

Attorney John Villines warns delinquent borrowers of trial modifications and workouts under review

Since the beginning of the foreclosure pandemic, many borrowers have attempted to restructure their mortgages on their own. Homeowners today are finding themselves in the wake of “trial” modification periods and failed bank reviews, wondering why their lender will not offer any sort of workout. “Borrowers are having a lot of difficulty getting past the review period,” says attorney John Villines, owner of JV Law. “They are left to wonder if the bank is ever going to actually review the application and not just continue to ask for updated financials,” stated Villines.

“The banks are doing the same thing to everyone, regardless of how diligent they are in cooperating; they are ignoring the applications for months and months, and failing to review the application for modification options,” says Villines. Borrowers need to be aware that getting a loan modification is not always a logical process. Unfortunately,

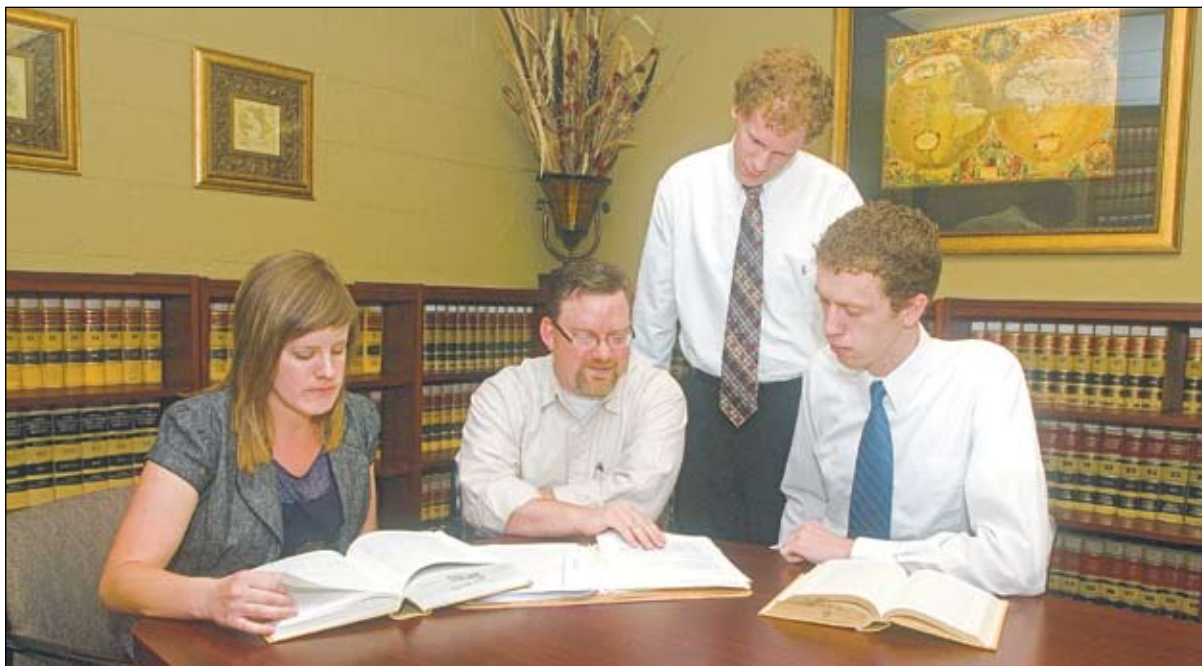
“There is almost always something that the borrower can do to help the process, but the hard part is for them to know what that is.”

*- John Villines
Attorney*

they are left trusting the advice of representatives at the bank who do not know what to do to get the application to the next level. “There is almost always something that the borrower can do to help the process, but the hard part is for them to know what that is,” says Villines.

Villines has been working with his clients to submit loan modifications, and get banks the right information since the start of the subprime mortgage crises. His firm routinely tries to help clients who come in after months of working on it themselves.

“Delinquent borrowers fail to



(l-r) Adrienne Yerzy, Attorney John Villines, Chris Yerzy and Richard Birlew working together on a client's case.

realize that getting a modification is actually more dependent on having the right numbers down on the application than it is a matter of consistently calling the bank for updates. It is a two step process of meticulously preparing the financial statements and sending in all of the documents that the underwriting department needs in order to prepare a loan modification,” says Villines.

“Borrowers who are under review or on a “trial modification” need to be sure that all of the documents are in, and that the financials will be approved by the underwriters,” stated Villines. His firm has been frustrated helping borrowers with the banks because they tend to lead them down a deserted road. “Diligent homeowners are left in the dark because they have no idea what the bank is going to ask for next,” says Villines. “Starting the modification process without the right knowledge is a recipe for disaster; even if the borrower gets the application to the underwriting department, it could get denied because the documents were filled out incorrectly,” says Villines.

John Villines has been work-

ing diligently with borrowers to help them before it is too late. “It can be really heartbreaking to see borrowers come in for a consultation after they have already been working on it themselves for months and have had no success.

The process can be really difficult for borrowers who have already had a denial, or seek help right before a foreclosure sale,” stated Villines. “We still try to help them, but it is a lot easier if they come in earlier in the process,” stated Villines. His firm is very experienced in getting the foreclosure sale dates postponed during the loan modification process. It is not against the law for a bank to sell a home during a loan modification review or a “trial modification.” “My concern is that borrowers do not realize the importance of keeping track of the sale date on their own. You cannot trust the bank. I have experienced many times where, if it was not for my staff double and triple checking, we would have lost the home,” says Villines. “Once that happens, you have to start packing.”

Villines’ experience has shown him that the loan modification process is becoming an important tool for homeowners to continue living in their property. “When a borrower is upside-down, and owes twice as much as their home is worth, a loan modification can sometimes be the only way they can afford the payment,” says Villines. “What concerns me is when homeowners start using credit cards to make their mortgage payments. If you cannot afford the payment, then borrowing the money will just make things worse,” says Villines.

His firm recommends that borrowers work on reducing the monthly payment before taking money out of savings, emptying retirement accounts or using credit. “A well prepared loan modification application can offer a homeowner a good chance to lower the monthly payment,

and make the mortgage affordable for the years to come,” says Villines.

“Our firm is routinely seeing the interest rate dropped down to a fixed 2 to 4 percent. Over 30 years that can save the borrowers hundreds of thousands of dollars in interest,” says Villines. “At some point borrowers need to start looking ahead and planning for the future. If you cannot afford your payment, then you need to start working on it now,” he said.

JV Law has been known in the industry for their work with the banks to facilitate loan modifications and short sales. Throughout the process, JV Law’s legal staff works diligently, promoting and protecting the client’s best interest. “We will use our detailed knowledge of banking procedures and laws, government rules and regulations, to make sure that we are getting the very best deal for our clients,” says Villines.

It is critical that borrowers understand the importance of entrusting their mortgage problems to an experienced and reputable attorney. Homeowners are encouraged to take advantage of JV Law’s free case analysis. Case analysts are available to review your application, or the work of another company free of charge. Each unique situation will be evaluated, and homeowners will be advised about their options, strategies, and the best course of action, taking full advantage of in-depth knowledge of the law and available programs. To schedule an appointment, call JV Law toll-free at 1-866-510-2068.



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