

## Foreclosure Timeline

**You miss payments and receive an acceleration letter:** If you do not “cure” the default by getting current with your payments you will soon receive an acceleration letter from the person or entity holding your mortgage (“mortgagee”) telling you that you need to pay the past due amounts within a certain timeframe. Being late on your mortgage payments may lead to additional charges.

**The foreclosure sale is scheduled:** After the acceleration letter, the mortgagee is permitted to schedule a foreclosure sale of your home if you have not brought all of your mortgage payments, cost, fees, and late charges current. The mortgagee must send you a notice of foreclosure sale at least 45 days before the foreclosure sale.

**The foreclosure is advertised:** The mortgagee advertises the sale (including date and time) once a week for three weeks in the newspaper before the foreclosure sale.

**The foreclosure sale occurs:** On the day of the foreclosure sale, an auctioneer on behalf of the mortgagee shows up on your front lawn and auctions off your home. Up to the point of foreclosure sale, you can “reinstate” by paying back the lender all the past due payments as well as the costs, fees, late fees, and penalties. You do not have to vacate your home on the sale date.

**The foreclosure deed is recorded by the new owner:** Whomever buys your home at the foreclosure sale has 60 days to record the foreclosure deed at the Registry of Deeds. The mortgagee may buy your home at the foreclosure sale or a third-party may buy your home.

**You are evicted:** After the foreclosure sale deed is recorded, the new owner (often the mortgagee) will start the process to evict you, the former homeowner.

## What is Foreclosure?

Foreclosure is when the lender or mortgage servicer takes back the property after the homeowner falls too far behind on their mortgage payments. Facing foreclosure can feel overwhelming, but you may have more options than you realize. The most important thing you can do when you’re having trouble paying your mortgage is to take action. In most cases, the worst thing you can do is nothing. This guide will provide information to help you better understand foreclosure and all that goes along with it.

## If you need to file a complaint

If you have a complaint against an institution the New Hampshire Banking Department regulates, please visit our website, print out the form and follow the instructions.

Please reach out to our legal staff by telephone (number below) if you have any questions.

**NH Banking Department:** (603) 271-3561

**NH AG consumer protection hotline:** 1-888-468-4454

**Consumer Financial Protection Bureau hotline:**  
1-855-411-2372

**US Dept. of Housing and Urban Development**

**Federal Trade Commission:** 1-877-382-4357

**211NH:** 1-866-444-4211 or online at 211nh.org

**HomeHelpNH:** online at homehelpnh.org

**NH Legal Aid:** 1-800-639-5290 or (603) 224-3333

Information provided by [www.hud.gov](http://www.hud.gov), [nhlegalaid.org](http://nhlegalaid.org) and [homehelpnh.org](http://homehelpnh.org). Please visit our website at [www.nh.gov/banking](http://www.nh.gov/banking) for more information and resources. Front cover photo by Roger Starnes, Sr. available on Unsplash.com.



State of New Hampshire  
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# Foreclosure Information Guide



## Avoiding Foreclosure

Contact your lender as soon as you realize you have a problem. If you are worried about making your payment later than usual, you should immediately let your loan servicer know when you expect to make the payment. Make sure the servicer has documented the date you anticipate to make the payment. Lenders do not want your house. They have options to help borrowers through difficult financial times. If you do not have your servicer's contact information, contact a housing counselor for free assistance.

If you are unable to make your mortgage payment:

**Don't ignore the problem:** The further behind you get, the harder it will be to bring your loan current and the more likely that you will lose your house.

**Contact a housing counselor:** Housing counselors can help you understand the process and your options, organize your finances and assist you in working with your servicer. See the "Housing Counseling" section for more information.

**Open and respond to all mail from your servicer:** The first notices you receive from your loan servicer will offer good information about foreclosure prevention options that can help you have a positive outcome. Later mail may include important notice of pending legal action. Your failure to open the mail will not be an excuse later in the foreclosure process. Keep every piece sent to you so you can get it to your housing counselor.

**Use your assets:** Do you have assets such as a second car, jewelry, or a whole life insurance policy that you can sell for cash to help reinstate your loan? Can anyone in your household get an extra job to bring in additional income? Even if these efforts don't significantly increase your available cash or your income, they demonstrate you are willing to make sacrifices to keep your home.

**Know your mortgage rights:** Locate your loan documents and read them to try to get some idea as to what will happen if you are unable to make your house payments. You may want to contact a housing counselor because you could have several options. A housing counselor will be able to explain what is in the loan documents, as well as the foreclosure time frame in New Hampshire. Do not be afraid to ask what the mortgage loan documents mean. Make certain you understand everything that is explained to you.

**Understand foreclosure prevention options:** A housing counselor can provide valuable information about foreclosure prevention, including information on loan modification and short sale options. Make certain you understand these options. If you do not understand it the first time, don't be afraid to have it explained again. Many of the concepts are difficult to understand.

**Save every nickel:** If you are behind and the servicer is no longer accepting payments, save as much as you can. You may qualify for assistance if your situation improves and if you are able to contribute funds to "cure" some of the arrearage (missed payments). You may need to hire an attorney or pay for rent if you don't qualify for any options.

**Prioritize your spending:** After healthcare, keeping your house should be your first priority. Review your finances and see where you can cut spending in order to make your mortgage payment. Look for optional expenses that you can eliminate. You may want to delay payments on credit cards and other "unsecured" debt until you have paid your mortgage. A housing counselor can help you put together a spending plan.

**Don't wait to seek help:** The longer you wait to get help, the harder it will be for a housing counselor or your lender to assist you. Losing your home may be the price you pay for thinking something will come along to fix everything. Take action quickly to give yourself the best chance.

## Housing Counseling

If you are behind on your mortgage payments or any other property related expense (property taxes, insurance, HOA fees, etc.), or anticipate that you may not be able to continue making your payments, call a local housing counselor to discuss the best course of action. Housing counseling is a free resource.

You can find a list of in-state housing counseling agencies at [homehelpnh.org](http://homehelpnh.org). **Don't wait!** The longer you delay, the fewer options you will have, and the more likely it will be that you will lose your home. **Act now!**

When you speak with a housing counselor, you will need some information ready to begin the discussion:

- Your latest mortgage, property tax, or association statement or payment coupon.
- The documents you received both before and at the closing of your mortgage loan.
- All correspondence you have received from your mortgage servicer, municipality, or association regarding your payment history.
- Copies of pay stubs for all the income earners in your household.
- Information regarding your monthly household expenses.

Be realistic in your expectations. There are many variables to consider in each situation, such as whether your financial difficulties are short-term or long-term and how far behind you are in your payments. Some families who act early and are in a position to accept the terms of any modification agreements reached with their loan servicer can successfully save their home from foreclosure. Unfortunately, the financial situation of some families may not allow them to remain in their home. There may come a time when you need to make some difficult decisions regarding your own situation.