



THE FORECLOSURE PROCESS

FORECLOSURE BASICS

TIMELINE FOR A FORECLOSURE

A foreclosure case can start if you are 120 days behind on your payments. In Illinois, the legal process for foreclosure takes at least eight months. Generally, you can stay in your home until the foreclosure is complete. More information can be found at www.illinoislegalaidonline.org/foreclosure.

OPTIONS TO SAVE YOUR HOME

Communicate with your lender if you fall behind on mortgage payments. Do not ignore mailings from your lender.

- Even after the foreclosure process begins you can still save your home by *reinstating* or *modifying* the mortgage. You can reinstate by paying all past due amounts, interest and fees. Lenders may be able to offer you a loan modification to lower your payments.
- Look for federal or state foreclosure relief programs to help you catch up on missed payments.

MOVE OUT STRATEGIES

For some, it is not financially possible to keep their home. There may be options for moving out of your home that will lessen impact to your credit, preserve *equity* (amount of value in a home that exceeds amount owed on a mortgage), or avoid a *money judgment* (an order by a court that you owe money to your lender if the house sells at foreclosure sale for less than you owed on the mortgage). Examples include sale or short sale of the home, deed in lieu of foreclosure, or a consent foreclosure. Seek professional legal advice before pursuing any of these move-out strategies.

WATCH OUT FOR

- Foreclosure relief scams – scammers may find potential victims through public foreclosure records. They usually charge high costs and then disappear. Other scams require signing over deed to the property.
- For information about saving your home, contact a HUD-certified counseling agency – their services are no cost.



FAIR LENDING BASICS

In offering foreclosure relief options, lenders should never use characteristics such as race, national origin, gender, familial status and disability. If you believe this may have happened to you, contact Prairie State Legal Services.

CONTACT US:



**Prairie State Legal Services
Fair Housing Project**
855-347-7757
**Legal Help for Homeowners
Program**
888-966-7757

PSLS offers:

- legal advice & representation
- training & outreach on fair housing/lending issues
- investigations of fair housing/lending complaints

HUD-CERTIFIED COUNSELING AGENCIES:

**Lake County Housing
Authority**
847-223-1170 x 2060

LCHA offers personalized counseling in the areas of:

- Budgeting & banking
- Credit & debt
- Fair housing
- Homeless intervention
- Landlord – tenant mediation
- Mortgage default/foreclosure prevention
- Pre-purchase/Home buyer
- Referrals
- Rental counseling

**Community Partners for
Affordable Housing**
847-263-7478 x 15

CPAH offers individualized courses and services in the areas of:

- Rental housing
- Home buying
- Down payment assistance
- Home repair & accessibility
- Foreclosure prevention
- Financial counseling

The work that provided the basis for this publication was supported by funding under a grant with the U.S. Department of Housing and Urban Development. The substance and findings of the work are dedicated to the public. The author and publisher are solely responsible for the accuracy of the statements and interpretations contained in this publication. Such interpretations do not necessarily reflect the views of the Federal Government.