

According to the Federal Housing Finance Agency (FHFA), 522,000 permanent modifications have been extended through the HAMP program since its inception in 2009. However, this number is a mere fraction of the foreclosure numbers: 1.68 million in 2009 and 1.46 million in the first three quarters of 2010 alone, according to the same FHFA report. This means that the vast majority of banks, in many situations, indeed after accepting trial modification payments, have not followed through with permanent modifications and have proceeded with the process of taking families' homes away through foreclosure.

The federal courts have found that the failure to properly adjudicate a modification application is in many cases unlawful. Do not allow yourself to fall victim to the bank's attempting to see how much it can get from you by playing the "good cop" one minute and the "bad cop" the next, by scaring you into paying more than you should be paying for your home. The federal guidelines indicate you should be paying no more than 31% of your gross income to your property, including insurance and taxes. Don't become the victim of bank fraud in the modification process!