

2026 GUIDE

Mortgage problems: behind on payments, foreclosure, and the options that remain

Missed a payment or facing foreclosure? The federal timeline, forbearance vs modification, short sale vs deed in lieu, state foreclosure rules and free help.

One missed payment is not a foreclosure. The timeline, the tools, your state's rules — and free help that servicers take seriously.

Falling behind on a mortgage is a staircase, not a cliff, and each step has rules. A late fee after the grace period; a credit report mark at 30 days; written options from the servicer by day 45; and — under federal servicing rules — no foreclosure filing until the loan is more than 120 days delinquent. Inside that window, a repayment plan, forbearance, deferral or [loan modification](#) costs far less than anything that comes later.

If the window has closed, the state decides what happens next: a trustee sale two months after notice in Texas or Georgia, a court case with mandatory mediation and years of process in New York or New Jersey, a right to buy the home back after the sale in Michigan or Alabama, and — in a handful of states — a bar on the lender ever suing you for the shortfall. Our [state foreclosure pages](#) lay out the process, timeline, redemption rights, mediation programs, state assistance and deficiency rules for all fifty.

Two things are true everywhere: [HUD-approved housing counselors](#) are free and know the programs, and anyone who asks for an upfront fee to “stop your foreclosure” is running a [recognized scam](#). Start with [what to do in the first 72 hours](#).

The method, in five steps

1. Find out who backs your loan (FHA, VA, USDA, Fannie Mae, Freddie Mac, other) — it sets your options.
2. Call the servicer's loss mitigation line and log the date, name and reference number; ask for the application.
3. Call a free HUD-approved counselor (800-569-4287) before you send anything.
4. Read your state's foreclosure page and write every deadline from your notices on a calendar.
5. If you received a court summons, answer it before the deadline — an unanswered complaint becomes a default judgment.

Questions people ask

How long before the bank can foreclose?

Under federal servicing rules, no foreclosure filing until the loan is more than 120 days delinquent, and none while a complete loss mitigation application is under review. After that, state law governs: a few months in non-judicial states, a year or more in most judicial states.

Should I pay a company to negotiate with my lender?

No. Under the FTC's MARS rule, relief companies may not charge until you accept a written offer from your lender; HUD-approved counselors do the same work free. Upfront fees are the signature of foreclosure rescue scams.

Can I sell my house while in foreclosure?

Yes, up to the sale date in nearly every state. If the home is worth more than the debt, a normal sale pays off the loan; if not, a short sale with the lender's approval — and a written deficiency waiver — is usually far better than letting the foreclosure finish.

Your state's rules

Every state changes the answer — programs, usury caps, foreclosure speed. The state guides are free at <https://claude-loan.com/mortgage-problems/> (pick your state).

Keep reading on Claude Loan

- Can't pay your mortgage this month? What to do in the next 72 hours — <https://claude-loan.com/guides/cant-pay-mortgage-this-month/>
- Missed a mortgage payment? What happens at 30, 60, 90 and 120 days — <https://claude-loan.com/guides/missed-mortgage-payment-what-happens/>
- Forbearance vs loan modification (vs repayment plan vs deferral): which tool fits — <https://claude-loan.com/guides/forbearance-vs-modification/>
- How foreclosure works, step by step: judicial and non-judicial — <https://claude-loan.com/guides/how-foreclosure-works/>
- Short sale vs deed in lieu of foreclosure: leaving the home on your terms — <https://claude-loan.com/guides/short-sale-vs-deed-in-lieu/>
- How to write a mortgage hardship letter (with a one-page template) — <https://claude-loan.com/guides/mortgage-hardship-letter/>

Sources

- CFPB — Mortgage servicing rules (Regulation X) — <https://www.consumerfinance.gov/rules-policy/regulations/1024/>
- CFPB — Help for homeowners — <https://www.consumerfinance.gov/housing/>
- HUD — Find a housing counselor — <https://www.hud.gov/findacounselor>
- FTC — Mortgage relief scams — <https://consumer.ftc.gov/articles/mortgage-relief-scams>

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