

<p>What is the HOPE for Homeowners Program?</p>	<p>This is a new program for borrowers at risk of default and foreclosure. The program provides new, 30-year, fixed rate mortgages that are insured by the Federal Housing Administration (FHA). It may help you refinance your mortgage into a more affordable payment. H4H is voluntary. Both lender(s) and borrower(s) must agree to participate.</p>
<p>When does H4H Begin?</p>	<p>The program begins October 1, 2008 and ends September 30, 2011.</p>
<p>Who is eligible?</p>	<p>You should contact your lender to determine eligibility, but you may be eligible if, among other factors:</p> <ul style="list-style-type: none"> • The home is your primary residence, and you have no ownership interest in any other residential property, such as second homes. • Your existing mortgage was originated on or before January 1, 2008 and you have made at least six payments. • You are not able to pay your existing mortgage without help. • As of March 2008, your total monthly mortgage payments due were more than 31 percent of your gross monthly income. • You certify that you have not been convicted of fraud in the past 10 years, intentionally defaulted on debts; and did not knowingly or willingly provide material false information to obtain existing mortgage(s).
<p>Who should I contact?</p>	<p>FHA does not accept loan applications. Borrowers seeking help should contact their lender, another FHA-approved lender, or a housing counselor to apply or learn more about their options.</p>
<p>How much can I borrow?</p>	<p>Your new H4H mortgage will be no more than 90% of the new appraised value of your home with the lender essentially writing down your current mortgage to that amount.</p>
<p>What costs do I have to pay?</p>	<ul style="list-style-type: none"> • The new mortgage, if approved, will replace all of the current mortgages on your home. You will not owe any payments, fees or debts on mortgages you now hold. • You must agree to share both the equity created at the beginning of this new mortgage and a portion of any future appreciation in the value of your home. • In addition to an upfront mortgage insurance payment of 3%, you will pay a 1.5% annual mortgage insurance premium on your outstanding mortgage balance. This premium will be included in your monthly payments. • You will need to pay closing costs on the loan. You will receive a Good Faith Estimate of these costs.
<p>Will my new interest rate be lower than my current rate?</p>	<p>The interest rate for the new mortgage will be based on current market interest rates and will be provided by the lender.</p>
<p>I currently have a second mortgage. If needed, can I take out a second mortgage under this program?</p>	<p>You cannot take out a second mortgage for the first five years of the loan, except under certain circumstances for emergency repairs.</p>

How can I learn more about the program and start the application process?

- Review the Frequently Asked Questions page at www.fha.gov to learn more about the program.
- Contact an FHA-approved lender to apply. You can find a list of lenders at www.fha.gov
- Contact a Housing Counselor. A list of Housing Counselors can be found at www.fha.gov