

**From the office of:**

Beginning on January 1, 2009, the Homeowner's Rights Act (Public Act 095-0961) requires lenders to provide borrowers with a clear notice of their legal rights and options when they are served with a foreclosure suit. This notice must advise homeowners that they can sell their home, refinance or pay off the loan during the redemption period. It will also advise homeowners to call their mortgage company to discuss alternatives to foreclosure.

The law also requires lenders to provide borrowers with an accurate statement of the outstanding mortgage balance within 10 days of the borrower's request. By telling homeowners exactly how much they must pay to avoid foreclosure, these payoff statements permit homeowners to quickly explore their options, such as refinancing the loan or selling their home to protect their equity.

**Beginning January 1, 2009, for all foreclosure actions filed in Illinois,
the lender must attach a Homeowner Notice to the summons.**

The notice must be in substantially the following form:

IMPORTANT INFORMATION FOR HOMEOWNERS IN FORECLOSURE

- 1. POSSESSION:** The lawful occupants of a home have the right to live in the home until a judge enters an order for possession.
- 2. OWNERSHIP:** You continue to own your home until the court rules otherwise.
- 3. REINSTATEMENT:** As the homeowner you have the right to bring the mortgage current within 90 days after you receive the summons.
- 4. REDEMPTION:** As the homeowner you have the right to sell your home, refinance, or pay off the loan during the redemption period.
- 5. SURPLUS:** As the homeowner you have the right to petition the court for any excess money that results from a foreclosure sale of your home.
- 6. WORKOUT OPTIONS:** The mortgage company does not want to foreclose on your home if there is any way to avoid it. Call your mortgage company [insert name of the homeowner's current mortgage servicer in bold and 14 point type] or its attorneys to find out the alternatives to foreclosure.
- 7. PAYOFF AMOUNT:** You have the right to obtain a written statement of the amount necessary to pay off your loan. Your mortgage company (identified above) must provide you this statement within 10 business days of receiving your request, provided that your request is in writing and includes your name, the address of the property, and the mortgage account or loan number. Your first payoff statement will be free.
- 8. GET ADVICE:** This information is not exhaustive and does not replace the advice of a professional. You may have other options. Get professional advice from a lawyer or certified housing counselor about your rights and options to avoid foreclosure.
- 9. LAWYER:** If you do not have a lawyer, you may be able to find assistance by contacting the Illinois State Bar Association or a legal aid organization that provides free legal assistance.
- 10. PROCEED WITH CAUTION:** You may be contacted by people offering to help you avoid foreclosure. Before entering into any transaction with persons offering to help you, please contact a lawyer, government official, or housing counselor for advice.