FORECLOSURE TIMELINE

Date house payment is due— Payment is not made

Notice of Sale is filed with County Recorder's Office Date and time of sale is set

Last chance for reinstatement of loan

Trustee Sale

Delinquency / Default period: 1 to 120 days →

Minimum 90 days before sale is held →

1 day →

Foreclosure can begin as soon as a homeowner is late with the mortgage payment. However, most lenders will try to work out alternatives with a homeowner in default before trying to repossess a home. If a homeowner works with the lender, the lender may delay foreclosure proceedings.

Time period could be more or less depending on individual circumstances

In order to bring the loan current and stop the foreclosure process, the homeowner will be required to pay the mortgage payments, late fees and the lender's fees for the foreclosure. Sometimes the lender will work out a payment plan or "forbearance agreement".

If an alternative cannot be worked out between the lender and the homeowner, the lender may begin foreclosure proceedings. In Arizona, a lender must appoint its trustee, the person or entity who has the legal right to sell the home in a "trustee sale". The trustee must record a "Notice of Trustee's Sale" in the county recorder's office. This is legal notice that the home is to be sold no sooner than 90 days from the recording date of the notice.
The trustee will mail a notice within five days of the recorded Notice of Trustee Sale to the homeowner and other parties affected by the foreclosure.
Until the trustee sale is held, the homeowner still owns the home and is responsible for the property.
The homeowner has the option of making the late payments, selling the home, refinancing, or filing bankruptcy before the trustee sale occurs.

The trustee will conduct the sale at a previously announced location. At that time the home is sold to the highest bidder, which may include the mortgage company. Proceeds from the sale are used to pay off the primary lien (trust deed) against the home. This transfer extinguishes all rights of the defaulting homeowner.