

FACTS About Michigan's Current Mortgage Foreclosure Law

Mortgage Lender Rights and Responsibilities:

- The mortgage holder or servicer must send a written notice through their attorney's office to the borrower informing of their rights and the opportunity to avoid foreclosure.
- The written notice must be mailed by regular first-class mail and by certified mail.
- They may publish this information in the newspaper.

30-60-90 Timeline

30 Days:

- The borrower, either directly or through a housing counselor, must contact the designated agent listed on the notice and ask for a meeting within 30 days of the date on the notice.
- Within 30 days of the date on the notice, the housing counselor must inform the designated agent in writing that the borrower wants to negotiate a loan modification.
- If the designated agent doesn't hear from the borrower within 30 days, the borrower has opted out of the 90-day process, and the lender will proceed to foreclose by advertisement.

60 Days:

- The designated agent must request the required financial documents from the borrower within 10 days after being contacted by the borrower or the housing counselor.
- Within 60 days of the date on the notice, the borrower must provide the designated agent with any requested documents.
- If the borrower does not provide the requested documents within 60 days of the date on the notice, the lender can proceed to foreclose by advertisement.

90 Days:

- After being informed that a borrower wishes to meet, the designated agent must schedule a meeting with the borrower at a time and place that is convenient to all parties, or in the county where the property is situated.
- Before 90 days after the notice is mailed or 10 days after the meeting between the borrower and the designated agent, whichever is later, the designated agent must provide the borrower with a copy of the loan modification calculations, and, at the borrower's request, a copy of the lender's modification guidelines, programs or process.

A Mortgage Holder or Servicer Cannot Foreclose by Advertisement If:

- A notice has not been mailed to the borrower.
- After a notice is mailed to the borrower, the time for the borrower to request, either directly or through a housing counselor, a meeting with the designated agent has not expired.



- Within 30 days after a notice is mailed to the borrower, the borrower has requested a meeting with the designated agent and 90 days have not passed after the notice was mailed.
- The designated agent has requested documents and the time for producing the documents has not expired.
- The borrower has requested a meeting with the designated agent, the borrower has provided documents requested by the designated agent and the designated agent person has not met or negotiated with the borrower.
- The borrower and lender have agreed to modify the mortgage loan and the borrower is not in default under the modified agreement.
- The calculations show that the borrower is eligible for a loan modification and foreclosure is not allowed under the law.
- **Note:** *This does not apply if the borrower does not provide the documents within 60 days.*

A mortgage holder or servicer can foreclose by advertisement when the borrower is eligible for a modification if:

- The designated agent acted in good faith.
- The borrower did not execute and return the modification agreement.

Important Deadlines to Remember

30 days – Deadline for homeowner to opt-in for a meeting with the designated agent listed on the attorney letter

60 days – Deadline for homeowner to provide any requested documents to the designated agent

90 days – Deadline for designated agent to schedule a meeting with the homeowner

To contact a Washtenaw County housing counselor, call the following numbers:

- Michigan State Housing Development Authority (MSHDA) – 866-946-7432
- United States Department of Housing & Urban Development (HUD) – 800-569-4287
- Washtenaw County Housing Partners – 734-222-9595 (Intake Desk at Michigan State University Extension Office – Washtenaw County)

