

Help For Underwater Or Nearly Underwater Homeowners – Have You Heard Of HARP?

So exactly what is HARP? Well HARP stands for “Home Affordable Refinance Program”. The HARP program is a federal government program that was designed to help underwater or nearly underwater homeowners to refinance their homes. The refinance enables an underwater homeowner to refinance their mortgage into a fixed loan with a lower monthly payment.

Traditionally, if you owed more than your home was worth, you would not have been able to get traditional refinancing. The HARP program will help you refinance your home even if the value of your home has declined. This program is not for people who simply cannot afford their current home.

Who Is Eligible? You must meet all of the following guidelines in order to qualify.

- Your mortgage must be owned or guaranteed by Freddie Mac or Fannie Mae
- Your mortgage must have sold to Freddie Mac or Fannie Mae on or before 5-31-09
- Your mortgage cannot have been previously refinance under HARP unless it is a Freddie Mac or Fannie Mae loan that was refinanced sometime during March 2009 and May 2009
- The current loan to value (LTV) ratio must be greater than 80% – 125%
- You must be current on your mortgage at the time of refinance
- You must have a good payment history over the last 12 months
- You still have to qualify income and credit wise

Courtesy of



HARP 2.0

On October 24, 2011, President Obama announced an overhaul to the HARP program in hopes of helping more underwater homeowners. Remember, though, that you will only be eligible for HARP if your mortgage is held by Fannie Mae or Freddie Mac. Ask your mortgage company if they participate in the HARP program.

Here are some of the changes to the original HARP program. This new program is commonly referred to HARP 2.0

- There are no underwater limits
- You will now be able to refinance no matter how far the value of your home has dropped
- You will no longer have to get appraisals and underwriting
- It contains modified fees. Some risk based fees for homeowners who refinance into a shorter term loan will be eliminated or modified
- The deadline for this program has been extended through **December 31, 2013**