# TIPS & STRATEGIES TO AVOID FORECLOSURE

## DON'T LET BIG BANKS WIN

The Cash Buyers Group

# Cash Buyers Group

Cash and relationships are our currency.

888 - 610 - 2725

## KNOW YOUR OPTIONS

## Knowledge is Power

Depending on your state, a foreclosure can take only a few weeks or a few months. But knowing the rules and exercising your rights, can slow down the process and give you some time to regroup and reassess.

# Options

01

## COURT CHALLENGE

You may be able to delay your foreclosure by challenging it in court. However, you can't stop the process just because you want more time to live in the home.

02

## LOSS MITIGATION

Federal law states, you have to send your mortgage servicer a complete loss mitigation application after foreclosure starts. It needs to be more than 37 days before a foreclosure sale.

03

## BANKRUPTCY

Bankruptcy is provided to protect consumers and homeowners like you, in order to give you a second chance and a clean slate.

04

## SHORT SALE / CASH SALE

This is the last option before the worst case scenario of the bank selling your home at a foreclosure auction.

# 01 COURT CHALLENGE

You must have some legal reason or valid defense that's based in good faith for fighting the foreclosure. Fortunately or unfortunately, (depending on your perspective), servicers and lenders often make mistakes in the foreclosure process. For example, the servicer or lender might fail to:

(1) Send you a breach letter as required by the loan contract
(2) Comply with federal mortgage servicing laws
(3) Give you proper notice of the foreclosure as required by state law
(4) Properly advertise the sale in a newspaper
(5) Provide the original documents
(6) Prove standing (the right) to foreclose

02

# LOSS MITIGATION

The foreclosure stops if you get approved for a loss mitigation option, like a loan modification. But just applying for a foreclosure alternative probably won't buy you a lot of time. Generally, the servicer must review your application within 30 days and proceed with the foreclosure when:

- Servicer tells you that you're not eligible for any loss mitigation option (and your appeal, if you get that right, has been exhausted)
- You decide to reject all loss mitigation offers made by the mortgage servicer
- You don't abide by the loss mitigation agreement, ie: not making payments on a trial modification

*Note: the servicer doesn't have to review more than one loss mitigation application from you. However, if you bring the loan current after submitting an application, and then submit another one, the servicer must consider your subsequent application.*

# 03

# BANKRUPTCY

Chapter 13 bankruptcy does not completely discharge (or “wipe out”) your debt, but does allow you to organize your debt and reorganize your finances, so that you can pay off your debt (including your mortgage) for pennies on the dollar over time. It is often more affordable to file a bankruptcy petition than to defend yourself in a foreclosure action, and then ultimately filing for bankruptcy on the eve of the foreclosure sale.

Filing Chapter 13 bankruptcy immediately triggers a key protection called the automatic stay. The automatic stay essentially stops all debt-collection actions against you, including lawsuits, in order to consolidate all of your debt and creditors into your bankruptcy action. The automatic stay, triggered by Chapter 13 bankruptcy, is a valuable tactic to stopping your home from being foreclosed upon. Filing Chapter 13 bankruptcy may not be what you want to do, but it can and will buy you some time to regroup and reevaluate your options.

# 04

# SHORT SALE OR CASH SALE

If you are in a place where you are considering these two options then you may be on the precipice of losing your home. That is not something we want to happen to anyone. However, when the Big Bank comes knocking they can be relentless and very unhelpful. You become a number on a sheet and not a person in need, and that is where the system has gone wrong and failed in our humble opinion.

Short Sales are a viable option but can take up to 6 to 9 months for a bank to approve. It can absolutely buy you a little more time that the average method. However, cash offers and creative options are what our company specializes in. There are more ways to skin a cat and definitely more than one way to stop a foreclosure. Cash has always been king, and at The Cash Buyers Group we love wearing the crown.

# CALL US FOR MORE OPTIONS

## 888 - 610 - 2725

These are suggestions and tips on what you can do. Please consult a lawyer when making any serious decisions about foreclosure or any other legal proceedings.

*The Cash Buyers Group does purchase homes for cash, but hopefully that is an option you can avoid. However, if it is something that you are interested in exploring, please give us a call at 888 - 610 -2725*

www.TheCashBuyersGroup.com