would recommend that the homeowner contact an experienced real estate agent in their area to assess the current market value of the property. This is important because you need to have an idea of what the property is worth as it will be an important component in the decision mak-

ing process.

The real estate agent will then be able to refer the homeowner to an attorney who specifically handles real estate transactions of this type. The attorney will give the homeowner all of their options specific to their particular situation.

There are a few options available to avoid the undesirable result of foreclosure. Foreclosure is very destructive to your credit, let alone the potential monetary consequences if a deficiency judgment is rendered in the process. Some of the options include: short

sale (when the home is sold for less than the amount owed on the mortgage), loan modification (if the homeowner wishes to attempt to retain their home), deed in lieu of foreclosure (the homeowner surrenders title voluntarily to the lender), or bankruptcy.

All of those options have a far less negative impact on the homeowner's credit thereby allowing the person to move on with their life and potentially purchase another property in the future. Good legal advice is imperative for the best outcome for the homeowner.

Assembling a team of seasoned professionals is key in these situations. There is no substitute for good advice and attempting to navigate the waters alone is not a good idea. Education is key and learning what options would work best in a homeowner's specific situation allows the homeowner to make some choices regarding their future. The last thing anyone should do is to ignore the situation, it will only make it harder in the long run.

*Patty McManus, William Pitt Sotheby's
International Realty 203-733-3941,
pmanus@wpsir.com*