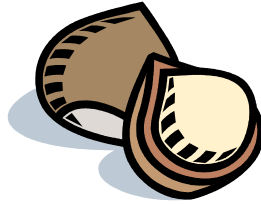


DISTRICT OF COLUMBIA

Foreclosure in a Nutshell



Judicial	Non-Judicial	Process Period (Days)	Sale Publication (Days)	Redemption Period (Days)	Sale/NTS
•	•	47	18	None	Trustee

Pre-foreclosure Period

While court foreclosures occasionally occur in the District of Columbia, most foreclosures are out-of-court proceedings. This is because the mortgage or deed of trust usually contains a clause that allows the lender the right to sell the property. Once a borrower is in default, the lender starts foreclosure proceedings after sending a notice to the borrower that the terms of the mortgage or deed of trust have been violated.

The borrower can reinstate the loan up to five days before to the foreclosure sale by paying the default amount, including late charges and costs. This can occur no more than once in any two years.

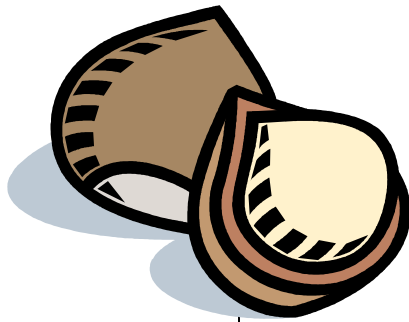
The typical timeline for an out-of-court foreclosure is at least 47 days.

A lender must send a notice of foreclosure sale by certified mail to the owner of the property at least 30 days prior to the sale. The lender must also record the notice of sale with the recorder of deeds and mail a copy to the mayor or the mayor's agent within this time frame. Traditionally, lenders also inform any lien holders about the sale.

The mortgage or deed of trust may include a particular time and place of the sale. If so, the procedure must be followed. If not, the lender or trustee acquires a court order specifying the sale terms. Likewise, the lender abides by any advertising requirements stipulated in the mortgage or deed of trust. If no requirements are included, the lender typically advertises the foreclosure sale in The Washington Post or The Washington Times five times prior to sale date.

The foreclosure sale is conducted by a licensed auctioneer and typically occurs at the auctioneer's office. If a trustee postpones the sale, a new notice of sale is republished and resent. Once the sale is complete, the trustee's deed is recorded.

The borrower has no rights of redemption after a deed of trust foreclosure sale.



Resources

a. DC Housing Authorities:

<http://www.dchousing.org/>

b. HUD:

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