

Absolutly No Qualifying Bad Credit/Bankruptcy Okay No Closing Cost!

Mobile | News Feeds | E-Newsletters | Text Messaging | E-Edition

Find it: Jobs | Cars | Homes | Rentals | Shop | Dating | Coupons | Classifieds | Place an ad



SEARCH ALL

All Local News Calendar Jobs More »



HOME LOCAL NEWS NEWS TOPICS SPORTS ENTERTAINMENT PHOTOS/VIDEOS VOICES & VIEWS WEATHER CLASSIFIEDS CUSTOMER SERVICE

Bonita Springs Cape Coral Estero Fort Myers Lehigh Acres North Fort Myers Sanibel Island South Fort Myers Other communities



Comment, blog & share photos
Log in | Become a member | Search people

POWERED BY YOU AND **THE NEWS-PRESS**

About 34,000 Lee County borrowers eligible for housing help

NEWS-PRESS.COM STAFF AND WIRE SERVICES • MARCH 5, 2009

Read Comments(14) Recommend Print this page E-mail this article Share [?]

WASHINGTON - The Obama administration kicked off a new program Wednesday designed to help up to 9 million borrowers - more than 34,000 in Lee County - stay in their homes through refinanced mortgages or loans modified to lower monthly payments.

ADVERTISEMENT



The administration's program has two parts: one to work with lenders to modify the loan terms for up to 4 million homeowners; the second to refinance up to 5 million homeowners into more affordable fixed-rate loans.

Borrowers, however, are being advised to be patient in their efforts to get help because mortgage companies are likely to be flooded with calls.

"It's a step in the right direction," said Eddie Felton, executive director of the private, nonprofit, Fort Myers-based Home Ownership Resource Center, which helps distressed mortgage holders.

But, he said, "The bottom line is it's still left up to the lenders" and banks probably will need a few days to figure out exactly what they'll do under the program.

Also, he said, it's sometimes difficult to locate the actual owners of a mortgage that's been bundled with others and sold on Wall Street. "If the investors are not on board, basically it's a waste of time."

Government officials, launching the "Making Home Affordable" program, also acknowledge that the initiatives are only a partial fix for a sweeping problem that has helped plunge the U.S. economy into the worst recession in decades. In fact, tens of thousands of homeowners in some of the most battered real estate markets - concentrated in Florida, California, Nevada and Arizona - won't be eligible for the two programs.

"It's not intended to prevent every foreclosure or to help every homeowner," a Treasury Department official said. "It's really targeted at responsible homeowners."

In Lee County, 34,371 mortgage holders - 19.2 percent of the total - fall within the parameters set by the refinancing program, according to statistics released Tuesday by Zillow.com, a Seattle-based real estate information tracking service.

Those loans qualify because they have a loan-to-value ratio of 80 to 105 percent and have a conforming loan, which is a requirement to have a loan backed by Freddie Mac or Fannie Mae.

The remaining 80.8 percent of mortgages in Lee County do not qualify for one of four reasons, according to Zillow:

REFINANCING RULES

For the refinance program, only homeowners whose loans are held by Fannie Mae or Freddie Mac are eligible and have until June 2010 to apply.

Consumers should contact their loan servicer - the company that sends out their monthly bill - to find out if their mortgages are held by Fannie or Freddie.

For the modification program, borrowers who are eligible will have to provide their most recent tax return and two pay stubs, as well as an "affidavit of financial hardship" to qualify for the loan modification program, which runs through 2012.

Borrowers are only allowed to have their loans modified once, and the program only applies for loans made Jan. 1 2009, or earlier. Mortgages for single-family properties that are worth more than \$729,750 are excluded.

Lenders could reduce a borrower's interest rate to as low as 2 percent for five years. Rates would then rise to about 5 percent until the mortgage is repaid.

RELATED NEWS FROM THE WEB

- Home
- Mortgage
- Foreclosures
- Non-Profit
- Personal Finance
- Powered by Topix.net

ADVERTISEMENT



ADVERTISEMENT

ADVERTISEMENT

- A loan-to-value ratio of less than 80 and able to refinance under traditional terms.
 - A conforming loan but exceeds the 105 percent qualifier: 26.6 percent (47,573 mortgages).
 - Both a jumbo (non-conforming) loan and a loan-to-value ratio of greater than 105 percent: 4.1 percent (7,399 mortgages).
 - A jumbo loan falls between 80-105 percent loan to value - the jumbo loan automatically disqualifies them: 1.8 percent (3,168 mortgages).
- Nationally, 25.1 percent of all mortgage holders are eligible.
- Meanwhile, action to put in place another part of Obama's housing plan is expected soon on Capitol Hill.
- House Democrats agreed Tuesday to narrow proposed legislation that gives bankruptcy judges the power to change the terms of mortgage loans for debt-strapped borrowers.
- In the latest version of the bill, judges would have to consider whether a homeowner had been offered a reasonable deal by the bank to rework his or her home loan before seeking help in bankruptcy court. Borrowers also would have a responsibility to prove that they tried to modify their mortgages.
- A full vote in the House could come as early as today.
- Staff writer Dick Hogan and the Associated Press contributed to this report.**

In Your Voice

[READ REACTIONS TO THIS STORY](#)

Newest first ▾



southcape45 wrote:

Replying to JoshuaKanton:

According to <http://www.financialstability.gov/> (modification program guidelines) the rules use the current homes valuation (less than 60 days). So in order to qualify your CURRENT (less than 60 days) loan to value ratio must be between 80% and 105% and your total mortgage payment (including taxes and insurance) must be greater than 31% of your current monthly gross income.

How is this going to help anyone who bought a home between 2003 and 2005?

I suspect the program wasn't designed to help those who bought before prices skyrocketed. They may be too far gone to help. I think the program's targeted borrower should be shifted a little toward those still making payments to avoid fraud. I'll bet millions of borrowers are reading the requirements and stopping payment on their mortgage checks as I write this. If I was even close to qualifying I would consider doing the same thing.

3/5/2009 9:23:37 AM

[Recommend](#) [New post](#) [Reply to this Post](#) [Report Abuse](#)



Klaatu wrote:

The banks themselves have mishandled this whole situation. They have flooded the market with REO's (bank owned) and short sales. Resulting in lower prices in the entire market and driving up the LTV. They're selling home at half the cost of material to build them, Builders can't complete with these fire sale prices stops building resulting in jobs lost. The Homeowner can't complete owes more than current market values many being forced into foreclosure. The guidelines for this program need modification regionally what New York needs isn't what will work in Az, FL, NV. But at least it's a start, this problem won't be resolved in the short term. I remain hopeful.

3/5/2009 9:18:25 AM

[Recommend](#) [New post](#) [Reply to this Post](#) [Report Abuse](#)



JoshuaKanton wrote:

According to <http://www.financialstability.gov/> (modification program guidelines) the rules use the current homes valuation (less than 60 days). So in order to qualify your CURRENT (less than 60 days) loan to value ratio must be between 80% and 105% and your total mortgage payment (including taxes and insurance) must be greater than 31% of your current monthly gross income.



Click to choose a story and start a new chapter.

THE LATEST EDITION OF INCENTIVES IS AVAILABLE FOR A LIMITED TIME ONLY!

Bonita Bay Group®

More Real Estate Headlines

About 34,000 Lee County borrowers eligible for housing help

How is this going to help anyone who bought a home between 2003 and 2005?

3/5/2009 9:12:21 AM

Recommend New post Reply to this Post Report Abuse



leeinsider wrote:

Replying to cballa:

Right? Did you know that lenders are coaching people who are now having trouble making payments that they should stop paying for 3 months because until it is in default that far they can't help them. I have one friend who after 2 calls got that same advice from 2 different supervisors. they aren't helping and its 5 months past now. "You don't qualify" they say.

I have also not met anyone personally who is getting any assistance from their mortgage company. It does seem strange to me that a lender would foreclose on a property rather than renegotiating interest rates to prevent foreclosure without the government coming in and making them do it. As an investor I would always rather get a profit even if it is smaller rather than losing the entire investment. So I remain surprised that lenders are not bending over backwards to keep people in their homes.

3/5/2009 8:19:01 AM

Recommend New post Reply to this Post Report Abuse



leeinsider wrote:

Since this new program only helps people who are no more than 5% underwater I don't expect to see very many people in SW Florida being able to benefit personally from this. I know my house is valued at about 60% less than what I owe, so even if I wanted to try and get my interest rate or principal lowered through this program I wouldn't be eligible.

3/5/2009 8:15:14 AM

Recommend New post Reply to this Post Report Abuse

1 2 3 >> Last

FULL PAGE VIEW See more comments per page and quote other replies

You must be logged in to leave a comment. [Login](#) | [Register](#)

Empty comment input box with a vertical scrollbar on the right side.

1000characters left

Submit



Sales & Rentals New Duplexes MULTIPLE LISTING SERVICE **MLS**

Home Hunters USA 

Site Index

Home

Local News

- Bonita Springs
- Cape Coral
- Estero
- Fort Myers
- River District
- Lehigh Acres
- North Fort Myers
- Sanibel Island
- South Fort Myers
- Other communities

News topics

- Business
- Commercial Properties
- Market Watch
- Stock Quotes
- Crime
- Data/public records
- Lifestyles
- Celebrations
- Health & Fitness
- Worship
- Watchdog
- Moms

Sports

- Boating & Fishing
- Everblades
- Golf
- High School Sports
- Outdoors
- Scores & Stats (Pro)
- AFL
- AHL
- CFL
- Golf
- MLB
- MLS

Entertainment

- Dating
- Arts & Theater
- Beaches
- Calendar
- Dining
- Games
- Movies
- My Cozi Calendar
- Music
- Travel
- TV Listings

Classifieds

- Jobs
- Cars
- Real Estate
- Rentals
- Shopping
- Grocery Coupons
- Legal Notices
- At Your Service
- Place an ad

Customer Service

- Subscribe

[Charlotte County](#)
[Fort Myers Beach](#)
[Naples](#)
[Pine Island](#)
[San Carlos Park](#)

[Obituaries](#)
[Traffic](#)
[Archives](#)
[Child Welfare](#)
[Education](#)
[Election](#)
[FEMA & your money](#)
[Green](#)
[Growth & Development](#)
[Nation & World](#)
[Newspaper in Education](#)
[Nonprofit Organizations](#)
[Worship](#)

[NASCAR](#)
[NBA](#)
[NFL](#)
[NHL](#)
[WNBA](#)
[Scores & Stats \(College\)](#)
[College Football](#)
[Men's College Basketball](#)
[Women's College Basketball](#)
[Tee Times](#)

Photos/Videos

[Buy a photo](#)
[Photo galleries](#)
[Reader galleries](#)
[Submit photos](#)
[Videos](#)
[Webcams](#)

[Manage my subscription](#)
[Contact us](#)
[Place a classified ad](#)
[Site Map](#)

Voices & Views

[Blogs](#)
[Columnists](#)
[Forums](#)
[Opinion](#)
[Submit a photo](#)
[Submit letter to the editor](#)

Weather

[Hurricane](#)



Partners: [Jobs: CareerBuilder.com](#) [Cars: Cars.com](#) [Apartments: Apartments.com](#) [Shopping: ShopLocal.com](#) [Homes: Homefinder.com](#)

[Home](#) | [Local News](#) | [News topics](#) | [Sports](#) | [Entertainment](#) | [Photos/Videos](#) | [Voices & Views](#) | [Weather](#) | [Classifieds](#) | [Customer Service](#) | [Site Map](#)

[Terms of Service](#) | [Privacy Policy](#) | [Contact Us](#) | [About Us](#) | [Work for Us](#) | [Subscribe](#)

Copyright ©2008 ...

Use of this site signifies your agreement to the [Terms of Service](#) and [Privacy Policy](#), updated March 2007.