

# **Housing Counseling Frequently Asked Questions**

## **Why does Open Communities need all of these documents before they can schedule an appointment?**

Open Communities cannot assess and provide you with informed options without the detailed information that you are required to provide. Once we have those items, the Housing Counselor can verify all the financial information which is absolutely necessary to assist you. With this information, we can have a productive appointment so that you are aware of all your options.

## **Can Open Communities help me file for bankruptcy?**

No, Open Communities cannot help you file for bankruptcy. Open Communities has no attorney on staff and you need to seek counsel and advice from a licensed attorney experienced in bankruptcy filing.

## **What does it mean to reinstate my mortgage?**

Reinstatement of a mortgage means that all past due monies have been paid to the lender and that the loan is back on track and in good standing.

## **If a lender serves me with a foreclosure summons, but we receive a loan modification package, will it affect my credit score?**

Your credit score is impacted when a loan is not paid on time and payments are past due. If you receive a foreclosure summons, your loan is, at minimum, 90 days past due. Your credit has already been negatively impacted. If you are offered a loan modification, the lender is willing to work with you and is offering you loan terms which could help you get your loan back on track.

## **Since I'm in Housing Counseling, should I stop answering phone calls/letters from my lender?**

You should ALWAYS communicate with creditors; ignoring the phone calls will not make the issue go away and the creditor may think that you are not willing to work with them to resolve the delinquency. While going through Housing Counseling, you are responsible for providing updates on written and verbal communication that you receive from the lender to your Housing Counselor.

## **If I'm in Housing Counseling, do I have to show up in court?**

It is strongly advised that Homeowners attend a court date. It is important to attend these court status updates so that you remain informed about the status of your mortgage and status of the foreclosure proceedings.

## **How are your services different than an attorney?**

Open Communities' Housing Counseling staff is specifically trained to work with lenders and Homeowners to negotiate loan modifications and refinance options when available. Housing Counseling services from Open Communities are free and confidential. We receive federal, local, and individual grants and donations to provide these services for free. If you are working with a company promising a loan modification, you should contact the Illinois Attorney General Lisa Madigan's Office at 312-814-5094 immediately. You should not pay for foreclosure prevention services in the state of Illinois.