

## Upcoming Events

### Foreclosure Fair

January 29, 2008, 6:00 P.M.

Northside Association for Community Development  
612 N. Park (across from Felpausch)  
269-344-5490

### Foreclosure Fair

February 13, 2008, 6:00 P.M.

Edison Neighborhood Association  
816 Washington Ave.  
269-382-0916

### Foreclosure/Debt Clinic

February 25, 2008 7:00-8:30 P.M.

Kalamazoo Public Library  
Van Deusen Room  
315 S. Rose St.  
269-553-7920



Kalamazoo County Treasurer's Department  
Mary Balkema, County Treasurer

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Kalamazoo, MI 49007  
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Prepared by Kalamazoo County Treasurer's  
Department and Legal Aid of Western Michigan

## Information & Help for Mortgage Foreclosure

### What To Do When The Wolf Is At Your Door



Kalamazoo County Treasurer's Department  
Mary Balkema, County Treasurer

## Warning Signs

**Predatory Buyers or Scam Artists may pretend to help to you...What they really want is your property.**

### **A Potential Predatory Buyer or Scam Artist (Wolf):**

1. Seeks you out to solve your financial problems.
2. Pressures you to make a quick decision.
3. Demands large up-front fees.
4. Tells you NOT to contact your current lender or bank.
5. Tells you NOT to contact a lawyer.
6. Asks you to sign papers without reading them.
7. Asks you to sign a deed.
8. Offers to file bankruptcy for you.
9. Requests any financial account information.
10. Remember, if the deal sounds too good, it typically is. Buyer beware.

### **Examples of mortgage scams:**

1. A Potential Predatory Buyer/Scam Artist offers to negotiate with your lender.
2. A Potential Predatory Buyer/Scam Artist will help you catch up with payments.
3. A Potential Predatory Buyer/Scam Artists will set up a trust for you.
4. A Potential Predatory Buyer/Scam Artist offers to buy your property and sell it back to you on land contract.

**Any of the above scams may result in the Potential Predatory Buyer/Scam Artist becoming the owner of your home! Please be very careful if anyone approaches you offering assistance.**

**If you believe that you have been a victim of a mortgage foreclosure scam, please contact one of the organizations listed in this brochure.**

# Mortgage Foreclosure Timeline

## FIRST AND/ OR SECOND MONTHS OF MISSED PAYMENTS

Your Lender will contact you.  
SEEK HELP NOW.

## THIRD MONTH MISSED PAYMENT

You will receive a demand letter from the mortgage company stating the amount that you are delinquent, and that you have thirty days to bring your account current. If you do not pay the amount or make an arrangement, your lender can refer you to foreclosure or accelerate your mortgage.

## FOURTH MONTH MISSED PAYMENT/ END OF DEMAND LETTER PERIOD

If you have not paid the amount in full, or worked out arrangements with your mortgage company in writing, you will be referred to their attorneys. You will also incur all attorney fees as part of your delinquency.

The Mortgage Company's attorney schedules a Sheriff Sale and publishes notice of the foreclosure over four consecutive weeks in the local legal newspaper. From the first publication, you generally have four weeks until the Sheriff's Sale.

You have until the date of the Sheriff's Sale to work out arrangements with the Mortgage Company, or to pay the entire amount owed to prevent foreclosure. Many options, such as bankruptcy, must be filed before the Sheriff's Sale.

## SHERIFF'S SALE

At the Sheriff's Sale, an investor or the mortgage company makes an offer to buy your property for the remaining balance of the mortgage. After the sale, you still have time to redeem your property, and you do not need to move out.

## REDEMPTION PERIOD

After the Sheriff's Sale, you enter the Redemption Period, this time-frame varies, but most mortgages allow owners six months to redeem the property. You will be notified of your time-frame on the same notice that states your Sheriff's Sale Date. To redeem the property you need to pay the whole amount due on the mortgage not just your late payments.

## END OF THE REDEMPTION PERIOD

If the homeowner has not redeemed the property, ownership is transferred to the mortgage company or bidder. If the homeowner has not moved out by the end of the Redemption Period, the new owner starts eviction proceedings. This typically takes thirty days. Once the Court issues a Possession Judgment, you will only have ten days to move out of your home. If you do not move, the mortgage company or bidder can request an Order of Eviction that will give the Sheriff authorization to remove you and your belongings.

## What Can You Do?

1. Contact the organizations listed below as soon as you fall behind on your mortgage payments. You have fewer options the longer you wait.
2. The Neighborhood Works Hopeline provides free foreclosure counseling including budgeting help, a written financial plan, and assistance contacting your lender.
3. Legal Aid of Western Michigan may be able to assist you with debt collection issues and predatory lending issues. A member of the private bar may be able to help you assess your bankruptcy options.
4. 211 is a social emergency hotline that can provide referrals to organizations providing payment assistance, food assistance, and medical assistance.
5. Don't feel pressured to sign anything from anyone. Take your time. Ask questions. Seek advice as soon as possible.

## Who Can Help?

211

Neighborhood Works Hopeline  
1-888-995-HOPE

Legal Aid of Western Michigan  
1-888-783-8190



## A Special Note for Tenants

- If you are a tenant and suspect that your landlord is not paying his/her mortgage: **YOU SHOULD SEEK HELP RIGHT AWAY.**
- A landlord can collect rent until the property is transferred to the new owner. This means that the landlord can collect rent after the Sheriff's Sale has occurred and through the redemption period.
- If the property is in foreclosure, be prepared to look for a new rental.
- Be aware of court papers posted on your rental. The new owner is not required to notify you as an individual. The new owner must merely list occupant and the address. Do not ignore court papers and call a lawyer right away.
- Once the property transfers to the new owner you will have to move. If you do not move, the new owner can evict you. Typically, there are no defenses to tenant foreclosure actions and the Judge may only give you ten days to move out of the premises. If you do not move, the lender can request an Order of Eviction and give the sheriff authorization to remove you and your belongings.