

Frequently asked question about Iowa Foreclosure

Why has my loan been turned over to an attorney?

Your loan has been turned over to a law firm to process foreclosure proceedings because you failed to timely make your mortgage payments or are otherwise in default under the terms of your mortgage. In many cases, once your account has been assigned to a law firm, the lender/servicer will require that all contact be made through the office of the "Attorney for the Plaintiff". However, you should contact your lender if you have a plan for payment resolution.

What is the foreclosure procedure?

In Iowa, mortgages are foreclosed by filing a foreclosure lawsuit or by non-judicial action. You will receive notice of the foreclosure as required by law, in either case. If you have questions about the foreclosure process, you should consult an attorney of your choosing.

What if I dispute the debt?

If you dispute the debt, you or your attorney must submit the dispute to in writing. If the dispute concerns the amount of money owed, please supply clear copies of the front and back of all checks or money orders reflecting payments for which you believe you have not been given credit. If the dispute concerns any other matter, please supply legible copies of any documents supporting your dispute. Please include a description of your dispute in your own words, your name, account number, property address, and lender account to the attorney of the plaintiff.

If you dispute the debt in writing, they must obtain verification of the debt as required by law. However, they will not stop or postpone the foreclosure action unless they are authorized by their client, or required by law, to do so. Disputing the debt does not excuse you from responding to the lawsuit in court. If you want to dispute the foreclosure in court, you should consult an attorney of your choosing. You may have other options available to you to dispute the debt and this is not intended to advise you of all of your legal options.

Can the legal action be postponed?

The foreclosure action will not stop or be postponed unless the attorney for the plaintiff is authorized by their client or required by law to do so. Any scheduled service expiration, hearing date, sale date or other deadlines remain as scheduled unless you received written confirmation from their attorney to the contrary. Your inquiry or dispute does not stop any pending procedures. **Their attorney cannot and will not advise you as to legal options you may have to postpone or stop the foreclosure.**

I have the money to pay the missed payments. What do I do now?

Until judgment is entered against you in the foreclosure proceeding, the foreclosure can be stopped if you pay all of the missed payments and any other amounts past due, together with the fees and costs incurred by our office. This is called "reinstating" the loan, and the amount you have to pay is the "reinstatement figure."

What happens if I reinstate the loan?

If you reinstate the loan, once it is verified with the mortgage company that they have received all funds needed to reinstate the loan within the time to reinstate, the court action will be dismissed.

What if I am refinancing my loan?

If you are refinancing your loan, your new lender will want to know the total payoff balance on your loan. Your new lender, or closing agent, may contact the lender or the attorney for the plaintiff to request the payoff balance with your signed authorization. The foreclosure will not be postponed or stopped in order to allow you to refinance without authorization from the attorneys client to do so.

What if I have filed bankruptcy?

If you are now in bankruptcy, contact your bankruptcy attorney about the pending foreclosure for further advice.

If you have received a discharge in bankruptcy, be advised the attorneys are not seeking a personal judgment against you, nor are they trying to collect the debt from you personally. The lender/servicing agent is, however, exercising its right to repossess the secured collateral for the loan (your property). If you have questions about the effect of your bankruptcy on the foreclosure process, you should direct those questions to your bankruptcy attorney.

Will I have to move after the foreclosure?

After the foreclosure sale, the Sheriff will issue a deed to the purchaser upon expiration of any **applicable redemption period**. Since no one knows who will buy the property, no one can tell you when you will have to move. However, you should expect that the purchaser of your property will demand possession after the sheriff issues the purchaser a deed to the property.

I am a tenant; what does the foreclosure mean to me?

If you are a tenant in the property, you may receive notice of the foreclosure sale. The property is being foreclosed because a secured loan on the property is in default. We are not seeking to collect the loan from any tenants. The foreclosure will go forward, however, even if you have been paying your rent on time. You should contact your landlord and/or seek legal counsel if you have any questions.