

MORTGAGE AND DEBT RELIEF FOR ACTIVE MILITARY PERSONNEL

Members of our armed forces, including Reserves and National Guardsmen, sacrifice in many ways, including financially, while on active duty. Congress has recognized these sacrifices, and enacted special protections against home foreclosures and high interest loans for those on active duty.

HOME FORECLOSURE PROTECTION: The Servicemembers Civil Relief Act (SCRA) prohibits the foreclosure of a servicemember's property during the period of active duty, and for nine months thereafter, without a court order. This only applies, however, if the mortgage was taken out prior to the commencement of active duty. In states like Georgia, which normally allows quick foreclosure without any court action, this is significant protection.

INTEREST RATE PROTECTION: During the period of active duty, and for one year thereafter, lenders must lower the servicemember's interest rate on any loan obtained before the active duty period began. The maximum rate, including late charges and other fees, is 6 percent per annum.

HOWEVER, the interest rate reduction must be requested in writing. The rate reduction applies to individual loans as well as joint loans. The rate reduction can be requested during the active service and for 180 days after the termination of the servicemember's active duty orders. If interest over the allowed maximum was charged, the lender must retroactively credit the account.

With over 30 years experience in consumer law, Morgan & Morgan of Athens, Georgia is always ready to help servicemembers with debt problems or consumer claims. Call for a free consultation. 1-800-924-7438 or (706)548-7070.