

# MAKING HOME AFFORDABLE

REFINANCE UP TO 125% OF YOUR CURRENT VALUE  
LOW RATES  
NO MORTGAGE INSURANCE



## What is this loan program?

If you are a homeowner who is current on your mortgage payments but you think you are unable to refinance to a lower interest rate because your home value has decreased, you may be able to refinance with Making Home Affordable Refinance Plan (HARP)

## Do I qualify for a Making Home Affordable refinance? Answer these questions:

- Do you have a Fannie Mae or Freddie Mac loan? If you don't know contact us at 888-681-0777
- Are you current on your mortgage payments?
  - "Current" means that you haven't been more than 30-days late on your mortgage payment in the last 12 months.

## What do I do next?

If you answered yes to **all** of these questions, you may qualify for a Home Affordable Refinance. The next step is to gather the information you will need to provide for the loan. This includes:

- Information about the monthly gross (before tax) income of your household, including 2 recent pay stubs and 2 years W-2's if you receive them or documentation of income covering 2 years if you receive income from other sources.
- Your 2 most recent income tax returns.
- Information about any second mortgage on the house.
- Account balances and minimum monthly payments due on all of your credit cards.
- Account balances and monthly payments on all your other debts such as student loans and car loans.

After you have this information, you should **call us**. **Don't delay, we expect volume to be very heavy. Once you contact us, please be patient.** Details of the program are still emerging and it may take time before we are ready to close your loan

## How does this help me?

If you do not qualify for a standard loan, you may qualify for this government sponsored loan.

- Refinance up to 125% of the value of your home with no Mortgage Insurance if you do not currently have MI
- No Mortgage Insurance required if you currently do not have MI
- Keep your existing MI Rate and finance up to 125%
- Qualify for today's current low interest rates



### HOW DO I APPLY?

Go On-Line at [www.CliftonServices.com](http://www.CliftonServices.com)

OR

Call us at 888-681-0777



Clifton Financial Services, Inc is a Licensed Mortgage Lender with Servicing Clause  
NMLS ID#198292, Florida MLD#21, Colorado LMB#100013712,

CO Disclosure: Check the license status of your mortgage loan originator at <http://www.dora.state.co.us/real-estate/index.htm> .



REAL LOANS, REAL PEOPLE, REAL ESTATE

## MAKING HOME AFFORDABLE REFINANCE PROGRAM



### FREQUENTLY ASKED QUESTIONS

#### **I heard that the government is giving everyone 2% loans?**

Um, no. Under MHA, loans that do not qualify for *Refinance* may qualify for *Modification*. Modification of loans will follow a specified sequence of steps in order to reduce the monthly payment to no more than 31% of your household gross monthly income (DTI). The sequence of steps requires first reducing the interest rate to no lower than 2%, then increasing the term to a maximum of 40 years, then, if necessary, reducing principal. This is only available if you do not qualify for the MHA Refinance Program. THERE ARE NO 2% INTEREST RATES for any normal loan other than the Modification Process. You must apply for the refinance first.

#### **How do I qualify for a MHA Refinance?**

You may be eligible if:

- You are the owner of a 1–4 family home, either owner occupied, second home or investment property
- The loan on your home is owned or controlled by FNMA or FHLMC (call us to find out)
- You are current on your mortgage payments (no 30+ day lates in the last 12 months)
- The amount you owe is 125% or less of the current market value (appraised value, may vary based on occupancy and FICO score)
- You have a stable income to support the new mortgage payments

#### **What do you mean Stable Income to Qualify?**

Well, very simple; you must qualify (show you can afford payments) under establish loan underwriting guidelines per FNMA and FHLMC. You must provide documents to this effect, which include, but are not limited to:

- 2 current pay stubs
- 2 years W-2s
- 2 years full tax returns
- Signed 4506-t to verify tax returns

#### **What rate do I get?**

Your new rate will be determined based upon current market rates combined with standard interest rate factors, or LLPAs (Loan Level Price Adjustments). These factors include, but are not limited to:

- Credit Score
- Loan to Value
- Property Type

#### **I owe more than my property is worth. Can I still refinance under MHA?**

Eligible loans include those where the first mortgage does not exceed 125% of the current market value (appraised value) of the home. I.E. if your home is worth \$200,000 but you owe up to \$250,000 on your *1<sup>st</sup> mortgage* you can still qualify.

#### **You said 1<sup>st</sup> mortgage, but I have a 2<sup>nd</sup> (or 3<sup>rd</sup>) as well. Am I still eligible?**

Yes, as long as the 1<sup>st</sup> mortgage is 125% or less of the market value of the property, you may still be eligible.