

## New Options Offered to Homeowners Facing Foreclosure

Posted By Mike Padgett  
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PHOENIX, Ariz. – A real estate and mortgage information provider is offering two new online products that could help homeowners struggling to pay their mortgages.

The Web-based products, eModifyMyLoan and eShortSaleMyHome, became available June 1. They are designed to help homeowners work with lenders to modify an existing mortgage or negotiate a short sale, says Chris Mozilo, who founded [eModifyMyLoan](#) with Omar Kassem.

The online systems, based on a homeowner's responses to a series of questions, help prepare documents needed for a modified loan or initiate a short sale. Those documents usually include personal finance statements, monthly budgets and letters explaining hardships, such as job loss or other financial struggles.

The two products are priced at \$199 each. Interested homeowners can decide which of the products to purchase after responding to a few questions to determine which would be best for them.

"It's going to create the document that your lender is going to need in order to review the loan modification request," Mozilo says. "It will calculate the payment that you should be able to afford, based on your income."



While an astute borrower struggling to pay his or her bills might balk at the price, Mozilo says other options could include paying \$3,000 or more to attorneys or loan modification companies.

Mozilo, who was a mortgage banker a total of 17 years with Countrywide Financial and Citigroup, adds that his company's online products are designed to provide information borrowers could obtain from their lenders, if the borrowers were able to get lenders to return their calls.

In today's economy, Mozilo continues, many lenders are swamped with calls from borrowers asking about loan modifications and short sales. The irony in these situations is that borrowers sometimes are unable to get their calls returned from lenders, even though the borrowers are about to fall behind on their payments.

As long as the borrowers are current, the lender isn't too concerned, especially if the lender is backlogged with delinquent borrowers, which is why some lenders "are pretty difficult to work with, in regards to loan modifications right now," Mozilo says.

“They’ve got a flood of requests for modifications, so they’re not really prepared to handle all of it (the requests),” he says.

Other reasons for lenders’ reluctance to modify loans include efforts by some borrowers to exaggerate their financial distress just because they want to reduce their mortgage payments; and the expense lenders face in shifting workers – or hiring new ones – to process loan modification requests, legitimate or not, Mozilo says.

A third reason for lenders’ slowness in responding to borrowers’ requests could involve mortgages serviced by one lender but which has been sold to an investment group or another bank, which sometimes are in other countries.

“So it’s a very difficult process for homeowners to try to navigate through and get the help that they really need,” he says.

He adds that the new online tools helps the average homeowner organize the financial information that his or her lender will need to consider a loan modification or short sale.



One of Mozilo’s first customers is a single mother who recently was laid off and has taken a job paying less than what she was earning. She wants to modify her loan, but she is having difficulty getting in touch with someone at her

lender’s local office.

“She had been current on her mortgage payment (before her job changed), and they didn’t want to give her the time of day because she wasn’t late yet,” Mozilo says. “She will be a foreclosure if they don’t modify her payment.”