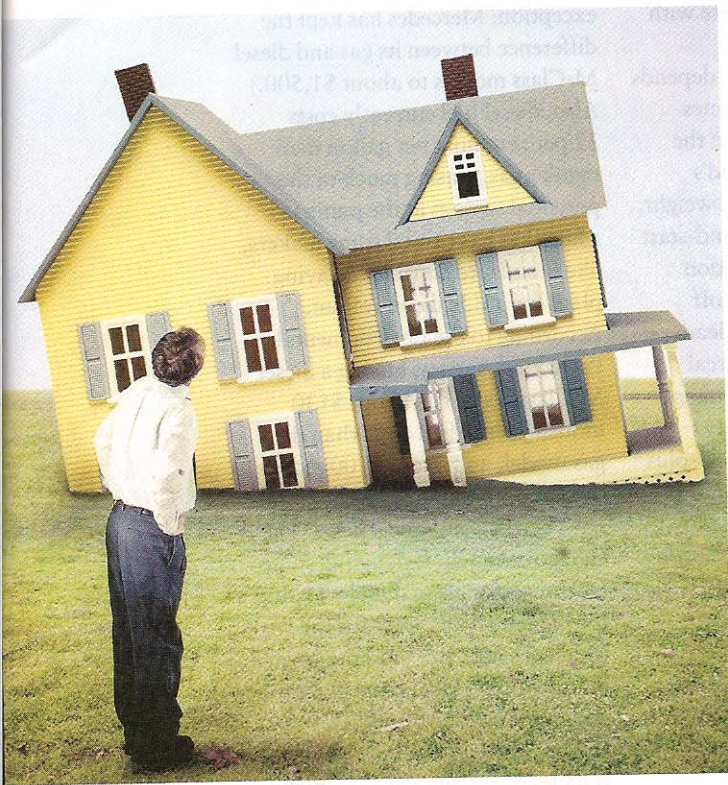


SmartConsumer



How To Renegotiate Your Mortgage

Feeling the need for your own mortgage bailout? Writing that monthly check has gotten harder for folks across the income spectrum. By the end of 2008, more than 1 million foreclosed homes were on the market, representing at least one-quarter of all properties for sale, according to RealtyTrac, a foreclosure tracking firm. And unlike in prior downturns, plenty of those are in affluent neighborhoods. The good news is that banks are more willing than ever to help homeowners avoid

foreclosure. Here's what you need to know.

■ **DON'T WAIT UNTIL YOU'VE SKIPPED A PAYMENT.** Traditionally, you had to be behind on your payments for a bank to even consider modifying your mortgage. But nothing is traditional today. Bank of America, Citigroup and JPMorgan Chase—which together service 37 percent of all mortgages in the U.S.—announced plans last fall to contact select borrowers before they fell behind to see if they qualify for a loan

modification. If you've been laid off or your income has fallen, contact your mortgage servicer—that is, whomever you write the check to—and be prepared to document your claims.

■ **CONSIDER A REFINANCE.** Refinancing might offer relief from adjustable-rate mortgages that are resetting to higher rates. You'll need at least 10 percent equity in your home; check the home-price calculators at ofheo.gov and Zillow.com to find a quick estimate of your home's worth. You'll also need a credit score of at least 720 to qualify for good rates; forget about any loan if your score is below 650. As always, compare a variety of offers, but sticking with your original lender may save you on closing costs.

■ **DON'T DESPAIR.** If you're willing to make your loan payments, you're already way ahead of the many borrowers who have walked away from their homes, says Moe Bedard, president of LoanSafe Solutions. The upshot? Banks have more incentive than ever to work with you. Plunging property values mean they're recovering less now on foreclosures. Plus, many that received cash infusions from the U.S. Treasury are under pressure to show that they're responding to the housing crisis. Take advantage.

—Elizabeth O'Brien

Bloom... Or Bust?

It's hard to forget Valentine's Day when your significant other is in close proximity, dropping hints while you floss your teeth. But for long-distance romances, we wondered about the promise of same-day flower delivery via online florists. So we sent four \$50 bouquets to a loved one halfway across the country, and though we ordered by the Web sites' deadline (2 p.m. in the delivery time zone), we still cut it close.

The good news: Mostly, they came through. In under an hour Virtual Florist dropped off our bouquet of pink roses. FTD's emissary ding-donged just after 4 p.m. And the 1-800-flowers.com "Pour Your Heart Out" arrangement arrived 35 minutes later.

But where art thou, Teleflora? At 3:15 we got an e-mail asking us to pick a new delivery date. (Its local florist had "already run his route.") While we negotiated 30 percent off and an early-morning next-day delivery, the flowers didn't arrive until midafternoon. Teleflora says its same-day service "consistently" works. Alas, not for our romance.

—Angie C. Marek



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