

FREE & CONFIDENTIAL GUIDE

# Facing Foreclosure? You Have More Options Than You Think

*A Bayonne Homeowner's Guide*

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 EVERYTHING IN THIS GUIDE IS FOR YOUR EYES ONLY

## SECTION ONE

# You're **Not Alone**

If you're reading this, you may be feeling overwhelmed, scared, or even ashamed. Please know: **you have nothing to be ashamed of.**

Thousands of New Jersey homeowners face foreclosure every single year. In fact, New Jersey has consistently ranked among the top states in the country for foreclosure filings. In recent years, approximately **1 in every 1,400 NJ housing units** receives a foreclosure filing each quarter. You are far from the only person going through this.

People end up here for all kinds of reasons — job loss, medical emergencies, divorce, rising costs, adjustable rates increasing. **Life happens.** This doesn't define you.



**This guide exists for one reason:** to show you that you have options — real, practical options — and that it's not too late to take control of your situation. There is no judgment here. Only solutions.

Whether you're one month behind or twelve, whether you've received court papers or you're just starting to worry — the information in this guide can help. And the sooner you act, the more options you'll have.



**You are not alone. You are not powerless.  
And you have more time than you think.**

# Understanding the Foreclosure Timeline in New Jersey

Here's something most people don't know: **New Jersey is a judicial foreclosure state.** That means your lender has to go through the court system to foreclose — and that process is one of the slowest in the entire country.

**Key fact:** The NJ foreclosure process can take **1 to 3+ years** from first missed payment to sheriff sale. That means you have time to explore your options — but you should start now.



## The NJ Foreclosure Timeline



**DAY 1 – DAY 30**

### Missed Payment

Your lender will contact you to follow up. Late fees begin. This is the easiest time to resolve the situation.



**30 – 90 DAYS**

### Notice of Default / Demand Letter

Your servicer sends a formal notice that you're behind. They must offer you loss mitigation options before proceeding.



**90+ DAYS**

### Lis Pendens Filed (Lawsuit Begins)

The lender files a foreclosure complaint with the court. You'll be served legal papers. **Don't ignore them** — you have the right to respond.



**6 – 18 MONTHS**

### Court Process & Mediation

The case moves through the court system. NJ offers a Foreclosure Mediation Program to help you negotiate with your lender.



**12 – 24+ MONTHS**

### Final Judgment

If no resolution is reached, the court issues a final judgment of foreclosure. Even at this stage, options may still exist.



**AFTER FINAL JUDGMENT**

### Sheriff Sale

The property is sold at public auction. NJ law provides a right of redemption even after sale, but this is the stage to avoid at all costs.



**YOU HAVE TIME — but every day you wait, you lose options. The best time to act is right now.**

## SECTION THREE

# Your 6 Options

You have more options than you think. Here are six paths forward, ranked from best to most drastic. You may qualify for more than one.

Option	What It Means	Best If...
1. <b>Reinstatement</b>	Pay the total amount you're behind (including late fees and legal costs) to bring your mortgage current. Your loan continues as if nothing happened.	You had a temporary hardship and now have the funds to catch up.
2. <b>Loan Modification</b>	Work with your lender to permanently change your loan terms — lower interest rate, extended repayment period, or reduced principal. Contact your servicer's <b>loss mitigation department</b> directly.	You can afford a lower monthly payment but not the current one. Minimal credit impact.
3. <b>Sell Before Foreclosure ★</b>	If your home is worth more than what you owe, selling puts <b>cash in your pocket</b> , pays off your mortgage, and protects your credit. In Bayonne's strong market, many homeowners have significant equity they don't realize.	You have equity and want to walk away with money and your credit intact. <i>This is where Daniela can help most.</i>
4. <b>Short Sale</b>	If you owe more than your home is worth, negotiate with the bank to accept less than the full balance. Requires lender approval, but far less damaging than foreclosure.	You're "underwater" on your mortgage but want to avoid foreclosure on your record.
5. <b>Deed in Lieu</b>	Voluntarily transfer ownership of the property to the lender. This avoids the court process and may minimize deficiency judgments.	Other options have been exhausted and you want to avoid the lengthy court process.
6. <b>Bankruptcy (Ch. 13)</b>	Filing Chapter 13 triggers an <b>automatic stay</b> that immediately halts foreclosure. Creates a court-supervised repayment plan (3–5 years). <b>Always consult a qualified attorney.</b>	You want to keep your home and need court protection to create a repayment plan. <i>Last resort.</i>



**Option #3 is why this guide exists.** Most Bayonne homeowners in pre-foreclosure have more equity than they realize. A strategic sale can pay off your mortgage, protect your credit, and put money in your pocket — all without the lasting damage of foreclosure.



**Every option above is better than doing nothing.  
The earlier you act, the more choices you have.**

# The Credit Impact: Why Acting NOW Matters

One of the biggest reasons to act quickly is the impact on your **credit score and future borrowing ability**. Not all outcomes are equal — and the difference can mean years of your financial life.

Option	Credit Score Drop	Stays on Record	Buy Again In
Loan Modification	Minimal (0–50 pts)	Not reported separately	Immediately
Reinstatement	Minimal	Late payments (7 yrs)	Immediately
Pre-Foreclosure Sale ★	50–100 pts	7 years	2–3 years
Short Sale	80–120 pts	7 years	2–4 years
Deed in Lieu	85–130 pts	7 years	3–4 years
Foreclosure	100–160 pts	7 years	5–7 years
Bankruptcy	130–200 pts	7–10 years	2–4 years



**The takeaway:** A foreclosure on your record makes it nearly impossible to get a mortgage for 5–7 years and drops your credit score by up to 160 points. A pre-foreclosure sale? You could be buying again in 2–3 years — and you keep the equity.

Every day you wait narrows your options.  
The same home, the same situation — but a completely different outcome depending on *when* you act.

# How Selling **Before Foreclosure** Works

If you have equity in your home — and in today's Bayonne market, there's a good chance you do — selling before foreclosure may be your best path forward. Here's exactly how it works:

1

## Free Consultation

We sit down (in person or by phone) and review your situation — how much you owe, your timeline, and what your home is worth. Everything is 100% confidential.

2

## Home Valuation

I'll provide a professional market analysis of your home's current value. You may be surprised — Bayonne property values have risen significantly in recent years.

3

## Strategic Listing

If selling is the right option, we price and market your home to attract serious buyers quickly. Bayonne homes in good locations are in high demand.

4

## Close & Get Paid

At closing, the mortgage is paid off from the proceeds. Any remaining equity goes directly to you. Timeline: as fast as 30–45 days.

5

## Fresh Start

You walk away with cash in your pocket, your credit protected, and the freedom to move forward on your own terms.

### REAL EXAMPLE FROM BAYONNE

A Bayonne homeowner was **4 months behind on mortgage payments** and feeling hopeless. After a confidential consultation, we discovered their home had **\$150,000 in equity** they didn't realize. By selling strategically, they paid off the full mortgage balance, caught up on other debts, and walked away with **\$85,000 cash** to start fresh — with their credit intact.



**You may have more equity than you think.** Even if your home needs work, Bayonne's strong market means buyers and investors are actively looking. Don't assume the worst — let's find out together.

## SECTION SIX

# Free Resources for NJ Homeowners

You don't have to figure this out alone. These organizations offer free, confidential help to New Jersey homeowners facing foreclosure.



### NJ Housing & Mortgage Finance Agency (HMFA)

State agency offering foreclosure prevention programs and homeowner assistance funds.

**1-800-654-6873**

**FREE & CONFIDENTIAL**



### HUD-Approved Housing Counselors

Free counseling from government-certified advisors who work for YOU, not the bank.

**[findahousecounselor.org](http://findahousecounselor.org)**

**100% FREE**



### NJ Foreclosure Mediation Program

Court-supervised mediation between you and your lender to find alternatives to foreclosure.

**Ask your court clerk**

**AVAILABLE STATEWIDE**



### Legal Aid of New Jersey

Free legal assistance for income-qualifying homeowners facing foreclosure.

**1-888-576-5529**

**FREE LEGAL HELP**



### NJ 211

Dial 211 for emergency assistance — utility help, food assistance, housing resources, and more.

**Dial 2-1-1**

**24/7 HELPLINE**



### Homeowner Assistance Fund (HAF)

Federal funds distributed by NJ to help homeowners catch up on mortgage payments, taxes, and utilities.

**[nj.gov/dca/hmfa](http://nj.gov/dca/hmfa)**

**WHILE FUNDS LAST**



**Important:** Be cautious of anyone who asks you to pay upfront for foreclosure help. Legitimate housing counselors and legal aid services are **always free**. If someone guarantees they can stop your foreclosure for a fee, it may be a scam.

## SECTION SEVEN

# Why **Bayonne** Homeowners Have an Advantage

Here's some good news if you own property in Bayonne: **you're in one of the strongest real estate markets in Hudson County.**



The average Bayonne home value is approximately **\$510,000** — and demand continues to be strong. Even distressed properties have real value in this market.

## What Makes Bayonne Special

**Proximity to NYC:** Bayonne's location along the Hudson-Bergen Light Rail corridor makes it incredibly desirable for commuters priced out of Jersey City and Hoboken. Buyers are actively looking here.

**Multi-Family Demand:** If you own a 2-, 3-, or 4-family home, you're sitting on one of the most sought-after property types in the market. Investors and owner-occupants compete aggressively for multi-family properties in Bayonne.

**Rising Values:** Bayonne has seen significant appreciation over the past several years. If you bought your home more than 3–5 years ago, your equity may have grown substantially — even if your home needs updates.

**Active Buyer Pool:** There are more buyers than available homes in Bayonne right now. That means even in a difficult situation, your property has value and desirability that works in your favor.

**Your Bayonne home has value — often more than you expect.  
Don't let foreclosure take what you've built. Let's find out what your home  
is worth.**

## SECTION EIGHT

# How Daniela Can Help

I created this guide because I believe every homeowner deserves to know their options — *all* of them, not just the ones that benefit me. Here's my promise to you:

- **Free, confidential consultation** — no obligation, no pressure, no judgment
- **I'll walk you through ALL your options** — including ones that don't involve selling
- **If selling is the right path**, I'll help you get the most value in the shortest time
- **I'll connect you with resources** — housing counselors, legal aid, assistance programs
- **I speak English and Spanish** — Hablo inglés y español



*"Daniela is very reliable, understanding and goes above and beyond the call of duty."*

— Romaine Thomas, Google Review

## The Hardest Part Is Making the First Call

Everything after that gets easier. I promise.

### Daniela Sepúlveda

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Everything we discuss is 100% confidential.

You didn't choose this situation, but you *can* choose what happens next. Whether you need information, resources, or just someone to listen — I'm here.

**Your home. Your future. Your choice.**