

MORTGAGE FORECLOSURE

Mortgage foreclosures can be devastating if you are a homeowner or beneficial if you are an investor. A homeowner with a mortgage that is in default can lose their home; however, being informed of the foreclosure and working with the lender can sometimes prevent the foreclosure. In a worst case scenario, a homeowner may be able to file for bankruptcy protection to avoid losing the home. Lenders are not required to go before a Judge for approval a foreclosure; though, Georgia law has strict requirements in lieu of the Judge's approval. For example, Georgia law requires the bank or lender to publish a notice of foreclosure, prior to the sale, in the official legal newspaper in the county in which the property is located, for no less than four consecutive weeks . Typically, foreclosure auctions are held on the first Tuesday (or Wednesday if the first Tuesday is a holiday) of the month. In addition to protecting your own interest as a homeowner, keeping abreast of foreclosure notices in your area can give homeowners valuable information about the homes in and around their neighborhoods. Lenders also must also stay informed of foreclosures to protect their interests. If the lender of a second mortgage is not aware that the lender of a first mortgage is foreclosing on the property, the second mortgage lender's interests may be in jeopardy.

On the other hand, if you are an investor, foreclosures can be a way to bargain shop for property. Homes in foreclosure can generally be purchased at a price well below the fair market value for the property. However, investors beware, all sales are final and many times you must pay in cash or certified funds, and take the property "as is" with no chance for inspection. Investors are encouraged to do significant research, including a thorough title search, before deciding that a property is right for you; perusing the mortgage foreclosure notices is merely a first step in a sometimes tedious process.