



Before Foreclosure FAQs

Facing foreclosure involves a long chain of financial, legal, logistical, and emotional problems — both before the foreclosure happens and after the home is lost. The exact process varies by state, including Texas, but these are the most common issues homeowners experience.

1. Missed Mortgage Payments

Usually, the process starts after:

- 1 missed payment → late fees and lender calls
- 2–3 missed payments → credit damage increases
- 90+ days late → lender may begin formal foreclosure

Problems that build quickly:

- Late fees
- Penalty interest
- Collection calls
- Stress and anxiety
- Difficulty catching up because the balance grows monthly

2. Credit Score Damage

Even before foreclosure officially happens:

- Mortgage delinquencies are reported to credit bureaus
- Scores can drop 100–200+ points
- Harder to:
 - Get loans
 - Rent apartments
 - Finance cars
 - Obtain credit cards

“Not legal advice. Not an attorney. Verify all information with a licensed Texas attorney or qualified professional.”



3. Legal Notices and Deadlines

You may receive:

- Demand letters
- Notice of default
- Notice of acceleration
- Sale notices

Many people struggle with:

- Understanding legal language
- Responding on time
- Knowing their rights
- Finding affordable legal help

In Texas, especially, foreclosure timelines can move relatively fast because it is largely a non-judicial foreclosure state.

4. Risk of Scams

Distressed homeowners are often targeted by:

- “Foreclosure rescue” companies
- Fake attorneys
- Equity theft scams
- Fake loan modification services

Warning signs:

- Requests for upfront fees
- Pressure to sign over the deed
- Guarantees they can “stop foreclosure”

5. Loan Modification Problems

Trying to save the home can create additional issues:

- Lost paperwork by lenders/servicers
- Repeated document requests
- Delayed responses
- Trial modifications that fail
- Confusing eligibility requirements

Some homeowners spend months applying while still falling further behind.

“Not legal advice. Not an attorney. Verify all information with a licensed Texas attorney or qualified professional.”



6. Emotional and Family Stress

Common effects include:

- Anxiety
- Depression
- Sleep problems
- Relationship strain
- Family conflict
- Embarrassment/social isolation

Children may also be affected by instability and possible school changes.

7. Property Maintenance Pressure

When money becomes tight:

- Repairs get delayed
- HOA dues may go unpaid
- Property taxes can become delinquent
- Insurance may lapse

That can create:

- Code violations
- HOA lawsuits
- Tax liens
- Additional foreclosure risks