

Mortgage Servicers must do 1 of these 5 items before referring a loan to foreclosure or conduct a foreclosure sale

On March 24, 2010, Making Home Affordable issued a Supplemental Directive which states that a servicer may not make a foreclosure referral or conduct a foreclosure sale unless one of the following five circumstances exists:

1. The servicer evaluates the borrower for HAMP and determines that the borrower is ineligible; or
2. The borrower fails to make the monthly trial period payments after being offered a trial period plan when the payment is due that month; or
3. The servicer makes “reasonable effort” to solicit the borrower to supply required information to the servicer and the delinquent borrower fails to respond within a specified timeframe; or
4. The servicer makes “reasonable effort” to solicit the borrower without establishing “right party contact”; or
5. The borrower or co-borrower expresses disinterest in pursuing a HAMP modification and the servicer’s servicing system reflects such statement.

For details, see [Supplemental Directive 10-02](#). If you are a homeowner struggling to make your first lien mortgage payment or feel like you’re your lender or servicer has not worked with you on a [loan modification](#), [call](#) a [bankruptcy attorney](#) for assistance. Many [lawyers](#) are happy to offer prospective clients a free consultation.