
MORTGAGE PAYMENT LATE? CCCS CAN HELP!

Late mortgage payments shot up to a 3½-year high in the final quarter of 2006 and new foreclosures surged to record levels as borrowers with tarnished credit histories had trouble keeping up with monthly payments. Wednesday the 14th the DOW plummeted below 12,000 due to Wall Street's fears over mortgage delinquencies.

This is bad news for those homeowners that were perhaps just barely able to qualify for their home loans and for still others who sought "creative" financing to purchase their home. These people, unfortunately, are now seeing the payments on their adjustable rate mortgages (ARM) surge higher and take a bite out of their budget.

"Unfortunately, it appears delinquency rates will likely worsen before they improve," said Gina Martin, economist at Wachovia Corp. Economics Group.

Worried about defaults on high-risk mortgages, federal bank regulators earlier this month called on lenders to use caution in making subprime loans and strictly evaluate borrowers' ability to repay them.

Consumer Credit Counseling Service (CCCS) of North Central Texas has a phenomenal save rate in situations like this; in fact the nonprofit saves 97 percent of all imminent foreclosures it counsels. While CCCS does not loan money, the agency works with the mortgage lender for the best solution for the homeowner in default.

"Our Housing department saves, on average, 70 homes a month and that number is growing because people are beginning to discover that counseling the homeowner is only the beginning of the process," said Reid Remington, Housing Director for CCCS. "We don't give up on doing everything we can to help the homeowner stay in their home. Our objective is to not only contact the mortgage lender, but to educate families on money management and the homebuying process so they may continue in their homes without undue stress," he added.

All education classes and housing issues are FREE at CCCS of North Central Texas. If you are caught up in the cycle of increasing mortgage payments and your budget is suffering, contact CCCS for a consultation at 972-542-0257 or toll-free 1-800-856-0257. The email address to contact the Housing department is housing@cccsnct.org. For financial education the email address is education@cccsnct.org.