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Top Loan Modification Myths by EthenaBrown

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A large number of homeowners have had to make very serious financial decisions that have affected their short-term and long term financial prospects in an effort to recover from hardships caused by the recent economic downturn. Many that have never been in such a difficult situation do not have a real understanding of their available options. Home Loan modification can be one of the more complex subjects in the discipline of finance. In some instances, myths that surround the loan modification practice must be debunked before a homeowner in financial trouble can truly hope to reverse their financial situation.

Here are some of the top myths of loan modification.

One â€“ Getting a good loan modification lawyer is only for homeowners with large mortgages.

Qualified modification lawyers have programs that are within the budget of homeowners with mortgages both large and small. Because of the increase in the need for home loan modification in the wake of the the recent recession many modification lawyers fees have actually decreased and are quite affordable.

Two â€“ Hiring a loan modification lawyer will delay the process

Hiring a loan modification lawyer may help speed up the process as their experience and familiarity with the paperwork, including legal docs and contracts, can only work in your favor. If you were handling the modification on your own, you will need to spend time reading through all paperwork and often the legalese and financial information can be overwhelming. A professional can certainly help steer you through the process and procedure.In some cases the relationships that loan modification attorneys cultivate with creditors can help borrowers obtain longer term periods or lower interest rates for their loan packages.Many lawyers can even negotiate a reduction of principal. In all of these situations, the money that is paid from the borrower to the lender per month goes down.

Three â€“ Bankruptcy is a better option than loan modification.

Many borrowers in trouble preemptively choose bankruptcy because they believe that it will free them of all obligations to their creditors. In an especially dire financial situation, this can actually seem like a good solution to the overwhelming financial problems. However, loan modification should always be attempted before bankruptcy as bankruptcy is a more final resolution.

What many people do not know is that each bankruptcy is unique. In some situations, your home may be protected from foreclosure but in many others this is only true for so long, as if you cannot make the payments at all you will eventually lose your home. Bankruptcy actually puts much less power in your hands than a home loan modification proceeding.

In all cases concerning creditors, you want the law on your side with a dedicated professional helping you to protect your rights. The loan modification lawyer is your best chance at an amicable, good faith resolution with a lender. A good modification attorney will be able to add his own understanding and experience to in the financial realm to give you added credibility with your lending institution.

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Our Mortgage and a loan modification lawyer can help you legally modify the terms of your home loan to make payments more affordable. Consult Loss Mitigation Specialist Lawloan modification lawyeryers who can suggest the best a loan modification options.

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