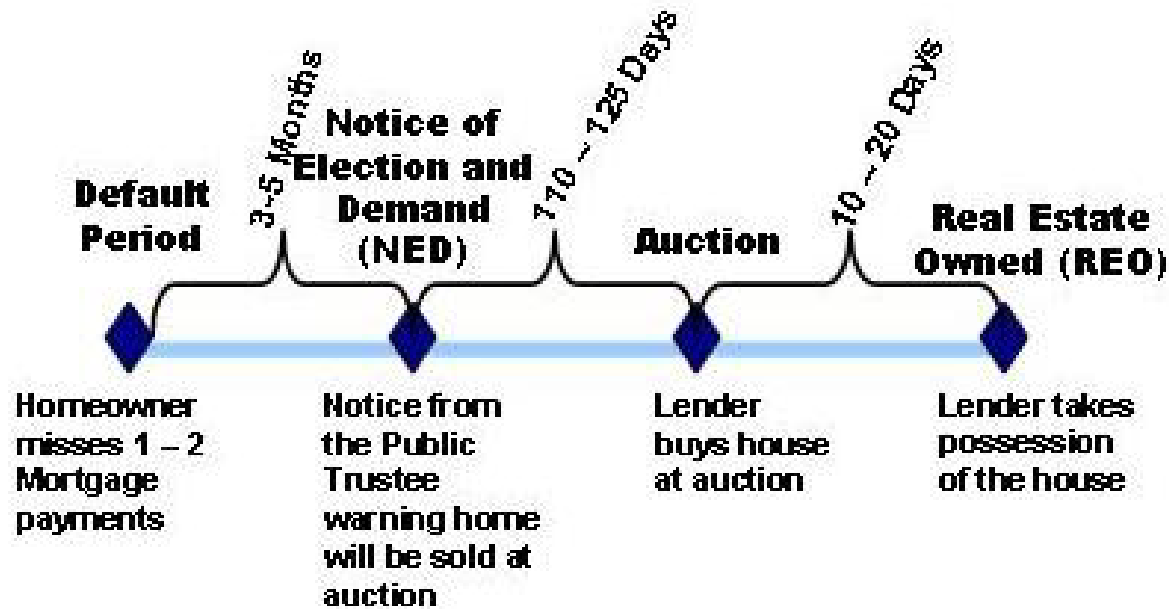


Foreclosure Process



There are four main stages to the Foreclosure Process:

- ◆ **Default.** When mortgage payments are missed, the homeowner is in default.
- ◆ **Notice of Election and Demand (NED).** If the homeowner does not recuperate from the missed payments, the homeowner will receive a document from the Public Trustee notifying the homeowner the house will be sold at auction if the payments are not paid.
- ◆ **Auction.** The lender will buy the house at auction.
- ◆ **Real Estate Owned (REO).** The lender will take possession of the house. If the homeowner is still living in the house, the homeowner will be evicted.