HOMEOWNER GUIDE

Questions to Ask Before Foreclosure Becomes Urgent

A calm, practical guide for Texas homeowners who are worried about a mortgage payment, have received a notice, or need to decide whether keeping or selling the home is realistic.

The earlier you act, the more time you may have to understand and compare your options.

Start with facts—not fear

Open every letter, check your mortgage portal, save every notice, and write down any foreclosure sale date. Contact your mortgage servicer and a HUD-approved housing counselor. A real estate agent can analyze a possible sale, but cannot provide legal, bankruptcy, tax, or loan-modification advice.

The First Five Questions

#	Question	Why it matters
	Is a foreclosure sale date already scheduled?	Find the exact date, time, location, trustee/attorney, and document or file number. Ask for written confirmation of any postponement.
	How far behind is the loan—and what amount would bring it current?	Ask the servicer for a written reinstatement figure, not only the portal balance.
	Can I afford the regular payment going forward?	A temporary hardship may call for a different path than a permanent payment problem.
	Do I want to keep the home, sell it, or compare both?	There is no useful plan until your preferred outcome and realistic budget are clear.
	Who owns and services the loan?	The company collecting payments may not own the loan. Program rules can depend on loan type and investor.

Know Your Deadline

- ☐ What notices have I received—default, intent to accelerate, acceleration, trustee sale, lawsuit, tax, or HOA?
- ☐ What date was each notice mailed, posted, filed, or delivered?
- ☐ Is there a court case, bankruptcy filing, military-service issue, probate matter, divorce, or ownership dispute?
- ☐ Has anyone told me the sale is postponed? Do I have that in writing from an authorized source?

Understand the Complete Debt

- ☐ What is the written payoff through a realistic closing date?
- ☐ Did a forbearance, partial claim, deferral, or loan modification create another balance or lien?
- ☐ Do I owe a second mortgage, HELOC, property taxes, HOA/POA, judgment, child support, tax lien, solar loan, HVAC/roof financing, or other assessment?
- ☐ Has the payment increased because of an escrow shortage, higher taxes/insurance, a rate change, or force-placed insurance?

Ask About Home-Retention Options

☐ Does the servicer have a repayment plan, forbearance, modification, partial claim, or other loss-mitigation option for my loan?
☐ What documents are required, and when will the application be considered complete?
☐ What is missing now, and what is the deadline to provide it?
☐ Will the proposed option make the payment affordable after the temporary period ends?
☐ What happens to past-due amounts, fees, escrow shortages, and deferred balances?

Evaluate a Sale Before Time Runs Out

☐ What is the home likely worth in its current condition—not after imagined repairs?
☐ What would a sale cost after mortgages, taxes, HOA, title, commissions, concessions, repairs, and moving expenses?
☐ Does the expected net cover every debt and closing cost with a reasonable buffer?
☐ How long would preparation, marketing, contract, lender review, title work, and closing realistically take?
☐ If proceeds are insufficient, will each necessary lienholder consider a short sale or reduced payoff?

Understand Short-Sale Terms

☐ Does the servicer require a complete package before or after an offer is received?
☐ Will it order a BPO or appraisal, and what happens if its value is higher than the market response?
☐ What price, net proceeds, commissions, concessions, junior-lien payments, and closing date will be allowed?
☐ Will the approval waive the remaining debt, reserve collection rights, require a cash contribution, or create tax reporting?
☐ Does the approval prohibit a related-party buyer, resale, seller proceeds, side agreement, or occupancy arrangement?

Protect Your Home, Identity & Equity

☐ Is anyone asking for an upfront fee, deed transfer, power of attorney, bank password, or a promise to “stop foreclosure” immediately?
☐ Is someone pressuring me to sign before I can speak with an attorney, counselor, family member, or trusted professional?
☐ Does every payment, repair, leaseback, relocation incentive, or side agreement appear in the written transaction and lender approval?
☐ Have I independently verified the person’s license, company, address, and role?

Plan for Housing and Closing

☐ Where will I live if the home is sold, surrendered, or foreclosed?
☐ How much cash and time are needed for deposits, moving, storage, utilities, and transportation?
☐ What happens to tenants, security deposits, pets, personal property, and insurance?
☐ Who will review legal liability, taxes, credit, and future mortgage eligibility with me?

A Practical 48-Hour Action Plan

1	**Collect** Put every mortgage, tax, HOA, court, trustee, and attorney notice in one folder. Photograph or scan the complete pages and envelopes.
2	**Call** Contact the mortgage servicer using a verified number from the statement. Ask for the loss-mitigation department, a written reinstatement amount, and the exact list of required documents.
3	**Counsel** Call a HUD-approved housing counselor at 800-569-4287. Seek a Texas attorney immediately when a sale date, lawsuit, bankruptcy, title dispute, or scam is involved.
4	**Calculate** Ask a qualified real estate professional for a conservative as-is market analysis and a preliminary net—only after liens and likely costs are considered.
5	**Choose** Compare a realistic keep-the-home plan with a realistic sale plan. Do not delay because the choices are uncomfortable.

Keep, Sell, or Keep Investigating?

Keeping may deserve more review when…	Selling may deserve more review when…
The regular payment is affordable after the temporary hardship.	The payment is not sustainable even after a temporary solution.
A complete loss-mitigation application is active and the proposed terms are understandable.	A sale can preserve equity or reduce the damage of a later forced sale.
There is a workable plan for taxes, insurance, HOA, repairs, and future maintenance.	Major liens, repairs, divorce, relocation, job change, or other facts make keeping the home impractical.
The homeowner wants to remain and has qualified legal/financial guidance.	Time is shrinking and the homeowner is prepared to act on market-supported pricing and documentation.

You are allowed to ask for help

Financial distress is not a moral failure. The productive move is to replace avoidance with a documented timeline, verified numbers, and qualified advice. Be cautious of anyone who needs secrecy, urgency, or control of your deed to “help.”

Helpful Contacts

Who	How to reach them	What to ask
Mortgage servicer	Use the verified number on your statement or official account portal.	Payment history, reinstatement, payoff, loss mitigation, written status.
HUD-approved housing counselor	800-569-4287	Independent housing counseling and help organizing a servicer conversation.
Texas attorney	Choose one experienced with the issue involved.	Foreclosure, bankruptcy, probate, divorce, title, deficiency, lawsuits, scams.
Tax professional	CPA, enrolled agent, or qualified tax attorney.	Debt forgiveness, 1099-C, insolvency, basis, sale and relocation tax questions.
The Trochilidae Group	409.927.0881 | adrianaatsurge@gmail.com	As-is market analysis, sale strategy, short-sale transaction coordination, and referrals.

REFERENCE

Professional Use Notes & Sources

Scope boundary

These materials support real estate brokerage conversations and file management. They are not legal, tax, bankruptcy, credit-repair, appraisal, or mortgage-servicing advice. Use current forms, follow Surge Realty policy, and refer questions outside the agent's scope.

Texas foreclosure procedure: Texas Property Code Chapter 51. Written notices, the deed of trust, lien type, loan type, court orders, bankruptcy status, military protections, and other facts may change the timeline.

Federal mortgage-servicing protections: Consumer Financial Protection Bureau, Regulation X, 12 C.F.R. § 1024.41. A complete loss-mitigation application submitted early enough can trigger review and certain procedural protections; exceptions and loan coverage matter.

Short-sale contract form: Texas Real Estate Commission Short Sale Addendum, TREC No. 45-2, and the applicable current promulgated contract.

Housing counseling: U.S. Department of Housing and Urban Development. Find a HUD-approved housing counselor at 800-569-4287.

Marketing and representations: Federal Trade Commission Mortgage Assistance Relief Services guidance. Real estate professionals assisting with a sale must avoid misrepresentations and should not market themselves as loan-modification or foreclosure-rescue providers.

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