



CONSEQUENCES to foreclosure:

If your house is sold through a foreclosure sale, there are several potential problems for you:

- You will be forced to move out of your house.
- If your house sells for less than the amount you owe, the lender could try to collect the difference from you. This means that you could lose your house and still owe money to the bank.
- You will have a foreclosure on your credit report, which will make it difficult for you to borrow money for at least two years after the foreclosure.

Because of these potential consequences, it is critical that you take action to protect the investment you have in your home. If you do nothing, all of these consequences may result.

How the FORECLOSURE process works

You have 20 days from receiving the summons with this brochure to hire an attorney to file an answer to the lawsuit your lender has filed against you. If you do not file an answer, the lender can get a default judgment against you, which means that the Court will assume that the lender's version of the facts is correct.

At this point, your lender generally will not speak with you directly. You will likely have to speak to the attorney for the lender instead. This will be much easier if you have an attorney.

Unless you win the lawsuit, the Court will enter a judgment for the lender (a verdict that the lender is entitled to be paid) and will order that the property be sold through a foreclosure sale. After about six months, the Master Commissioner will hold an auction and sell the property to the highest bidder. Then the Commissioner will deed the property to the new buyer.

If the property sells for less than the amount due on your loan (including attorneys fees, court costs, etc.), your lender might try to collect the difference from you, in addition to having the property taken away from you. On the other hand, if there is any money left over (meaning that your house sold for more than you owe on the home), you are entitled to receive the balance. But you must ask the Court to pay the money to you.

Foreclosure working group facilitated by



FORECLOSURE: What's next?

Possible ways to save your home

You are receiving this brochure because a foreclosure action has been filed against you. The company or individual who loaned you money on your home is claiming that you are in violation of your loan terms. If you do not answer this lawsuit against you or otherwise take action to protect your home, you will lose your home and potentially lose any equity or profit in your home. This brochure is designed to help you determine what options you might have at this point.

options

