

Contact your bank or your loan servicer by phone as soon as possible. See if a forbearance, where you pay reduced or no payments for a short period and make them up later, or a payment plan is available and could work for you. If not, ask how you can apply for a loan modification.

The Idaho attorney general's office advises you not to stop making your payments if possible, even if a company representative says you should. A company should not tell you that it can help only if you stop making payments or are behind for a couple of months; that's not true, officials say. Under federal guidelines, borrowers who are current but have had a change in their finances such as a job loss or a loan interest-rate increase also may qualify for help. Those who are behind in payments 60 days may qualify, too.

You may be offered a trial modification period of three months or more. You will need to have proof of income eventually to qualify for a permanent modification and to stop the bank or servicer from moving forward with foreclosure proceedings. You also can contact a HUD-approved housing counselor who can pre-qualify you for a loan modification and help you through the process.

Approved Treasure Valley housing counselors include:

-- Idaho Housing and Finance Association, 565 W. Myrtle St., Boise, (877) 888-3135.

-- Neighborhood Housing Services Inc., 1401 Shoreline Drive, Boise, 343-4065, Ext. 119.

Claim Advance: If you have an FHA-insured mortgage, you may qualify for an interest-free loan to bring your account current. The repayment of this loan may be delayed for several years. Your servicer reviews HUD options like this before offering a loan modification.

If your home has been sold, a counselor can't help; you need an attorney.

Dealing with loan servicers

Send your servicer a certified letter detailing your problems and using specific language in this sample HUD letter:

<http://www.hud.gov/offices/hsg/ramh/res/reslettr.cfm>

Under the Real Estate Urban Development Act enforced by the U.S. Department of Housing and Urban Development, servicers must acknowledge a written request within 20 business days and attempt to resolve problems within 60 business days.

If you get no response or the problem isn't solved, you can file a complaint by writing: Office of RESPA and Interstate Land Sales, Department of Housing and Urban Development, 451 7th St., S.W., Room 9154, Washington, DC 20410, or online at <http://www.hud.gov>

You also can file a complaint with the Federal Trade Commission online at <http://www.FTC.gov/complaint>

or by calling 1-877-FTC-HELP (382-4357). The commission doesn't resolve individual complaints but uses them to detect patterns of wrongdoing, which may lead to investigations and prosecutions.

Complaining about banks

To file a complaint about a national bank, call the Office of the Controller of the Currency at (800) 613-6743 or go online to

<http://www.helpwithmybank.gov/complaints/index.html>

To file a complaint about a state bank, credit union, mortgage broker or lender, file online at the Idaho Department of Finance website

<http://finance.idaho.gov/Complaint.aspx>

What else should you do?

1. Keep a record of each contact, time, day and what was said.
2. Get the name and employee identification number of each person you speak with.
3. Send all correspondence by certified mail so you will have proof of a signature and keep the receipts.
4. File a complaint online with the Idaho attorney general's office,
<http://www2.state.id.us/ag/consumer/general/complaintforminfo.htm>

5. Contact your congressman:

-- Sen. Jim Risch, (208) 342-7985,
<http://www.risch.senate.gov>

-- Sen. Mike Crapo, (208) 334-1776,
<http://www.crapo.senate.gov>

-- Rep. Walt Minnick, (208) 888-3188,
<http://www.minnick.house.gov>

-- Rep. Mike Simpson, (208) 334-1953,
<http://www.house.gov/simpson>