

What can I do between now and my appointment?

1. **Prioritize your mortgage payment** above other unsecured debts (i.e., credit cards, personal loans). OnTrack can help you create a plan to repay delinquent credit cards after your housing situation is resolved.
2. **Read and Keep ALL Letters** from your lender.
3. **Call or write your mortgage lender** immediately and be honest about your financial situation.
4. **Stay in your home.** You may not qualify for assistance if you abandon your property.
5. **Bring all requested documentation** to your housing counseling appointment. Your Client Information Worksheet should be completed before your intake appointment.
6. **Do not sign anything** without your housing counselor reviewing it first. If your lender offers a loan modification with an expiration date that is before your counseling appointment, you may fax it in or use our Counselor-on-Call option (10:00 a.m. – 12:00 p.m., M-F).

What is my Timeline?

Please see the back of this page for an illustration of the foreclosure timeline.

What Does Foreclosure Mean?

Foreclosure is the legal means that your lender can use to repossess (take over) your home. When this happens you must move out of your house. A foreclosure could seriously affect your ability to qualify for credit in the future.

- * ***Your OnTrack housing counselor will help you avoid foreclosure, if possible.***
- * ***There is no charge for OnTrack's Mortgage Default Services!***

What are My Alternatives?

You and your housing counselor will determine which, if any, of these options meet your needs and your counselor will also act as a consumer advocate for you while communicating directly with the lender.

Forbearance: Your lender may be able to arrange a repayment plan based on your financial situation and may even provide for a temporary reduction or suspension of your payments.

Mortgage Modification: You may be able to modify the debt, reduce the rate, and/or extend the term of your mortgage loan. This may bring your mortgage current and/or reduce the monthly payments.

Pre-foreclosure Sale (Short Sale): This will allow you to avoid foreclosure by selling your property for an amount less than the amount necessary to pay off your mortgage loan.

Deed-in-lieu of Foreclosure: As a last resort, you may be able to voluntarily “give back” your property to the lender. This won't save your house, but it is not as damaging to your credit rating as a foreclosure.

Visit our web site at **www.OnTrackwnc.org**.

Our non-profit mission is to help people manage their money and credit better.

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TIMELINE OF A FORECLOSURE

Mortgage is due by the first day of the month. Mortgage is considered late or delinquent if payment is not received by the 1st of the month.

You could receive a **Notice of Hearing** 30 days after you receive the **Letter of Acceleration**. This states that the hearing is in 30 days and the sale approximately 30 days later.

Sale or auction date.

Mortgage is in default after being 30 days late.

There is a grace period to avoid late fees until the 15th.



Could receive a **Letter of Acceleration** anytime during this period.

A **Notice of Sale** will come setting a sale date.

Ten day redemption period. You have 10 days after the sale date to pay off the lender or redeem the loan.