



Breaking Barriers to Justice

COVID-19 and FORECLOSURE

FREQUENTLY ASKED QUESTIONS

NOTE: The Frequently Asked Questions below were written to help answer questions we have heard because of the COVID-19 emergency. It is important to have reliable information when dealing with a public health emergency. However, the situation is changing very rapidly, and the information below may not be up-to-date. Under normal circumstances, many of the answers may be different. The information that follows is based on Illinois and US laws, regulations, and emergency orders. This information is intended only to be an overview of your rights. Since every case is different, you should not rely on this information as a substitute for an attorney.

I lost my job and I can't pay my mortgage. What is going to happen?

If you can keep making your mortgage payments, you should keep paying them. It's very hard to try to get caught up after missing payments.

If you cannot pay your mortgage, you do not have to leave your home right away. In Illinois, foreclosure is a long legal process that takes time. You may have chances to get caught up in your payments after the public health emergency ends.

The federal CARES Act put a "moratorium", or hold, on all foreclosures for federally backed mortgages. Federally backed mortgages are government insured mortgages and include FHA, VA, USDA (rural development), Fannie Mae and Freddie Mac mortgages.

Around 70% of mortgages are federally backed. You should ask your mortgage servicer if your loan is federally backed. Your mortgage servicer is the company that takes and processes your payments.

If you cannot pay your mortgage because your finances were affected by COVID-19, call your mortgage servicer and ask for their help. They may have programs that can help you keep your home and avoid foreclosure.

What should I ask my mortgage servicer?

You should call your mortgage servicer and ask if they are offering payment help to homeowners affected by COVID-19. Your mortgage servicer's website may also have information on programs they are offering to homeowners affected by COVID-19.

You have to ask for payment relief. It is not automatic.

If you cannot afford your payments (because you lost hours at work or lost your job), tell your servicer you need help for a “temporary financial hardship”. If you have a federally backed mortgage, you can ask for a “forbearance agreement”. The forbearance will defer (delay) payments for up to 180 days. You should not have to pay fees or penalties for any missed payments during the forbearance period.

One of the eligibility requirements for payment relief is that your financial hardship must be related to COVID-19.

My house is already in foreclosure. What is going to happen?

Illinois courts have delayed all foreclosure cases until May 2020. You should receive a notice from the court about your next scheduled court date. You can also check the court’s website or call the Circuit Clerk’s office regularly to see if the new court date has been scheduled yet.

If you were participating in court-ordered foreclosure mediation, all mediations have also been delayed.

If a final order was already entered in your foreclosure and you were told you would have to leave, all evictions and orders of possession have been delayed until May 18, 2020.

Are there other legal resources available besides Land of Lincoln?

The Public Interest Law Initiative PILI has set up the COVID-19 Illinois Free Legal Answers Task Force. [Illinois Free Legal Answers](http://il.freelegalanswers.org) is a secure website (il.freelegalanswers.org) where low-income Illinoisans can ask a lawyer a question about a civil legal issue.

You can also call or email the Illinois Lawyer Finder Service. The telephone number is 800-922-8757 and the website is www.isba.org/public/illinoislawyerfinder.

Illinois Legal Aid Online also has a lot of legal information at www.illinoislegalaid.org.

**Land of Lincoln Legal Aid
Legal Advice & Referral Center
Phone: (618) 394-7300
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