

For more information, click on this link:

http://www.georgia.gov/00/article/0,2086,43414745_46389324_73902873,00.html

The screenshot shows the official portal for the State of Georgia, Department of Banking & Finance. The page is titled "Foreclosure" and provides information on mortgage payments, legal means of repossession, and steps to take if a borrower is struggling. It includes a search bar, a list of related links, and a navigation menu on the left.

georgia.gov Official Portal for the State of Georgia

Department of Banking & Finance
"Safeguarding Georgia's Financial Services"

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Foreclosure

If you fail to make your mortgage payments to your lender, foreclosure of your property may occur. This is the legal means that your lender can use to repossess (take over) your home. Foreclosures can seriously affect your ability to qualify for credit in the future.

Don't lose your home! Below is some guidance on default and foreclosure prevention. (Also see the link below to HUD's website for more information and resources):

Take these steps:

- Do not ignore the letters from your lender. If you're having problems making your payments, call or write to your lender's Loss Mitigation Department without delay. Explain your situation. Be prepared to provide them with financial information, such as your monthly income and expenses. Without this information, they may not be able to help.
- Stay in your home for now. You may not qualify for assistance if you abandon your property.
- Contact a HUD-approved housing counseling agency. Call 1-800-569-4287 or TDD 1-800-877-8339 for the housing counseling agency nearest you. These agencies are valuable resources.

Search **GO**

[Advanced Search](#)

- [Real Estate Brokers Q&A](#)
- [NMLS Consumer Access](#)
- [NMLS](#)

Related Links

- [Consumer Financial Protection Bureau \(CFPB\)](#)
- [DBF Consumer Resource List Brochure](#)
- [When a Bank Fails - Facts for Depositors, Creditors, and Borrowers](#)

They frequently have information on services and programs offered by government agencies as well as private and community organizations that could help you. The housing counseling agency may also offer credit counseling. These services are usually free of charge.

<http://www.hud.gov/foreclosure/index.cfm>

The guidance at the link above on HUD's website is applicable to homeowners with FHA Insured loans. While a good deal of this information may apply to all homeowners in danger of losing their homes, not all of the foreclosure avoidance tools mentioned may be available to you if you have a VA or conventional loan.

For Military Personnel, see also [Servicemembers Civil Relief Act](#)

Fannie Mae, a government-sponsored enterprise, which buys home loans from lenders in the secondary mortgage market, has launched a new website to assist borrowers, who are having difficulty meeting their home mortgage obligations. The website, named "**Know Your Options**," provides a wealth of information for all borrowers, whether or not Fannie Mae owns your loan. You can visit the site at <http://www.knowyouroptions.com/>.

Changes to Georgia Law Regarding Foreclosure Process

On May 13, 2008 Governor Sonny Perdue signed into law Senate Bill 531. The bill increased the notice period to a homeowner before a lender can foreclose. ***SB 531 lengthened the notice period from 15 days to at least 30 days prior to the scheduled foreclosure sale.***

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SB 531 also required that the certified letter giving the homeowner notice of the foreclosure sale include the name, address, and telephone number of the "individual or entity who shall have full authority to negotiate, amend, and modify all terms of the mortgage with the debtor." This provision of the bill is important because when homeowners are negotiating with their servicers, they often do not know what entity actually owns their loan. Sometimes a servicer will refuse to offer the homeowner a loan modification or other workout, claiming that they lack authority to do so. If the homeowner wants to reach the company that ultimately has the authority to accept any workout agreement, or if the homeowner wants to pursue a legal claim related to their mortgage loan, he or she needs to know the identity of the current holder of the mortgage loan. This bill requires that identity to be disclosed.

Lastly, SB 531 required that the current holder of the mortgage loan record the assignment of the security deed, which shows the present owner of the mortgage loan, in the public deed records before conducting the foreclosure sale. The bill became law and was effective July 1, 2008. For a copy of SB 531 go to:

http://www.legis.ga.gov/legis/2007_08/fulltext/sb531.htm

HOPE PROGRAM

To help combat the rise in foreclosures in metro Atlanta, the Consumer Credit Counseling Service of Greater Atlanta, the Fannie Mae Foundation, the Homeownership Preservation Foundation, NeighborWorks America, and the United Way have joined together to provide free counseling to Georgia homeowners to provide consumer education and to prevent home foreclosures. The Federal Reserve Bank of Atlanta, Georgia Department of Consumer Affairs, Georgia Department of Labor, and a number of mortgage lenders have also partnered to promote the HOPE campaign.

888-995-HOPE

24 hours a day / 7 days a week

"The counselor was very understanding and helped me understand that we weren't the only ones in this situation."

— Homeowner, Georgia

The HOPE program is a foreclosure prevention program and consists of a **toll-free 1-888-995-HOPE** hotline supplemented by face-to-face counseling provided by local NeighborWorks organizations. **The hotline is staffed 24 hours a day, 7 days a week**, by counselors, who provide free, confidential advice for those facing foreclosure. Homeowners who want or need in-person counseling will be referred to organizations throughout the metro area. Counseling is available in English and Spanish.

Related Information:

The National Association of Realtors®, in partnership with the Center for Responsible Lending and NeighborWorks America, provides a brochure on how to avoid foreclosures. "[Learn How to Avoid Foreclosure and Keep Your Home](#)" This brochure provides examples of mortgages that can put certain borrowers in danger; cautions consumers about predatory lending practices; identifies housing counseling organizations and other resources; and suggests steps homeowners should take as soon as they think they might not be able to make a monthly mortgage payment.

Internal Revenue Service Foreclosure Resources

The Internal Revenue Service has a special section on IRS.gov for people who have lost their homes due to foreclosure.

The IRS has also reassured homeowners that although mortgage workouts and foreclosures can have tax consequences, special relief provisions can often reduce or eliminate the tax bite for financially strapped borrowers who lose their homes. Details are in the attached news release and on IRS.gov.

The Internal Revenue Service is encouraging mortgage and real estate licensing agencies to assist in making this information available by posting on their webs or providing it to their customers by other means.

IR 2007-159 – The news release IR 2007-159 provides additional background. The news release and Frequently Asked Questions (FAQs) can also be found at: <http://www.irs.gov/newsroom/article/0,,id=174022,00.html>

The direct link to the FAQs is:
<http://www.irs.gov/newsroom/article/0,,id=174034,00.html>

[Mortgage Workouts, Now Tax-Free for Many Homeowners; Claim Relief on Newly-Revised IRS Form](#)

Related Topics:

- [Foreclosure Rescue Scams](#)
- [Neighborhood Stabilization Program \(NSP\)](#)



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