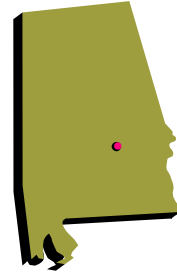


ALABAMA



Foreclosure in a Nutshell

Judicial	Non-Judicial	Process Period (Days)	Sale Publication (Days)	Redemption Period (Days)	Sale/NTS
•	•	49-74	21	365	Trustee

Comments: Judicial Foreclosures are not common

Alabama foreclosures occur both in court and out-of-court. The typical foreclosure process takes 2-3 months.

Pre-foreclosure Period

In Alabama, court foreclosures are rare, occurring only when there are title problems or when the mortgage lacks a provision giving the lender the right to sell the property if the borrower defaults. Out-of-court foreclosure proceedings are most commonly used. The process begins once a lender supplies the attorney with the applicable documents and the attorney schedules a sale of the property.

Although not required by state law, some mortgages require the lender to send a notice of default to the borrower 10-30 days before initiating the foreclosure process.

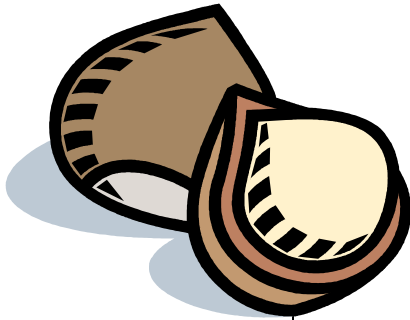
Unless the mortgage states otherwise, the borrower has a right to pay off the debt at any time and stop the foreclosure process until the day of the foreclosure sale.

Notice of Sale / Auction

A lender must follow any notice of sale requirements that are specified in a mortgage. The notice of sale is published for three weeks in a newspaper or posted at the courthouse door and three other public places. The notice must provide a description of the property and the day, place, and terms of the sale. Usually, the notice is also sent to the borrower, although it is not required unless dictated in the mortgage. If a borrower has other

mortgage loans, those lenders typically receive notice as well. The sale takes place at the courthouse. After the foreclosure sale and upon payment of the sale price, a deed is given to the winning bidder.

The borrower has the right to redeem the property after the foreclosure sale, up to one year after the foreclosure sale date.



Resources

a. Alabama Housing Finance Authority:

www.ahfa.com

b. Alabama State Foreclosure Task Force:

www.alabar.org/brochures/foreclosure

Toll-Free: (877) 393-2333

c. HUD:

[http://www.hud.gov/offices/pih/pha/
contacts/states/al.cfm](http://www.hud.gov/offices/pih/pha/contacts/states/al.cfm)