

ALASKA



Foreclosure in a Nutshell

Judicial	Non-Judicial	Process Period (Days)	Sale Publication (Days)	Redemption Period (Days)	Sale/NTS
•	•	105	65	365*	Trustee

Comments: Judicial Foreclosures are used as a last alternative

*Both in-court and out-of-court foreclosures are available in Alaska, but most foreclosures are done out of court. The typical out-of-court foreclosure takes 3-4 months.

Pre-foreclosure Period

In Alaska, most deeds of trust contain provisions enabling lenders to sell a property if a borrower defaults, thus giving lenders the power to foreclose out of court. For an out-of-court foreclosure to begin, the borrower must be in default for 30 days or more. A default notice is recorded and sent to all affected parties and must contain the deed of trust information, a description of the property, the debt owed, and the date, time, and location of the sale. This notice is also posted on the property. The borrower may resolve the default before the sale by paying the default amount plus applicable expenses.

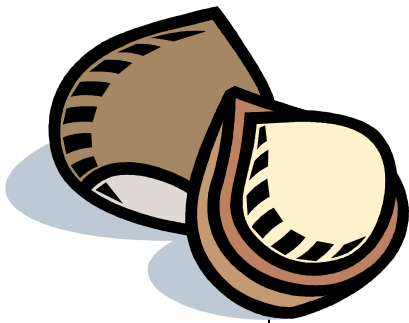
For court foreclosures, the borrower does not need to be 30 days in default. A complaint and *Lis Pendens* (notice of pending lawsuit) are filed in court and delivered to the borrower. If the borrower does not respond within 20 days after the complaint is delivered, the court is able to rule the borrower in default and instruct that the property be sold.

For both types of foreclosures, the notice of sale must be posted in three public places at least 30 days before the sale, with one of them being the closest U.S. post office. The notice must also be published in a local newspaper once a week for four weeks.

For out-of-court foreclosures, the location of the sale varies. The lender's attorney typically conducts the foreclosure sale. After the sale, the trustee provides the winning bidder with the deed transferring ownership. In most cases, all junior liens against the property are cleared from the title for the purchaser at an out-of-court auction. If the sale is postponed, the person conducting the sale must announce it publicly.

For court foreclosures the person overseeing the auction may postpone the auction by

announcement for up to one week. If the sale is postponed more than 30 days, a new notice of sale is issued and advertised. After the sale, the winning bidder receives a certificate of sale and the sale must be confirmed. For court foreclosure sales, borrowers have a right of redemption for 12 months after the sale confirmation. The borrower must pay the amount of the sale price plus 8 percent interest and other applicable costs. If the property is not redeemed, the winning bidder at the sale can obtain full ownership of the property.



Resources

a. Alaska Housing Finance Corporation:

<http://www.ahfc.state.ak.us/>

b. HUD:

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