

Title:

Foreclosures 101

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Summary:

There are some myths and misconceptions about foreclosures. Understanding the process, what can and can't happen, and what you should expect will help you deal with any potential problems before you're facing eviction and imminent foreclosure.

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Article Body:

There are some myths and misconceptions about foreclosures. Understanding the process, what can and can't happen, and what you should expect will help you deal with any potential problems before you're facing eviction and imminent foreclosure.

One of the most common myths about foreclosures revolves around the timing required for this process. Some people think that lenders can start foreclosure process the day after you're late for a payment, while other people think foreclosures can't occur for many months. Neither is entirely accurate.

While there are some laws governing foreclosures, the best way to determine what will happen in your case is to read your loan agreement. Your responsibilities and the rights of the lender to foreclose on your property should be outlined as part of the loan package.

The next thing to remember about foreclosures is that there's a process required for foreclosure to happen and those steps must all be taken by the lender. That means that you have time to take some actions of your own to stop the process, if you can. If you've just received the first notifications that foreclosure is in the works, you were probably given some very specific timeframes. Pay attention to those. If you want to take action, don't let those dates slip by.

While some people advise that foreclosure is nothing but an empty threat, there's the very real possibility that a lender will follow through. Remember that the lender has money invested in your property. If you aren't willing or able to repay that money, the lender has a responsibility to the stockholders or

business owners to attempt to recover the money in some other way. Foreclosure is an option and most lenders will eventually be willing to follow through, even if they offer all sorts of other options.

If you're already facing foreclosure, you should also remember that you might actually qualify for a new loan - either from the lender processing your foreclosure or from some other lender. You can borrow money against your property from some other lender right up to the point of foreclosure, as long as you pay off the current lender with the proceeds of that loan.

If you're looking at imminent foreclosure, you should seek the advice of an attorney.

One of the most important things to remember is that foreclosures aren't written in stone and aren't all the same. Getting advice on your specific situation may very well reveal some options that haven't been covered here and that aren't generally available.