

How to Stop Foreclosure In Arizona - Foreclosure Assistance

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SellQuickForCash.com Investigates How To Stop Home Foreclosure

The key to Stopping Foreclosure Arizona starts with what you choose to do once you start missing your payments. It may seem like a ridiculous thing to even mention, but the most common cause of losing your home results from waiting too long to respond to your lender(s) after you have missed a payment. Most homeowners for one reason or another decide to avoid their lender(s) all together and ignore the phone calls and the forthcoming foreclosure notice. Contrary to popular belief, there are dozens of ways to save a house from foreclosure and SellQuickForCash.com will investigate how to [Stop Foreclosure Arizona](#).

When trying to stop foreclosure prior to missing a mortgage payment, all methods in this article may potentially save your home. As the foreclosure auction date comes closer, options continually become unavailable until only a bankruptcy or losing your home to foreclosure remains. Below you will find many of the most common methods to avoid foreclosure. Most ways to stop a foreclosure come up as subcategories of these main groups:

Foreclosure Workouts

For now, let us broadly define a "Foreclosure Workout" as any arrangement negotiated with a creditor outside of the original terms of the loan. This method allows all parties to make the most of a bad situation and therefore it's favored over the other options when possible. [Sell Quick For Cash](#) will list these "Foreclosure Workout" plans in order of what we see to be a best to worst case scenario. A foreclosure workout on property may take one of the following forms:

" Full Re-Instatement

It doesn't get easier than this, find out how much arrearage (back payments) is owed and pay it in full. If a debtor could do this they probably wouldn't be reading this, but just in case, know it exists as an option. In fact, most state laws grant the home owner the absolute right to re-instate before the foreclosure and require that the bank accept the full re-instatement and stop the foreclosure. Unless a creditor gives a debtor a hard time, they should not need outside help on this option.

" Attempt A Refinance.

Well, if at all possible, the first logical step most homeowners take when they begin to struggle financially is attempt a refinance. They normally start this before their credit has been affected, and if there is sufficient equity in the home they are in most instances successful. However, if there is little or no equity or the current real estate market is in a recession, a refinance to avoid foreclosure is nearly impossible. The major hurdle one faces is getting their property to appraise. The major downfall to this solution is that it takes time and if you get declined, that is time you cannot get back!

" Repayment or Forbearance Plan.

This is the first solution most commonly offered by your lender(s). It is easy to understand and typically you can choose this option without the need for outside help such as [www.SellQuickForCash.com](#). Basically, you pay a portion of the arrearage (the back payments you have been missing plus late fees), and agree to pay the rest in addition to the regular payment over a period of months (typically 12). With proof of income and the proper down payment, most lenders will accept this type of plan all day. Expect half of the arrearage plus its legal fees get paid up front with a promise to pay the rest of the arrearage in addition to the regular payment within twelve months. Plans with less down and paid over a longer period of time can be negotiated by loss mitigation professionals.

" Modify The Existing Mortgage.

In simple terms your lender(s) agrees to change the terms of the loan. Most often the changes are temporary. Reducing the interest rate, principal portions of payments, or extending the amortization in an effort to reduce overall payment obligations, remain the changes most acceptable to creditors. Unless the delinquency remains small with a loan at a local bank or the debtor has a nasty hardship under a government program this can be a tough plan to get through the creditor's guidelines. Often a professional foreclosure negotiator such as those found at [www.SellQuickForCash.com](#) can get these plans approved even when the debtor cannot.

" Real Estate Short Sale.

A Real Estate Short Sale refers to a lender(s) accepting a sales price that is less than what is currently owed plus all related sales expenses. So basically, a potential buyer can make an offer on the home for thousands less than what is currently owed, and get it accepted by the bank! This is common in a declining housing market and can be a win-win for both the bank and the homeowner. Normally a bank will begin to look at the short sale option only if the homeowner is behind on payments and begins to face foreclosure, but not always. In rare instances, the bank will still accept a short sale if the mortgage payments are current. The process to end up at the short sale options typically works like this:

- " The homeowner(s) begin to miss payments
- " The lender(s) try to arrange a repayment plan
- " The repayment plan fails or is never attempted and the bank mentions a short sale

Requirements for a short sale are:

- " A proven financial hardship
- " Behind on payments (In most circumstances)
- " You owe as much or more than your home is currently worth
- " The homeowner requests a short sale packet from their lender(s)
- " The bank notifies the homeowner(s) that they can't turn in the short sale packet until they have a signed purchase contract
- " The homeowner(s) have to decide what to do next...hire Cody Sperper Arizona Foreclosure and Short Sale Expert, or find a company like Sell Quick For Cash, LLC (Investment Company that specializes in Short Sales)

WWW.SELLQUICKFORCASH.COM has a team of highly trained short sale experts who have established fantastic relationships with most banks. We will handle your short sale transaction for you giving you the peace of mind you are searching for. The short sale process is NOT a "do it yourself" project. To successfully negotiate a short sale with a bank takes an experienced and highly trained real estate agent as well as a skilled negotiator. Our advanced process is extremely organized and we conduct these short sales in the quickest time possible relieving you of the fear of foreclosure! We are Arizona's Premier Short Sale and Foreclosure Experts!

" Deed-In-Lieu of Foreclosure.

This would be one of the last options we recommend. Here the debtor gives the property back to the creditor usually in exchange for their forgiveness of potential deficiencies. Do not think this happens without some negotiation by you or an Arizona foreclosure professional. Even if you give the house back or the bank takes it at a foreclosure auction you may owe the deficiency. This amount will be the difference between what the house sold for at the foreclosure sale and what you owe including the legal fees. While the deficiency can be settled without paying any of it, this must be agreed to and certainly does not happen automatically in most states. In Arizona, we have found that most homeowners that have more than one lien on their house...such as a first and second mortgage with two different lenders are typically denied the ability to do a Deed-In-Lieu of Foreclosure. The reason is the second (junior) lien holder will deny the solution and take their chances at a foreclosure auction. They do this because if they accept the Deed-In-Lieu, they are guaranteed to get nothing, but if it sells at auction for more than what is owed the first lien holder, they will get some of their money back!

" Let the House Go To Foreclosure.

Too often people refuse to examine this as an option. Obviously this would be the second to last option one should choose because of the tax, credit, and deficiency consequences associated with it, however, it could be better than throwing good money away at a non-performing asset. In other words, struggling to make your payments gets old and eventually one needs to make a choice which is more important...your family's health, food, and togetherness, or your expensive house and your credit. It is not difficult in today's declining real estate market to see that it might be a great idea to cut your losses, lick your wounds, and focus on getting your finances back together instead of worrying how you are going to make your next house payment.

In reality, it is not such a bad thing to be a renter nowadays! Spend the next couple of years as a renter fixing your credit, and when you have saved some money and the market gets better, go back out and purchase another more affordable home for you and your family!

About the Author

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