

## **Can a lender sell my property?**

If you have purchased a home and signed a deed of trust this gives a lender a secured interest in your property. The lender can start the process to take legal action to sell the property at a Trustee's Sale if you are in default (not doing what you agreed when the loan was granted). Generally this occurs when a mortgagor misses payments fails to pay property insurance or real estate taxes.

## **What must a lender do to sell my property?**

In accordance with the mortgage agreement, the lender must make a formal demand that you make your get current on your payments. This is generally delivered via certified mail and the foreclosure process may begin whether you pick it up or not.

## **What can I do to prevent the sale?**

Make all payments to get current if you can as soon as possible because the longer you wait the more late fees, administrative costs, attorney's fees and other expenses will mount. If possible, work out a plan to catch up on your payments (AKA a loan modification). Make sure that any repayment agreement is in writing and make sure to confirm with the lender in writing that you have agreed to accept payments and what amounts and dates the payments will be made. Then make sure to stick to the terms of the agreement.

## **What if I do no catch up on the payments?**

If you do not get current, the lender can start the process to sell your home by recording a Notice of Trustee's Sale and Substitution of Trustee with the County Recorder's office. This Notice sets the date, time and location that the Trustee's Sale of your home will take place. You will have 90 days from the time this notice is filed with the county recorder and you will receive a copy along with a Statement of Breach by certified mail.

## **What can I do if I cannot get caught up on payments?**

Talk with an attorney to discuss your options and devise a plan. Beware of services and attorneys who promise to negotiate for you with your lender. Some have a bad reputation and may take your money without helping you truly handle your situation.

## **What options might I explore?**

1. Refinance, if you qualify for the amount you owe including the past due mortgage payments and accrued fees.
2. Sell the home before the scheduled sale date.
3. File a Chapter 13 Bankruptcy, if you have enough income to pay your regular payments and also pay your back payments during a period of years.