

MICHIGAN FORECLOSURE PROCESS

Michigan is one of the few states that allow the home owner 6 months to redeem the property after Sheriff Sale. In some cases, the time frame is 1 year, typically if there are some acres of land.

Homeowner fails to make the first payment. Usually after the second missed payment the note is slated to go to Sheriff Sale Auction. A law firm handles the process. They **MUST** post a notice in a newspaper for 4 consecutive weeks. They also post a Notice on the front door of the property.

This Notice Gives the Names of the Mortgagee as well as the Mortgagor. It states when the mortgage was consummated and what the amount was. Further information provided is the date of the sheriff sale and the amount. On rare occasion, property addresses are included, but typically only the City and legal description is given. The law firm handling the foreclosure also states that there is a **REDEMPTION PERIOD** of 6 months from the Sheriff Sale Auction Date. In some instances where there are acres of land involved, the redemption is extended to 1 year.

EXAMPLE

Attorney and Counselors, Law Firm Address

THIS FIRM IS A DEBT COLLECTOR ATTEMPTING TO COLLECT A DEBT. ANY INFORMATION WE OBTAIN WILL BE USED FOR THAT PURPOSE. PLEASE CONTACT OUR OFFICE AT THE NUMBER BELOW IF YOU ARE IN ACTIVE MILITARY DUTY.

ATTN PURCHASERS: This sale may be rescinded by the foreclosing mortgagee. In that event, your damages, if any, shall be limited solely to the return of the bid amount tendered at sale, plus interest.

MORTGAGE SALE - Default has been made in the conditions of a mortgage made by **MORTGAGOR, Married or Single**, original mortgagor(s), to **Mortgage Company**, dated _____, and recorded on _____, in Liber _____ on Page __, in _____ county records, Michigan, and assigned by said Mortgagee to _____ as assignee, on which mortgage there is claimed to be due at the date hereof the sum of **AMOUNT** Dollars (\$ _____), including interest at _____% per annum.

Under the power of sale contained in said mortgage and the statute in such case made and provided, notice is hereby given that said mortgage will be foreclosed by a sale of the mortgaged premises, or some part of them, at public vendue, at the place of holding the circuit court within _____ County, at **TIME**, on **DATE**.

Said premises are situated in **CITY**, _____ County, Michigan, and are described as: **LEGAL DESCRIPTION**.

The redemption period shall be 6 months (or 1 year) from the date of such sale, unless determined abandoned in accordance with MCLA 600.3241a, in which case the redemption period shall be 30 days from the date of such sale.

Dated:

Attorney and Counselors, ADDRESS, File # _____, DATES PUBLISHED

What Options Does a Homeowner have?

The owner has 6 months to redeem the property from the sheriff sale date.

1. Borrow the money from family-friends, sell the Boat or the Harley's to bring the loan current.
(probably can't refinance it at this point the credit is bruised)
2. Place the property on the market with a Real Estate Agent o sell it
If the value will not bring the amount owed along with all the associated fees – the agent can try to conduct a short sale, which means the Mortgagee has to be willing to take short of what is owed.
3. Ask the Mortgagee if they would be willing to do a Deed In Lieu
4. Make plans to move out before the Redemption Period is over

Homes that are in the Foreclosure Redemption Period **CAN** be redeemed – **SOME** can be successfully Short Sold, depending on who the lein holder is and if the listing agent has experience to handle the lengthy process.