NeighborWorks® GREAT FALLS

509 First Avenue South, Great Falls, MT 59401 – (406) 761.5861 – www.nwgf.org

Foreclosure Prevention Loan

Eligibility	• Owner-occupied residences only • Borrowers are required to complete a NeighborWorks Great Falls financial counseling session prior to loan closing.
Program Summary	• NeighborWorks Great Falls offers foreclosure prevention loans to neighbors who have fallen behind on their house payments due to a loss of income, medical emergency, or other unforeseen hardships. While we always encourage homeowners to prioritize their house payments, we recognize that sometimes it simply isn't possible. • If the hardship has been resolved and the homeowner can now afford their regular house payment **plus** a manageable payment to NeighborWorks Great Falls, they may apply for a foreclosure prevention loan. A loan application must be completed and returned to NWGF for review. • In exceptional circumstances, NWGF may also refinance the existing first mortgage and pay off certain debts to help improve the household's debt ratio and keep housing costs affordable. • Correspondence from Mortgage Company with the amount needed and date needed with a phone number and name to contact. • Tax assessment or CMA to verify value of property. The lending department or counselor may use Montana Cadastral (if available) to verify property value. Some type of verification of property value is required.
Loan Amount	• Maximum loan amount: $10,000 with any loan over $3,500 being secured by a DOT
Term	• 120 months
Interest Rate	• 7.00% fixed rate
Fees	• Loan origination fee of $525. • Approx $525 in other loan fees (i.e., pre-paid interest, title/closing fees, recording, and post purchase) • Fees are financed into the NWGF loan up to the maximum loan amount and CLTV
Credit Guidelines	• Debt to income less than or equal to 45% • Middle score of 640 unless valid compensating factors • If mid-credit score of any borrower is below 640 the following additional items are required: • 1. verification of rent (VOR) for minimum of 12 months, • 2. credit explanation letter from applicant(s), and • 3. letter from loan officer as to why NWMT should grant a credit waiver • Employment history of 2 years
Loan to Value	• CLTV 115%
Asset Limits	• Total household liquid assets cannot exceed $15,000 and total household assets cannot exceed. $100,000.00.
Security	• Secured by a Deed of Trust if over $3,500
Payments	• ACH payments are required