

Welcome to the Real Estate Radio Report with Billy Andrew of Coldwell Banker Northern Lakes, your local source for Real Estate Information and how it affects you.

These difficult economic times leave many residents of northern Michigan with negative equity in their homes or worse yet the potential of foreclosure. There may be alternatives that fit your personal situation.

1. Do Nothing. This is seldom the right strategy. If there is an issue, work to find options.
2. Assuming you can not pay off the loan or the delinquency, you may be able to refinance your loan. This is often credit score dependent
3. Forbearance is a negotiated relief plan. This option may temporarily reduce or suspend payments. The requirements are difficult and you must prove you have the financial resources to resume regular monthly payments at some future time.
4. Loan modification gets a lot of political exposure but the guidelines are so stringent, only a small percentage of people qualify.
5. Deed-in-Lieu is a last-stop option where you can deed your property to the lender instead of going through the entire foreclosure process. Some lenders will provide cash incentives to property owners for deeding the property as foreclosure is a very expensive legal process.
6. Bankruptcy may be an option but you certainly need to consult an attorney experienced in such matters.
7. Selling the property is often the most viable option for homeowners. Even if you owe more than you can sell your property for, there are options including one of the hottest topics in real estate today - the short sale. We will be discussing short sale on the next broadcast.

There are alternatives but you need to consult someone experienced in handling these matters.

For more information about this subject, or for any of your real estate needs, please contact Billy Andrew at 231.420.9231 or visit my website:
www.billyandrew.com