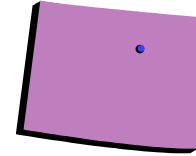


COLORADO



Foreclosure in a Nutshell

| Judicial | Non-Judicial | Process Period (Days) | Sale Publication (Days) | Redemption Period (Days) | Sale/NTS |
|----------|--------------|--------------------------|----------------------------|-----------------------------|----------|
| • | • | 91 | 14 | 75 | Trustee |

Comments: Judicial Foreclosures are not common

Colorado foreclosures occur through both in-court and out-of-court proceedings. The most common process is managed by a public trustee out of court and takes about six months.

Pre-foreclosure Period

The public trustee for each county is either appointed by the governor or elected by the public. The out-of-court foreclosure process begins when a lender files the appropriate documents with the public trustee to request a sale of the property. Once the public trustee officially records the foreclosure action, a foreclosure sale can be scheduled.

After the sale is scheduled, the lender still has to obtain a separate court order allowing the sale. The court schedules a hearing to consider the matter, and all affected parties are notified. If no one contests that the borrower is in default, the court allows the sale without a hearing.

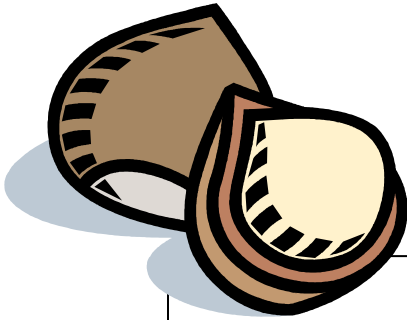
If the borrower plans to pay off the default and stop the foreclosure, he or she needs to submit the intention to do this to the public trustee at least 15 days before the sale. If this is done, the borrower can pay off the default and discontinue the foreclosure process up until noon the day before the sale.

The public trustee schedules the sale 45-60 days after the initial foreclosure action was recorded. The notice of sale is published in a local newspaper for five weeks. The public trustee also mails a copy of the notice to the borrower.

The public trustee typically conducts the sale at the courthouse. At the sale, the public trustee reads the written bid submitted by the lender, and any party may bid. If anyone

other than the lender is the winning bidder, that person must deliver the bid amount in cash or cashier's check to the public trustee. The winning bidder is given a certificate of purchase.

After the sale, the borrower usually has 75 days to redeem the property by paying the total winning bid plus interest and costs. If the borrower does not redeem, junior lien holders may do so. If no one redeems, the public trustee transfers ownership to the winning bidder.



Resources

a. Colorado Housing Authorities:

Adams County: <http://www.adamscountyhousing.com/content/achahome.aspx>
Boulder County: <http://www.bouldercounty.org/>
Brush: <http://www.brushhousing.com/>
Denver: <http://www.denverhousing.org/Pages/default.aspx>
Englewood: <http://englewoodhousing.homestead.com/>
Greeley-Weld: <http://www.greeley-weldha.org/>
Lamar: <http://www.lamarhousing.org/>

b. Colorado Foreclosure Prevention:

<http://www.dola.state.co.us/cdh/foreclosure.htm>

c. HUD:

<http://www.hud.gov/offices/pih/pha/contacts/states/co.cfm>