

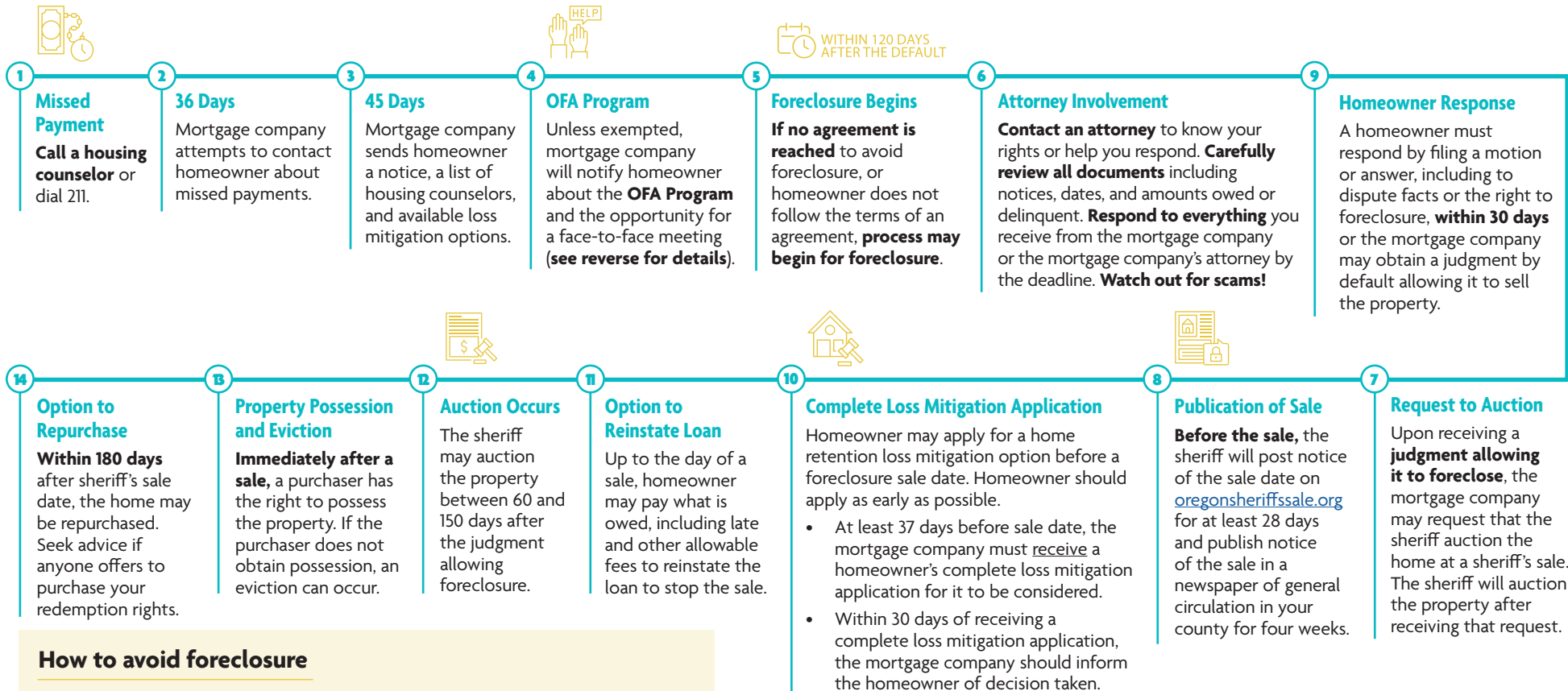
# OREGON FORECLOSURE PROCESS

## Judicial Foreclosure

**Foreclosure** – The legal process by which a mortgage company seizes and sells a home because a homeowner does not make their payments or otherwise defaulted on the terms of their home loan. Oregon allows for two different foreclosure processes: judicial and nonjudicial. Foreclosure can also occur when a homeowner does not pay their property taxes, a court judgment, or other liens on the property. This covers **Judicial Foreclosure**.

**Judicial Foreclosure** – A complaint is filed in circuit court to foreclose on a property and reclaim it from the homeowner. If you receive a **summons** and **complaint** or any notice to appear in court regarding the sale of your house, **contact an attorney as soon as possible**.

TIMELINE



### How to avoid foreclosure

Consider other ways to stop foreclosure if no loss mitigation or home retention option is worked out.

- Seek other options to bring loan current. **Learn more:** →
- Explore filing for bankruptcy – contact an attorney.
- Consider selling your home if your mortgage company will agree to additional time.



**Temporary federal Regulation X (RESPA):** Special protections are in place until Oct. 1, 2022, for homeowners impacted by the COVID-19 pandemic.

- For homeowners not in forbearance: Inform homeowners of forbearance options.
- For homeowners in forbearance: At least 10 days, but no more than 45 days before forbearance expiration, inform homeowners of available repayment plans and/or loss mitigation options.

# STRUGGLING TO PAY YOUR NEXT MORTGAGE PAYMENT?

You are not alone. There is help.



For more information: [OregonHomeownerHelp.org](http://OregonHomeownerHelp.org) or dial 211.

## If you think you may miss a mortgage payment

- Review your budget.
- Reduce expenses.
- Increase income.
- Consult a certified housing counselor.

## Terms to Know

**Default** = You have missed a payment or do not meet the terms of your mortgage contract.  
**Beneficiary, trustee, lender, servicer** = Mortgage company  
**Trustor, grantor, borrower** = Homeowner  
**Resolution conference, mediation meeting, Oregon Foreclosure Avoidance Program (OFA), mediation case manager** = Face-to-face meeting

## Your right to a face-to-face meeting

**Oregon Foreclosure Avoidance (OFA) Program.** Unless it files an exemption, which is permitted for mortgage companies that filed a limited number of foreclosures the preceding year, a mortgage company must notify a homeowner of OFA and the pre-foreclosure right to a face-to-face meeting with a mortgage company representative. A homeowner may also request a face-to-face meeting as soon as 30 days after a missed payment and after meeting with a housing counselor, but carefully discuss this with your counselor because starting OFA before the mortgage company does may speed up the foreclosure process. To accept this meeting with the mortgage company, the homeowner must:

- ✓ Return completed form.
- ✓ Pay applicable fees on time.
- ✓ Gather and submit required documents.
- ✓ Meet with housing counselor as scheduled.

## What to do if you miss a payment

**36 days after first missed payment** - The mortgage company will attempt to contact homeowner.

- ✓ **Respond** to your mortgage company. **Ask** about options. **Take notes.**

**45 days after first missed payment** - Mortgage company sends written notice to homeowner with loss mitigation options and a list of counseling agencies.

- ✓ **Consult** a certified Oregon housing counselor for free foreclosure avoidance counseling.
- ✓ **Respond** to mortgage company immediately to give you more time.
- ✓ **Provide** information about your financial situation.
- ✓ **Ask** what options you have. **Take notes.**
- ✓ **Commit** to make future payments on time, if you and your mortgage company agree on repayment terms.

## If a face-to-face meeting takes place:

### And homeowner and mortgage company reach an agreement:

- Carefully review and sign agreement.
- Keep a copy.
- If you fully comply with the terms of agreement, **you may be able to avoid foreclosure.**

### And mortgage company complies with OFA requirements, but homeowner and mortgage company do not reach an agreement:

- The mortgage company and the homeowner receive a certificate of compliance, and **then the mortgage company may start the foreclosure process.**
- If your mortgage company starts a foreclosure without a certificate of compliance or is exempted to comply with this requirement, contact an attorney immediately. You may be able to dispute and dismiss the foreclosure.

### ADDITIONAL INFORMATION AND RESOURCES:

Housing counselors: [www.oregon.gov/ohcs/pages/talk-with-a-housing-counselor.aspx](http://www.oregon.gov/ohcs/pages/talk-with-a-housing-counselor.aspx)  
Oregon Foreclosure Avoidance Program: [www.foreclosuremediationor.org](http://www.foreclosuremediationor.org)  
Oregon State Bar: [www.osbar.org/public/ris](http://www.osbar.org/public/ris)



Last Revised: July 1, 2022

**Disclaimer:** This information is based upon laws and regulations that may have changed after its production. It is not legal advice. Please consult with an Oregon housing counselor or attorney regarding your unique situation and Oregon foreclosure processes.