

Foreclosure Timeline for Wisconsin Homes

In Wisconsin, all foreclosure actions have to go through formal court proceedings. This timeline will give you a general idea of how long the residential foreclosure process will take in the Circuit Court. Each court case is different, so you should contact a lawyer for more specific advice.

Start of Legal Action:

A foreclosure action is started by filing a Summons and Complaint in the county in which the real estate is located. You may be personally served with those documents by the County Sheriff's Department or a private process server.

You have 20 days to answer the complaint from the date you are served with it. You can dispute any of the information in the complaint. To "answer the complaint" means to put in writing if you agree or disagree with what the complaint states. You must file this written answer with the court and send a copy to the lender's attorney. The court does not schedule a court date until a written answer is filed.

Before a judgment is entered, you may have the right to pay all amounts past due plus attorney's fees and costs, and the court case may then be dismissed. Your lender may be willing to work out a loan modification with you or a payment plan so keep trying to contact it or its attorneys to negotiate a deal.

Judgment:

After the time to file an answer has passed, the lender will be able to move for a default judgment if you do not answer. You may not receive any court notice of a default judgment, depending on your local court rules. If you do file an answer, a hearing will be scheduled and the court will decide if the lender should receive a judgment based on all the evidence given.

The redemption period starts with the entry of judgment. The redemption period is the minimum amount of time you have in the home before the house is sold by auction in a sheriff's sale. For residential mortgages **executed prior to April 27, 2016**, the redemption period is usually 6 or 12 months. The lender will specify in the complaint which redemption period will apply to your situation. The period is usually 6 months if the lender agrees to waive its right to a deficiency judgment, which is the right to sue you for the difference between the sale price of the house and the amount you owe on the loan. This means that the lender will not make you pay anything, but it will take your house. If the lender does not waive the right to a deficiency judgment, the redemption period is usually 12 months.

If the property is deemed abandoned, the timeline is different. For such homes, between 5 weeks to 12 months after judgment is entered, the lender is required to either 1) hold a sheriff's sale or 2) release/satisfy the mortgage and vacate the judgment of foreclosure. If the lender does not, then any party may petition the court to order the sale of the premises.

During the redemption period, you may refinance or sell the property in order to pay off the amount owed to the lender. If the lender agrees, you may sell the property for less than the amount owed to the lender in a 'short sale.' Ask a tax professional about tax consequences of a short sale.

NOTE: For mortgages **executed on or after April 27, 2016**, the redemption periods are usually either 3 months or 6 months: 3 months if the lender is waiving its right to a deficiency judgment or 6 months if not. However, if the house is listed with a real estate broker and you are attempting to sell the house in

good faith, the homeowner can request that the court extend the redemption period to 5 months (instead of 3) or 8 months (instead of 6).

Sheriff's Sale:

Notice of the sheriff's sale will be published in the newspaper for three weeks prior to the sale and posted in various locations in the county. You will not personally receive a notice, but you can check the sheriff's website or call its office for the date. The sale can be held any time after the end of the redemption period. If the deficiency is waived, notice of the foreclosure sale may be given during the redemption period. The sale is open to the public.

Confirmation of Sale:

A court hearing is scheduled after the sheriff's sale to confirm (approve) the sale. Generally, you receive at least 5 days notice of the hearing. If you did not ever appear in court or file an answer, you may not receive a notice, so you should check in with the local clerk of court to find out what hearings are being scheduled in your case.

If the sale is approved, the court usually will order your removal from the property by the sheriff if you do not voluntarily move. You can live in the home during the foreclosure process, but you should try to arrange a moving date with the lender for a date around the confirmation of sale hearing date.

Overall Timeframe:

Starting from the time the legal action is commenced, it may take 6 to 18 months for the foreclosure action to end, depending on the redemption period and court and attorney calendars.

For assistance with negotiating with your lender, contact the following agencies:

- **NeighborWorks**: see its website for a list of HUD-approved counselors in your area - **www.nw.org**
- **Homeowner's HOPE Hotline**: call for assistance negotiating a workout with your lender - **888-995-HOPE (4673)** or **www.995hope.org**

If you are low-income and looking for legal advice on foreclosures in Wisconsin, Legal Action of Wisconsin, Inc. (www.legalaction.org) may be able to assist you. You can also obtain the name of a lawyer who practices foreclosure law from the State Bar Lawyer Referral and Information Service at (800) 362-9082.

Remember: The law often changes. Each case is different. This pamphlet is meant to give you general information and not to give you specific legal advice.

The above is intended to provide general information only and is not a substitute for thorough and specific advice on an individual case. Depending on the complexity of your legal problem, you may need to consult an attorney for advice or representation.

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