

Index

• A •

- abuse, alcohol, as reason for
 - foreclosure, 13
- acceleration clause
 - deconstructing, 86–88
 - defined, 35, 307
 - effect on foreclosure, 88
 - remedies, 87
- accommodations
 - downsizing to more affordable, 304
 - finding suitable, 250
- addictive behavior, 21
- adjourned sale, 36
- adjournment, filing for, as delay tactic, 288–289
- adjustable rate mortgages (ARMs)
 - adjustment period in, 227
 - cap in, 227–228
 - choosing between fixed-rate mortgage and, 226–228
 - defined, 307
 - index for, 227
 - initial interest rate in, 227
 - margin in, 227
 - problems with, 228
 - riding, 227–228
 - teaser interest rates in, 10, 28, 162
- adjustment period for adjustable rate mortgages (ARMs), 227
- administration costs, 180
- advertisement, foreclosure by, 33, 34–36, 46
- alcohol abuse as reason for foreclosure, 13
- allowances, 277
- alternative financing scam, stealing equity
 - with, 155, 157–158
- anger
 - as destructive emotion, 52
 - letting go of, 52, 59–60
- Annual Credit Report Request Form, 110, 281
- appraisal
 - current, 26
 - obtaining, in pricing house, 244
- Arata, Michael J., Jr.
 - Preventing Identity Theft For Dummies*, 111, 282
- ARMs (adjustable rate mortgages)
 - adjustment period in, 227
 - cap in, 227–228
 - choosing between fixed-rate mortgage and, 226–228
 - defined, 307
 - index in, 227
 - initial interest rate in, 227
 - margin in, 227
 - problems with, 228
 - riding, 227–228
 - teaser interest rates in, 10, 28, 162
- assertiveness training, taking, 64
- assets
 - exempt, 309
 - nonexempt, 180, 312
 - protecting personal property, 190–191
- assumable loans, 89
- attorney
 - bankruptcy, 24, 28, 47, 92, 290
 - in challenging foreclosure process in court, 288
 - fees for, 78–79
 - in filing demand to delay sheriff's sale, 287
 - foreclosure, 24, 40, 61, 62
 - meeting with your, 185
 - need for, 78–80
 - value of good, 133
- auction
 - foreclosure, 18, 20, 310
 - sale of property at, 14, 254
- auditing of books, 21

automatic stay
 defined, 307
 in filing for bankruptcy, 47, 290
 gaining temporary relief from, 26–27, 78, 177
 lifting of, 177–178
 automobile
 book value of, 107
 loan for, 218
 need for, 139
 avoidance, 13–17

• B

back-end ratio, 230, 307
 bailiff, avoiding arrival of, 264
 bait and switch, 154–155, 294
 balloon payment, 99
 bank. *See also* lender
 acceptance of late payments by, 40
 contacting, 23, 72–74
 convincing to agree to forbearance, 206–207
 convincing, to reinstate your mortgage, 204–205
 deeding house to, in lieu of foreclosure, 30
 loss mitigation department at, 194–195
 right to pursue deficiency judgment, 21, 213
 bank statements, 25
 bankruptcy. *See also* Chapter 7
 bankruptcy; Chapter 13 bankruptcy
 automatic stay in filing for, 47, 290
 Chapter 9 bankruptcy, 179
 Chapter 11 bankruptcy, 179
 Chapter 12 bankruptcy, 179
 Chapter 15 bankruptcy, 179
 Chapter 20 bankruptcy, 179, 182–184
 defined, 307
 filing for, 47, 120, 186–187, 290
 gathering financial records, 184–185
 passing means test, 186
 purpose of, 176–178
 to reorganize, 176
 Bankruptcy Abuse Prevention and Consumer Protection Act (BAPCPA, 2005), 178, 183, 187
 bankruptcy attorney
 consulting, 24, 28, 47, 290
 use of Truth in Lending Act (TILA) by, 92
 Bankruptcy Code, 179, 186
 bank's attorney, coming clean with your, 74
 BAPCPA (Bankruptcy Abuse Prevention and Consumer Protection Act, 2005), 178, 183, 187
 bathrooms, cleaning, 242
 BBB (Better Business Bureau), 271
 behavior, addictive, 21
 below market value, selling home at, 300
 Better Business Bureau (BBB), 271
 Bien, Melanie
Sorting Out Your Finances For Dummies, 137
 bill of rights, borrower's, 164–166
 bills
 paying, 21, 279, 306
 stop paying your, 262
 bird dog, 246
 blame, 53, 58
 booming market, surviving in, 49
 borrowers. *See also* rebuilding your life; scams
 bill of rights for, 164–166
 right to reinstate, 91
 selling high-interest to borrowers who qualify for low-interest, 299
 sub-prime mortgages, 162
 substance abuse as reason for foreclosure, 13
 borrowing
 bargain-hunting for low-cost loans, 224–230
 to better credit rating, 278
 boosting equity in your home, 221–224
 calculating cost of refinancing, 218–221
 from equity in your home, 200–201
 exploring your options, 216–217
 from friends, 201–202, 216
 paying down debts, 231
 from private lender, 76, 217
 from relatives, 201–202, 216
 from traditional lenders, 75
 bowling, scaling back on, 267

- Brown, Ray
House Selling For Dummies, 245
Mortgages For Dummies, 224
- bruised credit
 credit history, 32
 patching, 111–112, 306
- Bucci, Stephen R.
Credit Repair Kit For Dummies, 111, 137
- budget
 classic, 276
 establishing and sticking to, 21, 275–277
 slashing expenses with tight, 138–143
- Bush, George W., 81
- buy-rent-redeem scam, pulling out rug
 with, 294–295
- C •
- cable television, canceling service, 262
- Caher, James P.
Personal Bankruptcy Laws For Dummies,
 47, 61, 179, 191, 291
- Caher, John M.
Personal Bankruptcy Laws For Dummies,
 47, 61, 179, 191, 291
- caller ID, 72
- canceled checks, 25
- cap for adjustable rate mortgages (ARMs),
 227–228
- car
 book value of, 107
 loan for, 218
 need for, 139
- carry-over period, 240
- cash
 obtaining, needed to reinstate mortgage,
 200–204
 stashes of, 112–114
- cash flow
 negative, 109
 positive, 109
 zero, 108
- cash-back-at-closing schemes, 10
- cash-for-keys, 30, 251, 263
- cellphone bills, canceling service, 262
- certificate of credit briefing
 defined, 307
 filing, 185
- certificate of exigent circumstances, 185,
 307
- Certified Residential Specialist (CRS), 238
- Chapter 7 bankruptcy
 defined, 307
 determining rightness, 181
 liquidating with, 78, 175, 179–181
 shielding equity under, 187–191, 234
- Chapter 9 bankruptcy, 179
- Chapter 11 bankruptcy, 179
- Chapter 12 bankruptcy, 179
- Chapter 13 bankruptcy
 case study, 183
 in debt restructuring, 78, 127, 175,
 181–182, 290, 291
 defined, 307
 determining rightness, 182
- Chapter 15 bankruptcy, 179
- Chapter 20 bankruptcy, 179, 182–184
- cheating you out of your overbid money,
 300
- cheating you out of your redemption
 period, 296
- checks, canceled, 25
- children, shielding, 66, 70, 142
- circling wagons strategy, 255
- classic budget, 276
- clause
 acceleration, 35, 86–88, 307
 conditional, 245
 due-on-transfer, 35, 88–90, 309
 due-on-encumbrance, 88–90
 due-on-sale, 35, 88–90, 97–98, 309
 encumbrance, 90, 309
 forfeiture, 99, 125
 power-of-sale, 33, 35, 84–86, 86, 313
- clogging of equity of redemption, 96–97,
 308
- clothing costs, cutting, 142–143
- collateral, 16, 35, 66
- commission, 239
- communication in working with loss
 mitigator, 196–197

- composure
 - maintaining, 60
 - in working with loss mitigator, 197–198
- con artists, 153
- conditional clauses, 245
- confrontation, avoiding direct, 260–261
- consent judgment, 292
- consignment shops, 143
- contract for deed
 - defined, 308
 - forfeiture actions on, 33, 34, 40–42
 - gathering, 24
 - investor purchase of property using, 125
 - as scam, 294
 - setting yourself up for failure with, 298–299
 - skimming, 99–100
- contracts, picking apart, 99–101
- contracts, land. *See* land contract
- control, taking, of bad situation, 61–66
- conversations, 62
- correspondence, 25
- cosmetics, scaling back on, 267
- cost of living, slashing, 304
- costs
 - administration, 180
 - calculating of refinancing, 218–221
 - cutting, 141–143
 - deducting estimated liquidation, 189
 - of loans, 150, 221
 - looking for low-cost loans, 224–230
- counseling, credit, 137, 145, 186, 271
- counterproductive emotions, shaking, 57–60
- countertops, clearing off, 242
- county courthouse, visiting, 55
- county register of deeds, 82
- court
 - challenging process in, as delay tactic, 288
 - dressings, for appearance in, 289
 - stalling foreclosure in, 45–46
- court date, 288–289
- court delays, relying on, 287
- court order in judicial foreclosure, 33, 37–40
- covenant to pay, 213, 308
- cramdown, 290
- credentials, checking for Realtor, 238
- credibility in working with loss mitigator, 198
- credit
 - dragging, through the mud, 259–260
 - patching bruised, 111–112, 306
 - using credit cards to reestablish, 279
- credit cards
 - applying for, 111, 306
 - balances on, 111, 218
 - making payments on, 263
 - missing payments on, 15
 - reestablishing your, 277–280
 - setting cap on spending, 279
 - taking out, 279
- credit check, 280
- credit counseling, 186, 275–276
- credit counselor
 - consulting with, 145–147
 - hiring, 137
 - selecting, 137, 145, 271
 - working with, 215, 269–277
- credit history, 32
- credit rating, borrowing your way to better, 278
- Credit Repair Kit For Dummies* (Bucci), 111, 137
- credit report
 - checking for discrepancies, 281–282
 - defined, 308
 - disputing erroneous items on, 111
 - Fair Isaac Company (FICO) rating system, 277
 - keeping tabs on, 280–282, 306
 - obtaining copy of, 109–110, 281
 - patching bruised credit, 111–112, 306
 - picking out key details, 110–111
 - tri-merge, 110, 315
- credit reporting agencies, 111, 277
- credit score
 - defined, 308
 - in qualifying for loan, 111, 229
 - rebuilding, 31
 - stats of, 277

creditors
negotiating repayment plans with,
272–274
priority, 180
secured, 180
unsecured, 180
CRS (Certified Residential Specialist), 238
curb appeal, increasing, 222
current appraisal, 26

• D •

deal, striking, with investor, 245–246
death as reason for foreclosure, 12
debt consolidation
benefits of, 148
choosing right option, 148–150
suggesting, 146
debt counselor, selecting, 137, 145, 271
debt negotiation services, 275
debt ratio
defined, 308
in qualifying for loan, 230
debt restructuring, Chapter 13 bankruptcy
case study, 183
in debt restructuring, 78, 127, 175,
181–182, 290, 291
defined, 307
determining rightness, 182
debt(s)
consolidating your, 147–150
non-recourse, 214
paying down your, 231
paying unsecured, 15–16
recourse, 214
refinancing to consolidate, 216
secured, 16
settling, you can't pay, 274–275
debt-management plan (DMP), 271,
273–274
debtor's prison, 16
debt-to-income ratio, 279
de-cluttering premises, 223, 241
décor, removing personal and politically
incorrect, 242
deed absolute, 96, 308
deed in lieu of foreclosure, defined, 308
deed of trust, 24, 34, 91–92

deed(s)
contract for, 24, 33–34, 99–100, 125, 294
defined, 308
delving into, 92–97
general-warranty, 93, 310
giving, in lieu of foreclosure, 134
limited, 93–94
offering, in lieu of foreclosure, 213–214
quit-claim, 94
sheriff's, 94–97
special-warranty, 93–94
tax, 295–296, 315
trustee's, 25
types of, 25
default, 97, 309
deficiency judgments
defined, 21, 134, 309
lender's right to pursue, 21, 38, 213, 287
state's regulations on, 214
delay tactics
calling your lender, 285–286
challenging process in court, 288
filing demand to delay sheriff's sale, 287
filing for adjournment, 288–289
filing for bankruptcy, 290
maximizing redemption period, 290–291
negotiating additional time to move,
291–292
negotiating forbearance, 286
negotiating mortgage modification, 286
relying on court delays, 287
demand, filing, to delay sheriff's sale, 287
denial, 13–17, 58
Department of Housing and Urban
Development (HUD)
defined, 310
Foreclosure Index, 63
funding of low-cost housing by, 82
Department of Veterans Affairs (VA), 89
desperation, 152
discretionary spending
scaling back on, 268
vetoing, 139–143
divorce as reason for foreclosure, 10–11
DMP (debt-management plan), 271,
273–274
documentation, 62–63, 167

documents, gathering important, 24–26
 dogged determination, 1
 do-nothing approach, 253–264
 due-on-transfer clause, 35, 88–90, 88–92, 309
 due-on-encumbrance clause, 88–90
 due-on-sale clause, 35, 88–90, 97–98, 309
 durable power of attorney, 169. *See also* power of attorney (POA)

• E •

early closing, 245
 earnest money deposit (EMD), 245
 eating out, scaling back on, 267
 education, avoiding discussions on, in selling house, 244
 eLoan.com, 75
 EMD (earnest money deposit), 245
 emotional composure, regaining, 51–66
 emotions
 anger as destructive, 52
 negative, as problem, 51–57
 shaking counterproductive, 57–60
 encumbrance clause, 90, 309
 encumbrance in due-on-encumbrance clause, 88–90
 entertainment expenses, scaling back on, 267
 envelope system of budgeting, 276
 Equifax, 109, 281
 equity
 amount of, and decision to sell house, 234–235
 boosting, in home, 221–224
 borrowing against, in your home, 200–201
 calculating, in house, 188
 defined, 2, 36, 309
 getting from house, 188, 257
 giving away your, 256
 lack of, in house, 235
 scaling back your, on paper, 188–191
 shielding your, under Chapter 7, 187–191
 stealing, with alternative financing scam, 155, 157–158
 stripping, your predatory loan, 299

stripping your, with foreclosure rescue scam, 296–297
 sweat, 222
 evictions
 date of, 255
 defined, 309
 forced, 256, 258, 260, 264
 witnessing, 258–259
 exclusive listing, 240
 exempt assets, defined, 309
 exigent circumstance, 185
 expenses
 in ditching house, 247
 slashing, 304
 with tight budget, 138–143
 Experian, 109, 281
 expunged, 290

• F •

failure of process, 36
 Fair Debt Collection Practices Act, 16, 22
 Fair Isaac Company (FICO) rating system, 277
 fallout, dealing with, 265–268
 family
 in asking for help, 56
 bringing your extended into loop, 70–71
 getting advice from, 266
 leaning on, 303
 putting members to work, 144–145
 staying in touch with, 266–267
 fears
 facing your, 57–58
 as paralyzing, 53–54
 Federal Housing Authority (FHA)
 assumable loans and, 89
 defined, 309
 in encouraging solutions to housing crisis, 194
 Servicemembers Civil Relief Act, 71
 Federal Trade Commission (FTC)
 on debt negotiation services, 275
 filing complaints with, 16
 provision of credit reports, 110, 281
 on selecting credit or debt counselor, 137, 145, 271

- fees
 - for attorney, 78–79
 - expecting to pay higher, 268
 - loan, 218, 219–220
 - loan origination, 162
- FHA (Federal Housing Authority)
 - assumable loans and, 89
 - defined, 309
 - in encouraging solutions to housing crisis, 194
 - Servicemembers Civil Relief Act, 71
- FICO (Fair Isaac Company) rating system, 277
- finances, freezing your, 114–115
- financial footing, regaining, after foreclosure, 265–282
- financial house, getting, in order, 26
- financial record, gathering, 184–185
- financial speed bump, rebounding from, 202–203
- financial trouble, early warning signs of, 21–22
- fixed-rate mortgage
 - choosing between adjustable-rate and, 226–228
 - holding steady with, 227
- food costs, cutting, 142
- FOR SALE sign, 127–128
- forbearance
 - defined, 309
 - negotiating, 122–123, 286
- forbearance agreement
 - playing catch-up with, 45
 - scrutinizing, 207–208
 - working out new payment plan with, 27, 206–208
- forced eviction, 256, 258, 260, 264
- force-placed insurance, 116, 309
- foreclosure
 - aborting, 44–47
 - acceleration clause effect on, 88
 - borrowing way out of, 28
 - deeding house to bank in lieu of, 30
 - defined, 309
 - delaying, 44–47
 - doing nothing, 136
 - events triggering, 9–13
 - failing to act quickly, 15
 - filing action to challenge, 46
 - getting your life back after, 31
 - giving deed in lieu of, 134
 - by judicial sale, 33, 37–40
 - nonjudicial, 33, 34–36
 - offering deed in lieu of, 213–214
 - power of sale on, 86
 - recording in credit report, 260
 - regaining your financial footing after, 265–282
 - stalling, in court, 45–46
- foreclosure attorney, 24, 61, 62
- foreclosure auction, 18, 20, 310
- foreclosure by advertisement
 - defined, 310
 - filing judicial action to, 46
 - procedural challenges to, 46
- Foreclosure Index, HUD, 63
- foreclosure notice, receipt of, 18, 19, 43–44
- foreclosure rescue scam
 - defined, 310
 - stripping your equity with, 296–297
- foreclosure sale, losing home at, 18, 20
- foreclosure specialist, tracking down, 79–80
- forfeiture
 - actions, on contracts for deed, 33, 40–42
 - defined, 41, 310
 - forfeiture clause, 99, 125
 - as legal option, 77, 288
 - notice of, 41
- Freddie Mac Don't Borrow Trouble Web site, 55, 64
- FreeAdvice Web site, 63
- friends
 - asking for help from, 23, 113–114
 - borrowing money from, 201–202, 216
 - leaning on, 303
- front-end ratio, 230, 310
- Frugal Living For Dummies* (Taylor-Hough), 137
- FTC (Federal Trade Commission)
 - on debt negotiation services, 275
 - filing complaints with, 16
 - provision of credit reports, 110, 281
 - on selecting credit or debt counselor, 137, 145, 271

• G •

gambling as reason for foreclosure, 13
 garage sale, 249–250
 general-warranty deed, 93, 310
 gifts, asking relatives for, 113
 golf, scaling back on, 267
 government, getting help from, 81–82
 Graduate Realtor Institute (GRI), 238
 grief, power of, 12
 guilt, getting over, 58

• H •

half-do-nothing approach, 255
 hearing dates, attending all, 46
 high-interest loans, selling, to borrowers
 who qualify for low-interest, 299
 home equity line of credit, 149, 216, 310
 home equity loan
 defined, 310
 taking out, 149, 216
 homeowner
 insurance, maintaining, 116
 rights as, 22
 homestead exemption
 cash from, 175
 clamping down on abuse, 190
 subtracting your, 189–190
 hopelessness, failing to act out of, 54–55
 house
 acceptance of losing, 60
 boosting equity in, 221–224
 buying back your, 48
 buying more affordable, 279–280
 calculating equity in, 188
 cleaning, 223
 de-cluttering, 223, 241
 deeding, to your bank in lieu of
 foreclosure, 30
 getting equity from, 257
 gifting, to investor, 134–135
 having, sold out from under you, 47–48
 hijacking, with quit-claim deed, 293–294
 holding onto your, 120–126
 improving curb appeal of, 222
 listing for sale, 81, 248

living in, for free during redemption,
 132–133
 loan-to-value (LTV) ratio on, 280
 marketing, 238–239
 moving out and leaving keys, 30, 251, 263
 performing affordable renovations, 224
 pricing, 238
 selling, 29, 30, 125–132, 233–251, 300
 setting attractive asking price, 243–244
 staging, 242–243
 stealing, with tax deed, 295–296
 steps in ditching, 246–251
House Selling For Dummies (Tyson and
 Brown), 245
 household income, boosting your total,
 143–145
 housing ratio, 230
 HUD (Department of Housing and Urban
 Development)
 defined, 310
 Foreclosure Index, 63
 funding of low-cost housing by, 82
 HurryHome.com Web site, registering at,
 236

• I •

illness as reason for foreclosure, 12
 impulse purchases, avoiding, 142
 inaction
 grasping consequences of, 253–260
 minor benefits of, 260–261
 income, loss of, as reason for
 foreclosure, 11
 index for adjustable rate mortgages
 (ARMs), 227
 initial interest rate for adjustable rate
 mortgages (ARMs), 227
 insertion, 36
 insurance
 force-placed, 116, 309
 maintaining homeowner's, 116
 making partial claim against mortgage,
 225
 self-, 117
 interest, calculating, over life of loan, 220

interest rates
 expecting to pay higher, 268
 lowering, in mortgage modification, 123
 refinancing for, 216
 teaser, 10, 28, 162
 interest-only loans, 10
 Internet
 searching, 55
 canceling service, 262
 intimacy, 68
 investors
 gifting house to, 134–135
 real estate, 76, 217
 selling house to, 30, 128–129
 striking deal with, 245–246

• J •

job
 getting, 248–249
 loss of, as reason for foreclosure, 11
 joint and several liability, 169
 jointly, defined, 310
 judgment, consent, 292
 judgment, deficiency
 defined, 21, 134, 309
 lender's right to pursue, 21, 38, 213, 287
 state's regulations on, 214
 judicial foreclosures
 acceleration clause and, 88
 attorney in, 40
 defined, 310
 more time to file answer in, 46
 power of sale in, 86
 judicial sale, foreclosure by, 33, 37–40
 junior lien
 defined, 310–311
 holders of, 135
 junior mortgage, foreclosure of, 90
 jury trial, demanding, 42, 46, 287

• K •

keys, cash for, 30, 251, 263
 kitchens, cleaning, 242

• L •

lack of time to file an answer, 42
 land contract
 documentation, 24
 forfeiture actions, 33–34, 40–42
 investor purchase of property using, 125
 remedies in event of default, 100
 scam involving, 294
 skimming, 99–100
 landlord/tenant trespassing action, 291
 land-sale contract. *See* land contract
 late charge for overdue payments, 97
 late payments, bank acceptance of, 40
 lateral move, making, 305
 lawyer. *See* attorney
 lease option, 34
 lease-option agreement
 defined, 311
 exercise of option, 101
 failure to exercise option, 101
 forfeiture clause in, 99
 grant of the option, 101
 purchase price, 101
 as scam, 294–295
 setting yourself up for failure with, 298
 as solution, 125
 legal options
 forfeiture, 77
 public notification, 77
 redemption, 77
 truth in lending technicalities, 77–78
 waiver defense, 78
 legal route, taking, 76–80
 legal technicalities as foreclosure scam,
 297
 legislation
 Bankruptcy Abuse Prevention and
 Consumer Protection Act (BAPCPA,
 2005), 178, 183, 187
 Fair Debt Collection Practices Act, 16, 22
 Soldiers' and Sailors' Civil Relief Act
 (1940), 71
 Truth in Lending Act (TILA), 22, 77–78, 92,
 166

- lender. *See also* bank
 - asking your current, for a deal, 225
 - avoiding predatory, at all costs, 162–166
 - borrowing from traditional, 75
 - calling, as delay tactic, 285–286
 - contacting as soon as possible, 194–195
 - convincing, to accept short sale, 208–213
 - exploring nontraditional loan options, 76
 - private, 76, 217
 - pursuit of deficiency judgment by, 38, 287
 - selling short with short sale, 129–131
 - working out deal with another, 74–76
 - working out deal with your, 121–123
- lending
 - irresponsible practices, as reason for foreclosure, 10
 - predatory, 164, 165, 313
- LendingTree.com, 75
- liability, joint and several, 169
- lien
 - junior, 135, 310–311
 - senior, 125
 - tax, 315
- life
 - getting back after foreclosure, 31
 - rebooting your, 301–302
- life-changing event, recovering from major, 203
- lifestyle, scaling back your, 267–268
- limited power of attorney, 171, 313. *See also* power of attorney (POA)
- limited-warranty deed, 93–94, 311
- liquidation costs, deducting estimated, 189
- liquidation with Chapter 7 bankruptcy
 - defined, 307
 - determining rightness, 181
 - liquidating with, 78, 175, 177, 179–181, 234
 - shielding your equity under, 187–191
- listing agreement, 25, 239
- list-price-to-sales-price ratio, 239
- loan fees, 218, 219–220
- loan officer
 - asking for assistance from, 75
 - contacting for assistance in refinance options, 215
- loan options, exploring nontraditional, 76
- loan origination fees, 162
- loan servicer
 - dealing with, 73
 - defined, 311
 - power of, to modify mortgage, 286
- loan terms, changing, in mortgage modification, 123
- loan(s)
 - applying for fewer, 111
 - asking relatives for, 113
 - assumable, 89
 - avoiding, with prepayment penalties, 229
 - calculating costs of, 221
 - calculating interest over life of, 220
 - comparing costs of, 150
 - gauging your chances of qualifying for, 229–230
 - home equity, 149, 216, 310
 - looking for low-cost, 224–230
 - secured, 149
 - selling high-interest, to borrowers who qualify for low-interest, 299
 - unsecured, 149
- loan-to-value (LTV) ratio
 - defined, 311
 - in qualifying for loan, 230
 - on your home, 229, 280
- loss mitigator
 - defined, 311
 - working with, 195–198
- losses
 - cutting your, 233–251
 - getting taxed on your, 131–132
- low-cost loans, looking for, 224–230
- low-interest introductory rate, 164
- LTV (loan-to-value) ratio
 - defined, 311
 - in qualifying for loan, 230
 - on your home, 229, 280
- Lucas, John E.
 - Reverse Mortgages For Dummies*, 29, 221
- Lyons, Sarah Glendon
 - Reverse Mortgages For Dummies*, 29, 221

• M •

Managing Debt For Dummies (Ventura and Reed), 137

margin for adjustable rate mortgages (ARMs), 227

market conditions, adjusting your strategy for current, 49–50

market values, rising, 221

means test, 186, 311

medical expenses, 218

Michigan, connection of housing market in, 209

military, seeking relief if you're in, 71–72

mills, 47, 290

minimum payment, 231

missed payments, 44

missed-payment notices, receipt of, 17

mistakes

- avoiding past, 268–269
- swearing off same, 302

MLS (Multiple Listing Service), 238

money. *See also* borrowing

- calculating amount needed, 217–218
- earning more, 305
- saving, 261, 306

monthly mortgage, stop paying on, 262

monthly payments, consolidating debts into lower, 147–150

moonlighting, 143–144

mortgage

- acceleration clause, 86–88
- adjustable rate, 10, 28, 162, 227–228, 307
- choosing between adjustable rate and fixed rate, 226–228
- convincing bank to reinstate, 204–205
- current, 217
- defined, 84, 311
- documentation for, 24
- due-on-encumbrance clause, 88–90
- due-on-sale clause, 35, 88–90, 97–98, 309
- fixed-rate, 226–228
- junior, foreclosure of, 90
- looking for low-cost, 224–230
- modifications to, 25
- power of sale, 84–86
- refinancing, 148, 164

- reinstating your, 27, 44, 121–123, 199–205
- reverse, 28–29
- right to reinstate, 91
- second, 155, 164
- sub-prime, 162

mortgage broker

- asking for assistance from, 75
- contacting for assistance in refinance options, 215

mortgage insurance, making partial claim against, 225

mortgage modification

- adding to principal amount due, 123
- changing terms of loan, 123
- defined, 225, 311
- lowering interest rate, 123
- negotiating, 28, 286
- working out, 123

mortgage payments, stop making, 248

mortgage satisfaction, defined, 311

mortgagee, 84, 311

Mortgages For Dummies (Tyson and Brown), 224

mortgagor, 84, 312

moving, negotiating additional time for, 291–292

moving out, 251

Multiple Listing Service (MLS), 238

• N •

NAAG (National Association of Attorneys General), 271

name, dragging, through the mud, 259–260

NAR (National Association of Realtors), 82, 237, 238

National Association of Attorneys General (NAAG), 271

National Association of Realtors (NAR), 82, 237, 238

National Consumer Law Center, 46, 55

National Foreclosure Rescue Program, 154

National Foundation for Credit Counseling (NFCC), 145, 271

negative cash flow, 109

negative emotions as problem, 51–57

negotiation
 additional time to move, 291–292
 forbearance, 122–123, 286
 mortgage modification, 286
 of repayment plans with Realtors,
 272–274

net worth
 calculating, 105–108
 defined, 312
 negative value, 107
 positive value, 107
 of zero, 107

NFCC (National Foundation for Credit
 Counseling), 145, 271

no-asset case, 312

NOD (notice of default)
 defined, 312
 keeping copy of, 25
 mailing to individual, 35
 posting on or near property, 35
 publishing, in local newspaper, 36
 receipt of, 18

non-deductible interest, transferring, into
 tax-deductible interest, 148

nonessential services, selling, 299

nonexempt assets, 180, 312

nonjudicial foreclosure
 defined, 33, 312
 filing for adjournment of sale, 289
 as foreclosure by advertising, 34–36
 power of sale in, 86

non-monetary default, 312

non-recourse debt, 214, 312

nontraditional loan options, exploring, 76

note
 defined, 312
 as important document, 24–25
 modifications to, 25

notice of default (NOD)
 defined, 312
 keeping copy of, 25
 mailing to individual, 35
 posting on or near property, 35
 publishing, in local newspaper, 36
 receipt of, 18

notice of forfeiture, 41

notification, 288

• 0 •

offers
 getting help in evaluating pros and cons
 of, 239
 weighing, 245

options, weighing rationally, 65

order of eviction, 39, 312

out of court, settling, 96

overbid, defined, 312

overbid money, cheating you out of, 300

overbid rescue, 160

overbid scam, spotting signs of, 158–159

overdue payments, late charge for, 97

overspending as reason for foreclosure, 11

• p •

packing, 249

paperwork, reading thoroughly, 167–168

partial claim, 225

partner, teaming up with, 65–66

passive-aggressive, benefits of, 260–261

payment plans
 negotiating with creditors, 272–274
 working out new, with forbearance
 agreement, 206–208

payment(s)
 balloon, 99
 bank acceptance of late, 40
 consolidating debts into lower monthly,
 147–150
 on credit cards, 15, 263
 late charge for overdue, 97
 minimal, 231
 missed, 44
 mortgage, 248
 in promissory note, 98
 on property taxes, 115
 reinstating mortgage with promise of, 44
 sending in missed, 33

Personal Bankruptcy Laws For Dummies
 (Caher and Caher), 47, 61, 179, 191, 291

Personal Finance For Dummies (Tyson), 137

personal property assets, protecting your,
 190–191

- phone bills, canceling service for cell, 262
 - phone logs, 26
 - phone services, cutting costs on, 141
 - plan of attack, drafting, 23
 - POA. *See* power of attorney (POA)
 - points, paying, 225–226
 - politics, avoiding discussions on, in selling house, 244
 - positive cash flow, 109
 - post-petition, pre-discharge debtor
 - education requirement, fulfilling, 187
 - power of attorney (POA)
 - defined, 170, 313
 - durable, 169
 - limited, 171, 313
 - sign over of, 168–171
 - specific, 171, 313
 - unlimited, 313
 - power-of-sale clause, 33, 35, 84–86, 313
 - predatory lending
 - case study, 165
 - defined, 313
 - spotting, 164
 - predatory loan, stripping your equity with, 299
 - pre-foreclosure
 - contacting your lender as soon as possible, 194–195
 - convincing lender to accept short sale, 208–213
 - defined, 313
 - offering deed in lieu of foreclosure, 213–214
 - receipt of letters in, 43
 - reinstating your mortgage, 199–205
 - working out new payment plan with agreement forbearance, 206–208
 - working with loss mitigator, 195–198
 - premises, de-cluttering, 223, 241
 - prepayment penalties
 - avoiding loans with, 96, 229
 - defined, 313
 - Preventing Identity Theft For Dummies* (Arata), 111, 282
 - price
 - agreeing on fair, with investor, 246
 - setting attractive asking, 243–244
 - pride, 152
 - principal
 - adding amount due in mortgage modification, 123
 - paying down, 222
 - principal balance, 97
 - priority creditors, 180
 - private lender, borrowing from, 76, 217
 - pro se, 313
 - promise of payment, reinstating mortgage with, 44
 - promissory note
 - cosigners in, 98
 - due-on-sale clause in, 35, 88–90, 97–98, 309
 - interest in, 98
 - payments in, 98
 - property taxes
 - catching up on payments, 115–116
 - defined, 313
 - paying first, 16
 - recognizing, 159, 161–162
 - scams involving, 161–162, 163
 - stop paying, 262
 - public notification, 77
 - pulling out rug, with buy-rent-redeem scam, 294–295
 - pyramid as foreclosure scam, 297
- *Q* •
- quick-fix schemes and scams, steering clear of, 151–172
 - quit-claim deeds
 - defined, 313
 - empty promises of, 153–158
 - hijacking your home with, 293–294
 - power of, 94
 - scam involving, 295
- *R* •
- ratio
 - back-end, 230, 310
 - debt-to-income, 279
 - front-end, 230, 310
 - housing, 230
 - list-price-to-sales-price, 239
 - loan-to-value (LTV), 229, 230, 280, 311

- real estate agent
 - checking credentials, 238
 - contacting, 24
 - defined, 313
 - differences between Realtor and, 237
 - following advice of, 241
 - getting recommendations on, 237
 - hiring, 127, 236–241
 - interviewing prospective candidates, 238–240
 - listing home for sale with, 81
 - motivation of, 240–241
 - teaming up with, for optimum results, 241–245
 - tracking down, 236–237
 - real estate broker, obtaining property value from, 196
 - real estate investors, 76, 217
 - Realtor, 237, 238, 314
 - rebooting your life, 301–302
 - rebuilding your life
 - downsizing to more affordable accommodations, 304
 - getting back into game of, 306
 - heading north, south, east, or west, 303
 - healing your bruised credit, 306
 - leaning on family and friends, 303
 - making lateral move, 305
 - pepping up your pocketbook, earning more, 305
 - rebooting, 301–302
 - slashing expenses and your cost of living, 304
 - swearing off the same mistakes, 302
 - records, keeping impeccable, 62–63
 - recourse debt, 214, 314
 - redeem the property, 42
 - redemption
 - clogging of equity of, 96–97
 - discovering, in sheriff's deed, 94–97
 - as legal option, 77
 - living in home for free during, 132–133
 - seeking, 48
 - redemption period
 - cheating you out of your, 296
 - court challenge and, 288
 - defined, 314
 - expiration of, 255
 - extending, with creative counting, 95
 - hope and, 20–21
 - in judicial foreclosure, 46
 - length of, 263
 - maximizing, as delay tactic, 290–291
 - states with, 14, 42
 - redemption rights, knowing, 20, 37
 - Reed, Mary
 - Managing Debt For Dummies*, 137
 - refinancing
 - calculating cost of, 218–221
 - as foreclosure scam, 297
 - of mortgage, 28, 124, 148, 154
 - suggesting, 146
 - register of deeds
 - asking questions about tax deed, 296
 - contacting, 24
 - defined, 314
 - reinstatement
 - borrower's rights in, 91
 - defined, 314
 - expiration of period of, 254
 - of mortgage, 27, 121–123, 204–206
 - with promise of payment, 44
 - relatives
 - asking for help from, 23, 113
 - borrowing money from, 201–202, 216
 - religion, avoiding discussions on, in selling house, 244
 - relocating, geographically, 303
 - renovations, performing, 224
 - reorganize, bankruptcy to, 176
 - rescission, right of, 78, 92
 - restaurants, scaling back on eating in, 267
 - reverse mortgage, 28–29
 - Reverse Mortgages For Dummies* (Lyons and Lucas), 29, 221
 - right of rescission, 78, 92
 - rights as homeowner, 22
 - risky loan, approving, 299
 - rope-a-dope maneuver, 285
- S ●
- sale(s)
 - adjourned, 36
 - foreclosure, 18, 20

- garage, 249–250
- judicial, foreclosure by, 33, 37–40
- in judicial foreclosures, 86
- in nonjudicial foreclosure, 86
- of property at auction, 254
- sheriff's, 14, 36, 287, 289, 314
- short, 127, 130, 135, 208–213, 314–315
- Santayana, George, 269
- satellite television, canceling service, 262
- savings
 - contributing to, 261
 - increasing, 263
 - moving your, 248
 - in qualifying for loan, 230
 - rebuilding your life, 306
- savings account, 306
- scams
 - cheating you out of your overbid money, 300
 - cheating you out of your redemption period, 296
 - hijacking your home with quit-claim deed, 293–294
 - pulling out rug with buy-rent-redeem, 294–295
 - setting home below market value, 300
 - setting you up for failure with contract for deed, 298–299
 - setting you up for failure with lease-option agreement, 298
 - stealing home with tax deed, 295–296
 - stripping equity with foreclosure rescue, 296–297
 - stripping equity with predatory loan, 299
- SCRA (Servicemembers Civil Relief Act, 2003), 71, 72
- second mortgage
 - offering silent, 164
 - taking out, 155
- secured creditor, 180
- secured debts, 16
- secured loan, 149, 314
- self-insurance, 117
- selling home below market value, 300
- senior lien, 125, 314
- serial refinancing, 299
- Servicemembers Civil Relief Act (SCRA) (2003), 71, 72
- services, canceling unnecessary, in
 - ditching house, 247–248
- setting you up for failure
 - with contract for deed, 298–299
 - with lease-option agreement, 298
- settlement as reason for foreclosure, 11
- shame
 - in asking for help, 55–57
 - side-stepping, 59
- sheriff, contacting, 24
- sheriff's deed
 - defined, 25, 314
 - discovering redemption in, 94–97
- sheriff's office, 82
- sheriff's sales
 - defined, 14, 36, 314
 - filing demand to delay, 287
 - filing for adjournment of, 289
- short sale
 - case study of, 130
 - convincing your lender to accept, 25–26, 208–213
 - defined, 127, 130, 314–315
 - described, 129–131
 - to investors, 30
 - negotiate, 135
- slumping market, gaining upper hand in, 49–50
- Soldiers' and Sailors' Civil Relief Act (1940), 71
- Sorting Out Your Finances For Dummies* (Bien), 137
- special-warranty deed, 93–94, 311
- specific power of attorney, 171, 313. *See also* power of attorney (POA)
- spending, discretionary
 - scaling back on, 268
 - vetoing, 139–143
- spite as reason for foreclosure, 11
- spouse
 - breaking news to, 68–69
 - need for awareness of foreclosure, 14
- state attorneys general, 63, 271
- state housing authority, 82

stay-without-pay maneuver, 132–133
 stealing home with tax deed, 295–296
 sticktoitism, 1
 Stop Foreclosure Web site, 64
 stripping equity
 with foreclosure rescue scam, 296–297
 with predatory loan, 299
 sub-prime mortgages, 162
 substance abuse as reason for
 foreclosure, 13
 sweat equity, 222

• T •

table, laying your cards on (kitchen), 67–71
 tax deed
 defined, 315
 stealing your home with, 295–296
 tax deed states, 161
 tax lien, 315
 tax lien states, 161
 tax-deductible interest, non-deductible
 interest transferring into, 148
 taxes
 paying, on your loss, 131–132, 218
 property, 16, 115–116, 159–163, 262, 313
 Taylor-Hough, Deborah
 Frugal Living For Dummies, 137
 teaser interest rates in adjustable rate
 mortgages (ARMs), 10, 28, 162
 telephone calls, screening, 72–74
 television, cutting costs on, 141
 tenants in common, 39
 terms
 defined, 315
 of loan, 123
 TILA (Truth in Lending Act), 22, 77–78,
 92, 166
 time
 obtaining more, 251
 taking your, 167
 transfer in due on transfer clause, 35,
 88–92, 309
 TransUnion, 109, 281
 trial, demanding jury, 42, 46, 287

tri-merge credit report, 110, 315
 trust, 153
 trustee's deed, 25
 Truth in Lending Act (TILA), 22, 77–78, 92,
 166
 truth in lending technicalities, 77–78
 Tyson, Eric
 House Selling For Dummies, 245
 Mortgages For Dummies, 224
 Personal Finance For Dummies, 137

• U •

unlimited (or durable) power of attorney,
 313. *See also* power of attorney (POA)
 unsecured creditor, 180
 unsecured debts, paying first, 15–16
 unsecured loan, 149, 315
 utilities, stop paying, 250, 262

• V •

VA (Veterans Affairs), 89
 vacation expenses, trimming, 140
 vehicle expenses, scaling back on, 267
 Ventura, John
 Managing Debt For Dummies, 137
 verification, 63
 Veterans Affairs (VA), 89
 vulnerability, problem of, 152–153

• W •

waiver defense, 78
 water bill, stop paying, 262
 Web sites, checking out, 63
 work by other family members, 144–145
 writ of restitution, 39. *See also* order of
 eviction

• Z •

zero cash flow, 108
 zero, net worth of, 107, 108