



**WESTWOOD
ACQUISITIONS**
FAST, FAIR, AND FOCUSED ON YOU

FORECLOSURE OPTIONS GUIDE

For Chicagoland Homeowners

Cook County

Will County

DuPage County



708-412-8292

Call or Text Anytime • Free • Confidential • No Obligation

A Message to Chicagoland Homeowners

If you're reading this guide, you or someone you love may be facing one of the most stressful situations a homeowner can experience. Missed mortgage payments can happen to anyone — through no fault of their own.

The fear and uncertainty can feel overwhelming. Many homeowners shut down, ignore the mail, and hope it goes away. But doing nothing is the one choice that closes every door.

Missed payments happen for many reasons:

- Job loss or reduction in income
- Medical bills or unexpected expenses
- Divorce or separation
- Death of a spouse or co-borrower
- Rising property taxes or insurance costs

Many homeowners still have options to:

- Keep their home through reinstatement or modification
- Sell the property and protect their credit
- Negotiate directly with their lender for relief
- Walk away with equity they didn't know they had

Meet Your Local Resource



Westwood Acquisitions is a locally operated real estate company serving homeowners across the Chicagoland area — Cook County, Will County, and DuPage County.

We work directly with homeowners navigating difficult situations, helping them understand all available options before making any decisions.

Honest

We tell you what your real options are — even if the best one isn't selling to us.

Local

We know Chicagoland — Cook County courts, Will County timelines, DuPage neighborhoods.

No Pressure

We never push you toward a decision. We provide information. You decide what's right.

What Is Foreclosure in Illinois?

Foreclosure is the legal process a mortgage lender uses to recover the balance of a loan after a borrower has stopped making payments. In plain terms: if you fall behind on your mortgage, the bank can eventually take ownership of your home and sell it to cover the debt.

Key Fact: Illinois Is a Judicial Foreclosure State

Illinois lenders CANNOT sell your home without going through the court system first. They must file a lawsuit, obtain a court judgment, and follow a formal legal process. This typically takes 8–18 months in Chicagoland.

Who Is Involved in the Process?

You (Mortgagor):	The homeowner who borrowed the money and signed the mortgage.
Your Lender:	The bank or lender who issued the loan and files the foreclosure lawsuit.
Loss Mitigation:	The lender division handling hardship cases, modifications, and alternatives.
Circuit Court:	Cook, Will, and DuPage Circuit Courts handle all foreclosure filings.
Sheriff's Office:	Conducts the judicial sale (auction) after court judgment is entered.

The Illinois Foreclosure Timeline

Cook County courts are among the busiest in the nation, which often extends timelines well beyond state minimums.

STAGE 1

Missed Payments

After your first missed payment, your lender contacts you. Most lenders don't begin formal action until payments are 90+ days past due.

Days 1-90

STAGE 2

Notice of Default

The lender sends a formal breach letter stating the amount owed and a deadline to cure the default.

Month 3-4

STAGE 3

Foreclosure Lawsuit Filed

The lender files a complaint in Circuit Court. You are served with a summons and have 30 days to respond.

Month 4-6

STAGE 4

Court Judgment

If no resolution is reached, the court enters a judgment of foreclosure with a 7-month redemption period.

Month 8-18

STAGE 5

Sheriff Sale

A judicial sale is scheduled. The property is sold at public auction. Once confirmed, ownership transfers.

After Redemption

In Cook County, the full process from first missed payment to confirmed sheriff sale often takes 12-24 months. Start now.

Your 4 Main Options at a Glance

Most homeowners facing foreclosure in Illinois have four primary paths available. The right option depends on your specific situation.

1 Keep Your Home

Reinstatement, loan modification, forbearance, or repayment plan.

BEST WHEN:

Best if you want to stay and can show income or access funds.

3 Bankruptcy Protection

Chapter 13 creates an automatic stay halting all foreclosure proceedings.

BEST WHEN:

Best when the auction date is imminent and other paths aren't viable.

2 Negotiate With the Bank

Short sale, deed in lieu, or custom workout agreement.

BEST WHEN:

Best if you owe more than the home is worth or want a clean exit.

4 Sell the Property

Sell before the auction through a traditional listing or direct cash sale.

BEST WHEN:

Best when you want to avoid foreclosure entirely and walk away with equity.

Option 1: Keep Your Home

If keeping your home is your goal, several proven strategies exist. The key is acting quickly — the sooner you contact your lender's Loss Mitigation department, the better your chances.

Reinstatement

Pay all past-due amounts in a single lump sum. Immediately brings your loan current.

✓ Stops foreclosure immediately

✗ Requires full lump sum

Loan Modification

Permanently change mortgage terms: lower rate, extended term, or roll missed payments into balance.

✓ Permanently reduces monthly payment

✗ Document-heavy; 30-90 days

Forbearance Agreement

Lender temporarily reduces or pauses payments for 3-6 months. Missed payments repaid via structured plan.

✓ Immediate breathing room

✗ Must resume payments after

Repayment Plan

Past-due amount spread across future monthly payments until you're caught up.

✓ No lump sum required

✗ Monthly payments temporarily higher

Pro Tip: Call your lender's Loss Mitigation Department directly — not general customer service. Have your loan number ready.

Option 2: Negotiate With the Bank

You may have more leverage than you think. Banks typically lose \$40,000–\$60,000 on every foreclosure — they are often willing to negotiate.

Short Sale

Sell for less than the mortgage balance with lender approval. Lender forgives the remaining debt.

- ✓ Far better for credit than foreclosure
- ✓ Avoids public auction entirely
- ✗ Bank must approve the price and buyer
- ✗ Can take several months

Deed in Lieu of Foreclosure

Voluntarily transfer the property deed back to the bank. Lender releases you from the mortgage obligation.

- ✓ Avoids full foreclosure on record
- ✓ Faster than a short sale in many cases
- ✗ Lender must agree to accept
- ✗ May still negatively impact credit

Workout Agreement

A direct agreement with your lender to modify repayment structure, pause payments, or roll arrearages into the back of the loan.

- ✓ Keeps you in the home
- ✓ Can be tailored to your situation
- ✗ Not guaranteed — lender has discretion

Option 3: Bankruptcy Protection

Bankruptcy is a federal legal tool that can immediately stop a foreclosure in its tracks. While it is not a permanent solution for everyone, it can provide critical breathing room.

The Automatic Stay: The moment you file for bankruptcy, a legal order immediately halts ALL foreclosure proceedings, collection calls, and legal actions against you.

Chapter 13 – The Reorganization Option

✓ Benefits of Chapter 13

- Immediately stops foreclosure via automatic stay
- Structured 3-5 year catch-up plan on arrears
- Can also address other debts
- You keep your home throughout

✗ Considerations

- Requires hiring a bankruptcy attorney
- Attorney + court fees: \$2,000-\$4,000+
- Stays on credit report 7 years
- Must maintain ongoing mortgage payments
- Court approval not guaranteed

Important: Always consult a licensed Illinois bankruptcy attorney before filing. Many offer free initial consultations.

Option 4: Sell Before Foreclosure

For many homeowners, selling the property before foreclosure is completed can be the cleanest, most financially sound exit available. It puts you in control.

Protect Your Credit Score

A voluntary sale has dramatically less impact on your credit than a completed foreclosure. Many homeowners qualify for a new mortgage in 2-4 years.

Avoid the Public Auction

A sheriff sale is public record in Cook, Will, and DuPage Counties. A private sale keeps your financial situation private.

Walk Away With Equity

If your home is worth more than you owe — even after paying off back taxes and fees — you may receive cash at closing.

Control Your Timeline

In a voluntary sale, you choose the closing date. You're not waiting on a court date, sheriff's schedule, or lender's attorney.

As long as the sheriff sale has not been confirmed by the court, a sale remains possible. The earlier you act, the smoother the process.

What Should You Do Next?

No matter where you are in the process, taking action today gives you the most options tomorrow.

01

Don't Ignore the Mail

Open everything. Court notices have strict deadlines that, once missed, close off your options permanently.

02

Know Where You Stand

How many payments behind are you? Has a lawsuit been filed? Knowing your stage helps you choose the right path.

03

Call Your Lender's Loss Mitigation

Ask about modification, forbearance, or repayment plans. Have your loan number and last 4 of your SSN ready.

04

Talk to a Local Expert

Westwood Acquisitions can walk through every option with you at no cost. No pressure, no obligation. Just clarity.



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