
loan modification question

Posted by acme - 2010/02/16 22:45

I really want to look into loan modification as a first option before I consider filing full bankruptcy. Most of what i read has stated that getting a loan modification is difficult even with the assistance of legal counsel.

I am current on my mortgage but i'm thinking of not paying our first & second mortgages for the next 2 to 3 months as a means of preserving cash. I am currently unemployed but i am working on a replacement job that will start in May.

Will a loan modification by the lender require that i pay money upfront?

Thank you!

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Re:loan modification question

Posted by Brian - 2010/02/24 20:37

I dont think you need to miss a payment in order to get a reduction in the interest rate. I would encourage you to call the lender and attempt to restructure the loan before you sacrifice your credit score. The fact that you are unemployed should help your case. They might even make a short term adjustment to the loan and add the difference to the back end to help you out during this period of hardship.

Call the bank before you stop your payments.

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