Colorado Foreclosure Decision Guide

Understand the Process, Evaluate Your Options, and Take Strategic Action

A practical guide for Colorado homeowners who are behind on mortgage payments or facing foreclosure.

Prepared by **Rogelio Rodríguez**
Colorado Licensed Real Estate Broker
Vida Properties | eXp Realty
720-724-8187 | VidaBroker.com

START HERE!

This guide will help you answer four questions:

1	2	3	4
Where am I in the foreclosure process?	**Can I realistically afford to keep the home?**	**Which options should I investigate now?**	**What is my primary plan, backup plan, and deadline?**

Go directly to:

- Part II if you need to evaluate affordability.
- Part III if you may have funds to cure.
- Part IV if you want to understand lender-reviewed retention options.
- Part V to use the Decision Assistant.
- Part VII if keeping the home may no longer be realistic.
- Part IX for official resources and immediate next steps.

You do not need to read every page before taking action. Start with the section that matches your situation, then return to the guide as needed.

Turn your decision into a documented action plan. Do not wait for every detail to be resolved before taking the next appropriate step.

IMMEDIATE ACTION PLAN

Has foreclosure been filed? Yes / No / Not sure
Public Trustee sale date: ______________________________
Mortgage servicer: _____________________________________
Primary strategy: ______________________________________
Backup strategy: _______________________________________
Next action: ____
Critical deadline: _____________________________________
Date to reassess: ______________________________________

Take these first steps

- Confirm the foreclosure status and sale date (throughout the process, it may change)
- Review the bare-bones budget.
- Contact the servicer or housing counselor when appropriate.
- Identify whether cure funds may be available.
- Protect enough time for a backup option.

Every plan should include a backup strategy and a date for changing direction if the primary option is not progressing.

IMPORTANT NOTICE, SCOPE, AND INTRODUCTION

Important Notice and Scope

This guide provides general educational information for Colorado homeowners who are behind on mortgage payments, expect foreclosure may begin soon, or are already involved in a county Public Trustee foreclosure.

It focuses on residential mortgage and deed-of-trust foreclosures. Other proceedings — such as HOA lien foreclosures, tax sales, or bankruptcy — follow different rules and are noted in Part I.

This guide is not legal, tax, bankruptcy, credit, financial, or housing-counseling advice. It does not guarantee approval of any lender or servicer option. Deadlines, sale dates, cure amounts, and case status should be confirmed directly with the mortgage servicer, county Public Trustee, and appropriate professionals.

Legal disputes, title issues, bankruptcy questions, contested debts, or an approaching sale date may require advice from a qualified Colorado attorney. Homeowners are also encouraged to contact a HUD-approved nonprofit housing-counseling agency.

Why I Created This Guide

With 25 years of real estate experience, including 8 years as a HUD-approved housing counselor, I have seen homeowners lose valuable time pursuing unrealistic solutions while overlooking options that might have helped them keep their home, protect equity, or reduce further financial damage.

This guide is designed to help you understand Colorado's foreclosure process, evaluate your situation, distinguish legal rights from lender-reviewed options, and make informed decisions before time removes choices.

Keeping the home should be explored first when financially realistic. When it is not, the goal is to identify the best remaining alternative—whether curing the default, pursuing a lender workout, seeking nonprofit or legal assistance, selling, completing a short sale, or planning a controlled transition.

The Decision Assistant will help you organize the facts, compare possible paths, and establish a primary plan, backup plan, and clear deadlines.

Acting early may help preserve options, protect equity, reduce costs, and avoid rushed decisions.

Rogelio Rodríguez

TABLE OF CONTENTS

PART I — UNDERSTANDING COLORADO FORECLOSURE

How Colorado's Public Trustee Foreclosure Process Works

Colorado uses a **county Public Trustee system** for most residential mortgage foreclosures involving a deed of trust. The process is often described as non-judicial because it is administered primarily through the Public Trustee rather than through a full foreclosure lawsuit.

The main participants are:

- **Mortgage servicer:** Collects payments, communicates about delinquency, and reviews home-retention or loss-mitigation applications.
- **Loan owner, investor, insurer, or guarantor:** Establishes many of the rules the servicer follows when evaluating available options.
- **Foreclosure attorney:** Represents the foreclosing party and submits the required foreclosure documents.
- **County Public Trustee:** Administers the foreclosure case, notices, cure requests, continuances, and public sale.
- **District court:** Has a limited role through the Rule 120 process.

A formal Public Trustee foreclosure begins when the **Notice of Election and Demand**, commonly called the **NED**, is recorded in the county real estate records. (Jefferson County)

The servicer's loss-mitigation review and the Public Trustee foreclosure may continue at the same time. Contacting the servicer, submitting documents, requesting a modification, or listing the property does **not automatically stop the sale**.

Learn more about Colorado residential foreclosure and Rule 120

Colorado Foreclosure Timeline

1. Missed Payments

Missing a required payment places the loan in default under the note and deed of trust. The servicer begins delinquency notices and collection activity, but generally does not initiate foreclosure until the loan is more than 120 days delinquent.

2. Foreclosure Filed

The foreclosure attorney submits the required documents, and the NED is recorded. The county Public Trustee then opens the formal foreclosure case and schedules a sale date. Attorney fees and other allowable foreclosure costs may be added to the amount owed.

3. Rule 120 and Cure Window

The foreclosing party generally seeks a limited court order under Rule 120 authorizing the sale to proceed. A homeowner who receives Rule 120 papers may respond and should consider legal advice when disputing the default or right to foreclose. (Colorado Judicial Branch)

A homeowner who may have funds to bring the loan current can investigate Colorado's statutory cure process. The Notice of Intent to Cure generally must be filed with the Public Trustee at least **15 calendar days before the scheduled sale**. Filing the notice alone does not stop the foreclosure; the full official cure amount must be received by the required deadline. (Jefferson County)

Learn about filing a response to a Rule 120 notice
Learn about the Colorado cure process

4. Public Trustee Sale

If the foreclosure is not cured, withdrawn, postponed, paid off, legally stopped, or otherwise resolved, the property may be sold at auction by the Public Trustee. A pending loss-mitigation application, property listing, buyer offer, or verbal assurance does not by itself confirm that the sale has been stopped.

Why Timing Matters

Acting earlier may provide more time to:

- evaluate whether the home is affordable;
- complete a loss-mitigation application;
- obtain cure figures;
- contact a nonprofit housing counselor or attorney;
- protect available equity; or
- prepare a realistic backup plan.

As the sale date approaches, costs may increase and practical options may narrow.

Acting early does not guarantee that the home can be retained, but it may preserve more choices and greater control over the outcome.

What This Guide Does Not Cover

This guide focuses on residential mortgage and deed-of-trust foreclosures administered through Colorado's Public Trustee system. It does not provide detailed guidance for:

- HOA or condominium-association lien foreclosures;
- property-tax sales;
- mechanic's liens;
- judgment liens;
- probate or divorce-related ownership disputes;
- reverse-mortgage-specific defaults;
- commercial or agricultural property foreclosures;
- active bankruptcy cases; or
- lawsuits involving disputed ownership, title, fraud, or servicing errors.

These matters may follow different laws and procedures. HOA assessment and lien matters, for example, are addressed through separate Colorado requirements and resources. (Division of Real Estate)

[Colorado HOA Information and Resource Center]

PART II — UNDERSTANDING YOUR SITUATION

Before deciding whether to cure the loan, pursue a servicer workout, or prepare to sell, you need a clear picture of your current position. This applies whether foreclosure has already been filed or you have only begun missing payments.

Focus on four issues: **foreclosure or default status, time, affordability, and equity.**

Create Your Foreclosure Snapshot

Record the basic facts:

- Mortgage servicer
- County where the property is located
- Loan type, if known
- Number of missed payments
- Estimated amount past due, including late fees
- Whether foreclosure has been filed & attorney information
- Public Trustee case number
- Scheduled sale date
- Estimated mortgage balance
- Other liens or unpaid property-related debts
- Estimated property value — a free market report is available *here* or contact me for a customized Comparative Market Analysis.
- Preferred outcome

If foreclosure has been filed, confirm the case number and scheduled sale date directly with the county Public Trustee. Do not rely only on mortgage statements, collection letters, or verbal assurances.

[Find Colorado county Public Trustee information]

If there is no foreclosure filed yet, do not wait for a formal filing before evaluating the situation. Missed payments may lead to late fees, collection activity, credit reporting, and a growing amount required to bring the loan current. This early stage may provide more time to organize finances, contact the servicer, and establish both a primary strategy and a backup plan.

Is the Hardship Temporary or Long-Term?

A **temporary hardship** is expected to improve within a reasonably predictable period. A **long-term hardship** is unlikely to improve enough to support the current housing payment.

The central question is:

Has your income recovered, or is there a reliable reason to expect that it will?

This distinction matters because temporary hardships may support short-term solutions, while long-term changes may require a permanent loan adjustment or a different strategy.

Can You Realistically Afford to Keep the Home?

Complete the budget worksheet using reliable monthly income and necessary household expenses.

Complete a Bare-Bones Budget

Use the worksheet on the next page to compare a realistic budget with true and existing reliable monthly income with essential expenses.

When there is not enough income to pay every bill, prioritize expenses that protect:

- housing;
- essential utilities;
- food;
- employment-related transportation;
- necessary insurance;
- medical needs; and
- basic household stability

Separate these obligations from expenses and unsecured debts that may be reduced, paused, or renegotiated. Missing other payments can still have serious consequences, but the budget should clearly show what the household can realistically sustain.

HOUSEHOLD BUDGET SHEET

Name ______________________ Date ______________

Email ______________________ Phone ______________

INCOME		MONTHLY NET	GROSS ANNUAL	GROSS MONTHLY
Income #1	________	$ ________	$ ________	$ ________
Income #2	________	$ ________	$ ________	$ ________
Income #3	________	$ ________	$ ________	$ ________
Income #4	________	$ ________	$ ________	$ ________
			TOTAL INCOME	$ ________

EXPENSES	MONTHLY AMOUNT
Housing Payment (Mortgage)	$ ________
HOA (Homeowners Association)	$ ________
Insurance (Auto/Health/Life)	$ ________
Transportation	$ ________
Credit Cards / Min. Pmt.	$ ________
Phone, Internet, Cable	$ ________
Cell	$ ________
Electricity / Gas	$ ________
Water / Trash	$ ________
Car Payment	$ ________
Car Payment #2	$ ________
Medical Bills / Prescriptions	$ ________
Groceries	$ ________
Personal Loans	$ ________
Student Loans	$ ________
IRS Payments	$ ________
Child Support	$ ________
Children School	$ ________
Child Care / Babysitting	$ ________
Personal Care (Gym, Salon, etc.)	$ ________
Pets	$ ________
Entertainment	$ ________
Other	$ ________
Spending Money	$ ________
TOTAL EXPENSES	$ ________

EXPENSE GUIDELINES

____ OF NET (should be <40%) ____ OF GROSS (should be <31%)

____ OF NET (should be less than 60% of net income)

TOTAL NET INCOME	$ ________
SUBTRACT EXPENSES FROM INCOME FOR NET LOSS / SURPLUS	$ ________

Use this worksheet to understand your cash flow and make informed decisions about your housing and financial future.

The worksheet results in one of three conclusions:

1. **The Current Payment May Be Sustainable**
   Your income appears sufficient, and the main issue is resolving the missed payments.
2. **A Reduced Payment May Be Sustainable**
   The current payment is too high, but a lower payment may be manageable if an eligible workout is approved.
3. **Continued Ownership May Not Be Sustainable**
   Neither the current payment nor a realistic modified payment appears affordable. Delaying a decision may increase costs and reduce available equity. If selling may be the best option, or you are unsure which path fits your situation, see Part VII.

A HUD-approved housing counselor can help review your budget and discuss possible options at no cost.

[Find a HUD-approved housing counselor]

[CHFA foreclosure-prevention resources]

Consider Time and Equity

Affordability alone does not determine the best path. Also consider:

- Time remaining before the foreclosure sale
- Whether funds may be available to cure
- Whether a loss-mitigation application is pending
- Estimated property value
- Total mortgage and lien balances
- Whether enough equity remains to protect
- Whether there is enough time to complete a sale

The goal is not simply to delay foreclosure. The goal is to identify the most realistic path while there is still time to act.

Before Moving to Part III

You should now know:

- *whether foreclosure has been filed*
- *the scheduled sale date*
- *how much is owed*
- *whether the hardship is temporary or long-term*
- *whether the current payment is affordable*
- *whether a lower payment may be affordable*
- *whether equity may be available*

PART III — RIGHTS AND PROCEDURES PROVIDED BY LAW

Some protections come from Colorado or federal law. These are different from repayment plans, forbearance, and loan modifications, which require servicer review and approval.

Colorado's Right to Cure

Curing means paying the amount required to bring the loan current before the foreclosure sale.

The process generally involves:

- filing a **Notice of Intent to Cure** with the county Public Trustee;
- obtaining the official cure amount;
- paying the full amount in the required form; and
- meeting all applicable deadlines.

The cure amount may include missed payments, late charges, attorney fees, Public Trustee expenses, and other allowable costs.

Filing a Notice of Intent to Cure does not by itself stop the sale. The full cure amount must be received by the required deadline.

Cure is not a lender workout. It restores the existing loan to current status, while a loan modification changes one or more loan terms and requires servicer approval.

Learn more about curing a Colorado foreclosure

Rule 120

Before a Public Trustee sale may proceed, the foreclosing party generally requests a court order under Colorado Rule of Civil Procedure 120.

The court's review is limited primarily to whether a default exists and whether the foreclosing party has the right to proceed. It is not a complete trial of every possible servicing dispute, title issue, defense, or legal claim. (Colorado Judicial Branch)

A homeowner who receives Rule 120 papers, disputes the foreclosure, or believes legal rights are affected should consider consulting a qualified Colorado attorney promptly.

Colorado Judicial Branch foreclosure information
Instructions for responding to a Rule 120 notice

Federal Mortgage-Servicing Protections

Federal servicing rules may provide certain procedures when a homeowner submits a loss-mitigation application. Depending on timing and circumstances, the servicer may be required to:

- identify missing information;
- evaluate a complete application;
- provide a written decision;

- explain certain denials; and
- permit an appeal in qualifying cases.

These protections are procedural. They do not guarantee approval of a retention option or eliminate the need to monitor the Public Trustee sale date.

CFPB: Review federal loss-mitigation procedures

Continue developing a backup plan while cure, legal review, or loss mitigation is pending.

PART IV — HOME-RETENTION OPTIONS REVIEWED BY THE SERVICER

Home-retention options are reviewed by the mortgage servicer under the rules of the loan owner, investor, insurer, or guarantor. **There is no guarantee that the servicer will offer a specific option, approve an application, or agree to work out the delinquency.**

Why Your Loan Type Matters

The company collecting your payments may not own your loan. Available options may depend on whether the loan is:

- FHA-insured;
- VA-guaranteed;
- USDA-backed;
- owned by Fannie Mae or Freddie Mac;
- conventional or privately owned;
- held in a lender's portfolio;
- serviced or supported by CHFA; or
- connected to a second mortgage or assistance lien.

The loan type helps determine which rules and programs the servicer must consider.

Official information:

FHA Loss-Mitigation Options
VA Help to Avoid Foreclosure
Fannie Mae and Freddie Mac Mortgage Assistance
CHFA Foreclosure Prevention

FHA, VA, Fannie Mae, Freddie Mac, and other programs maintain their own servicing requirements and available options.

Additional Programs May Be Available

During the 2007–2011 foreclosure crisis, federal, state, and local governments created temporary assistance programs beyond ordinary lender workouts. Current conditions are different, but new programs may still be introduced, changed, or limited by funding, loan type, location, or household eligibility.

A HUD-approved nonprofit housing counselor may have the most current knowledge of additional federal, state, local, lender, and community resources. CHFA connects Colorado homeowners facing foreclosure with approved housing-counseling services.

- Find a HUD-Approved Housing Counselor
- HUD Foreclosure-Prevention Information

What Loss Mitigation Evaluates

The servicer generally evaluates whether the delinquency can be resolved and whether the homeowner can maintain future payments.

The review may consider:

- whether the hardship is temporary or long-term;
- current and expected income;
- household affordability;
- the amount past due;
- loan and program requirements;
- the completeness and timing of the application; and
- the ability to maintain the proposed payment.

A strong budget and stable income may support the request, but they do not guarantee approval.

Main Home-Retention Options

Option	Purpose	Main consideration
Repayment plan	Adds arrears to future payments	Temporary payments may be significantly higher
Forbearance	Temporarily reduces or pauses payments	Missed amounts generally remain owed
Payment deferral	Moves eligible arrears to a later date	Availability depends on the loan
Partial claim	Places eligible arrears into deferred debt	May create a subordinate lien or separate balance
Loan modification	Changes one or more loan terms	The homeowner must maintain the new payment
Combination workout	Uses more than one available option	Terms depend on program eligibility

Forbearance is generally intended for short-term financial difficulty. A modification may be considered when the existing repayment terms are no longer workable. (FHFA.gov)

A workout may resolve the delinquency without reducing the total debt. Review all terms, including when deferred balances or partial claims become payable.

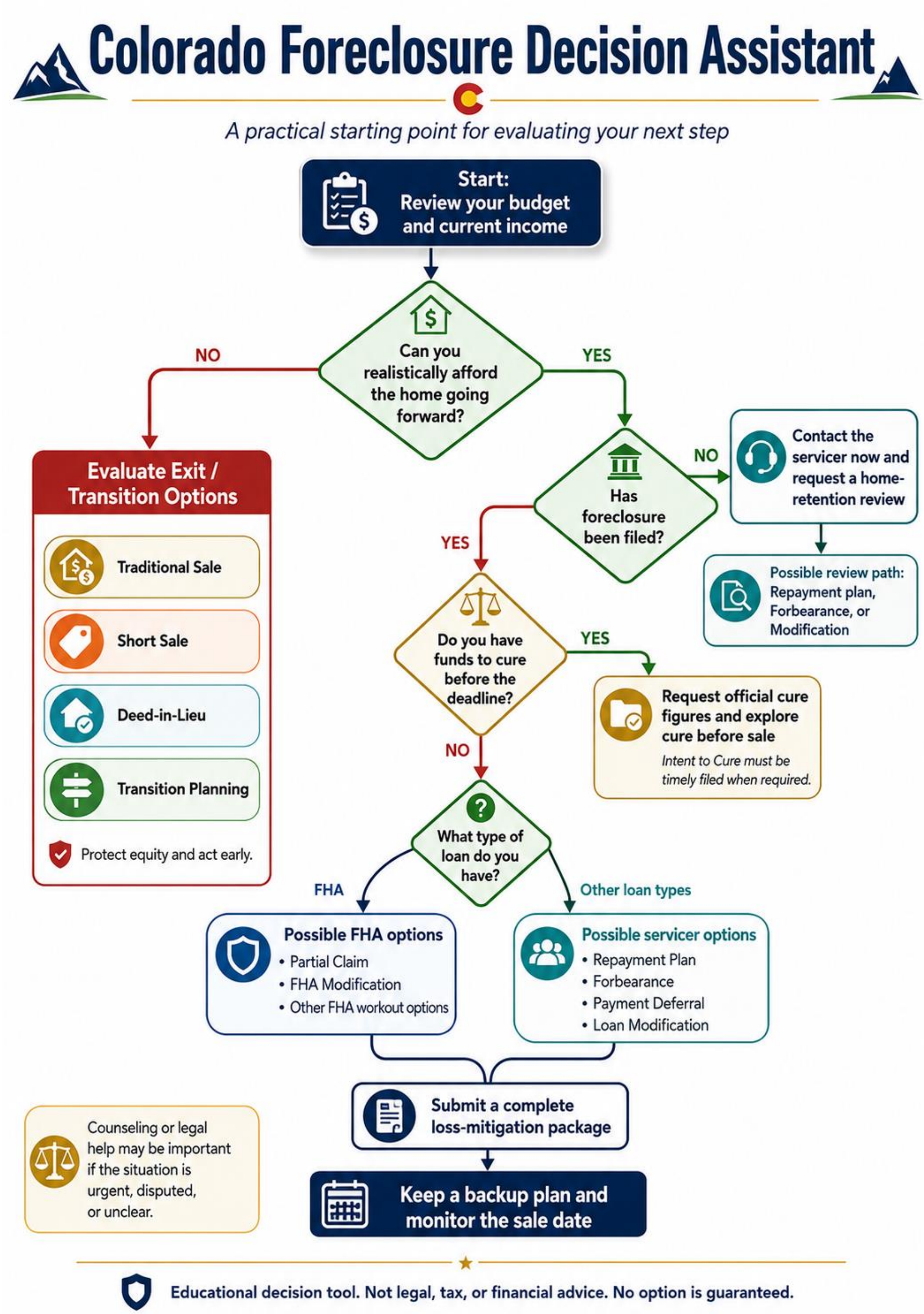
Before Moving to the Decision Assistant

You should now know:

- *who services your loan;*
- *what type of loan you may have;*
- *whether additional assistance should be researched;*
- *which retention options may fit your circumstances;*
- *whether you could maintain the required payment; and*
- *that no lender or servicer option is guaranteed.*

PART V — THE DECISION ASSISTANT

The Decision Assistant builds on the work completed in **Part II — Understanding Your Situation**. Before using the flowchart, you should have reviewed your foreclosure status, sale date, hardship, income, housing costs, estimated equity, and a realistic household budget.



Use the Flowchart to Choose a Direction

The infographic should guide the homeowner toward one of four broad paths:

Investigate Cure

Appropriate when full cure funds may be available and future mortgage payments appear sustainable.

Pursue a Home-Retention Review

Appropriate when the hardship has stabilized and the budget supports the current payment or a realistic modified payment.

Seek Counseling or Legal Assistance

Appropriate when affordability is unclear, the sale date is close, the foreclosure is disputed, bankruptcy is being considered, or the loan options are uncertain.

Evaluate a Sale or Transition

Appropriate when continued ownership is not financially sustainable, no workable retention option appears available, equity is at risk, or the homeowner chooses to leave.

The purpose of the Decision Assistant is not to produce the preferred answer. It is to identify the most realistic path based on the homeowner's finances, available time, loan rules, and documentation.

PART VI — COMPLETING AND MANAGING LOSS MITIGATION

This section is for homeowners whose Decision Assistant indicates that home retention may be realistic. The application should show not only why the borrower fell behind, but why the proposed solution could now succeed.

Make a Clear Case for Retention

The servicer generally needs to understand:

- what caused the delinquency;
- whether the hardship has ended or stabilized;
- what reliable income is now available;
- whether the budget supports the current or proposed payment; and
- whether future payments can be maintained.

Your explanation should be honest, specific, and consistent with the documents submitted. A strong application does not guarantee approval. The servicer may deny the request if no available option fits the loan, timing, documentation, or financial circumstances.

The objective is to demonstrate that the past default can be addressed and that the future payment is sustainable.

Submit a Complete Application

Request the correct mortgage-assistance package from the servicer's loss-mitigation department. Common requirements may include:

- completed application forms;
- hardship explanation;
- current income documentation;
- bank statements;
- tax or self-employment information when required;
- household budget; and
- occupancy or property information.

Requirements vary. Use the servicer's approved submission method and keep copies of everything.

CFPB: Review federal loss-mitigation procedures

Confirm That the File Is Complete

Submitting documents is not the same as having a complete application.

After submission:

- Confirm that the package was received.
- Ask whether anything is missing.
- Record the representative's name and confirmation number.
- Respond quickly to requests for updated documents.
- Ask the servicer to confirm when the file is complete.

Under federal servicing rules, the timing of a complete application can affect the review procedures that apply. The servicer may still deny loss mitigation, and available protections depend partly on how far the foreclosure has progressed.

CFPB: What happens after completing an application

Manage the Review

Keep a written record of:

- calls and representatives;
- documents submitted;
- confirmation numbers;
- missing-document requests;
- promised response dates;
- written decisions; and
- the current Public Trustee sale date.

A pending application does not remove the need to monitor the foreclosure.

Review Any Offer Carefully

Before accepting an offer, determine:

- the required payment;
- when payments begin;
- whether a trial period applies;
- how missed payments are treated;
- whether a deferred balance or junior lien is created;
- when deferred amounts become payable; and
- what happens if a payment is missed.

Do not assume that a lower monthly payment means the debt was reduced.

If the Application Is Denied

Request the reason in writing and ask whether:

- an appeal is available;
- another option may be reviewed;
- additional information could change the decision; or
- the sale date will remain scheduled.

A HUD-approved housing counselor may help interpret the decision and identify additional options. HUD maintains a national search for participating housing-counseling agencies, and CHFA directs Colorado homeowners facing foreclosure to approved counseling partners and the Colorado Foreclosure Hotline. (HUD)

Find a HUD-approved housing counselor

CHFA foreclosure-prevention resources

Maintain a Backup Plan

Do not wait for a final denial before evaluating alternatives.

Record:

Expected decision date: _________________________

Public Trustee sale date: _______________________

Backup strategy: _______________________________

Date to change direction if no progress occurs: _________________

A pending review is not a complete strategy. Continue monitoring deadlines and protect enough time to pursue another option.

PART VII — WHEN KEEPING THE HOME IS NO LONGER REALISTIC

The Decision Assistant may show that neither the current payment nor a realistic modified payment is sustainable. In that case, the focus should shift from delaying foreclosure to protecting the best remaining outcome.

That may mean preserving equity, reducing additional costs, controlling the timing of the move, and avoiding a rushed or unsafe transaction.

When to Consider Another Path

Selling or transitioning may need serious consideration when:

- the hardship is long-term;
- the budget does not support the current or a likely modified payment;
- no workable retention option is available;
- equity may be lost through continued delay;
- the foreclosure sale is approaching; or
- the homeowner no longer wants to keep the property.

Changing direction is not giving up. It may be the most responsible way to protect equity, credit, finances, and future housing stability.

Traditional Sale

A traditional sale may be possible when the expected proceeds are sufficient to pay the mortgage, other liens, selling expenses, and required closing costs.

The homeowner and listing agent should determine:

- the estimated property value;
- mortgage and lien payoff amounts;
- expected selling expenses;
- the foreclosure sale deadline; and
- whether sufficient time remains to market and close the transaction.

A property listing or accepted offer does not automatically stop foreclosure. The Public Trustee sale date must continue to be monitored until the loan is paid and the foreclosure is withdrawn.

Learn about my role as your agent to explore the option of a traditional sale for your property.

Short Sale

A short sale may be necessary when the expected sale proceeds will not fully pay the mortgage and other secured debts. The servicer and loan owner generally must approve the transaction. Approval may require a complete loss-mitigation application, financial documentation, property valuation, purchase contract, and review of other liens. The homeowner should understand whether any unpaid balance may remain and obtain legal and tax guidance when appropriate. (Consumer Financial Protection Bureau)

Consumer Financial Protection Bureau: Short-sale and foreclosure alternatives
HUD FHA loss-mitigation and pre-foreclosure sale information

A short-sale request does not automatically stop the foreclosure. Approval, acceptable terms, and enough time to close are still required.

Learn about my role as your agent to explore the option of a short sale for your property.

Deed-in-Lieu of Foreclosure

A deed-in-lieu is an arrangement in which the homeowner voluntarily transfers ownership to the lender to avoid completing the foreclosure process.

It requires lender approval and may not be available when there are junior liens, title problems, or other complications. Before agreeing, the homeowner should understand:

- whether the remaining mortgage obligation will be released;
- how other liens will be handled;
- when possession must be surrendered;
- whether relocation assistance is available; and
- the possible credit, legal, and tax consequences.

The CFPB explains that a deed-in-lieu is a voluntary transfer of ownership to the lender and should be evaluated carefully before documents are signed.

CFPB: What is a deed-in-lieu of foreclosure?

Choosing an Experienced Real Estate Agent

Selling during foreclosure is not a routine transaction. An agent should understand:

- the Colorado Public Trustee timeline;
- how to verify the sale date;
- mortgage payoffs and cure figures;
- title, liens, taxes, and HOA balances;
- traditional and short-sale requirements;
- communication with servicers and title companies;
- Colorado-approved contracts and disclosures; and
- the need for a backup plan if the sale cannot close in time.

Colorado brokers must use Commission-approved contracts and forms when appropriate. Transactions involving properties in foreclosure may also require special forms or compliance with the Colorado Foreclosure Protection Act. (Division of Real Estate)

Colorado Division of Real Estate: Foreclosure Protection Act
Colorado real estate contracts and forms

My Role as Your Listing Agent

Selling a home during foreclosure requires more than placing it on the market. It requires careful timing, coordination, accurate documentation, and a strategy designed around the homeowner's specific circumstances.

If you choose to hire me as your listing agent, my approach is to:

- coordinate with the mortgage servicer, foreclosure attorney, Public Trustee, title company, and other parties involved in the transaction;
- represent and advocate for your interests under the terms of our written listing agreement;
- use the appropriate Colorado contracts, disclosures, and foreclosure-related forms for your situation;
- review liens, payoff requirements, deadlines, title concerns, and estimated proceeds;
- market the property broadly to qualified buyers, including owner-occupant purchasers and investors capable of closing quickly;
- work directly with buyers or their agent; and
- maintain a backup strategy if the sale cannot be completed before the foreclosure deadline.

The objective is to expose the property to the market, evaluate legitimate offers based on price, timing, financing, and certainty of closing, and help you pursue the best realistic outcome available.

This is a sensitive, high-stress decision. There should be no pressure to list before your financial position, available time, equity, and other options have been reviewed.

Schedule a no-pressure consultation before deciding whether to hire me. We will discuss your specific situation, the foreclosure timeline, possible sale options, and what would be required to move forward.

I am compensated only if you enter into a written brokerage relationship with me and the property successfully sells.

Before Moving to Part VIII

You should now know:

- *whether keeping the home appears financially realistic;*
- *whether a traditional sale could pay the debts and costs;*
- *whether a short sale may be required;*
- *whether a deed-in-lieu deserves review;*
- *how much time remains before the sale; and*
- *which professional help may be needed.*

PART VIII — PROTECTING YOURSELF AND YOUR EQUITY

Homeowners in foreclosure often receive calls, letters, texts, and visits from investors, agents, consultants, and companies offering immediate help. Some may provide legitimate services. Others may profit by collecting fees, taking title, or capturing the homeowner's equity without resolving the underlying problem.

Warning Signs

Use caution when someone:

- guarantees that foreclosure will be stopped;
- demands a large upfront fee;
- claims to represent the government or your lender;
- tells you to stop communicating with the servicer;
- asks you to send mortgage payments to someone else;
- pressures you to sign immediately;
- asks you to sign blank or incomplete documents;
- proposes taking over the payments without paying off the loan;
- asks you to transfer the deed while the mortgage remains in your name; or
- promises that you can lease the home and buy it back later.

The Consumer Financial Protection Bureau warns that foreclosure-relief scams often use false promises, government-like names or logos, advance fees, and instructions to avoid the mortgage servicer. (Consumer Financial Protection Bureau)

How to Spot and Avoid Foreclosure-Relief Scams

Equity Stripping and Title Transfers

Equity stripping occurs when a transaction is structured mainly to capture the homeowner's equity rather than protect the homeowner's interests.

Transferring title does not automatically remove your responsibility for the mortgage. If the new owner fails to make the payments, the loan may still default or foreclose while you remain liable.

Before transferring title, entering a sale-leaseback, or accepting a payment-takeover proposal, determine:

- who will own the property;
- who will remain responsible for the mortgage;
- how much equity you will receive;
- whether all liens will be paid;
- what happens if the buyer stops paying; and
- whether an independent title company and attorney are involved.

Colorado's Foreclosure Protection Act regulates certain transactions involving foreclosure consultants and equity purchasers and may require specific contracts, disclosures, and cancellation rights. (Division of Real Estate)

Understanding the Colorado Foreclosure Protection Act

Do not transfer title or sign a leaseback or repurchase agreement without understanding the legal and financial consequences. Independent legal advice may be essential.

Verify Before You Sign

- Confirm licenses and company information.
- Obtain every promise in writing.
- Review the estimated proceeds and treatment of all liens.
- Do not rely on verbal assurances that the mortgage will be paid.
- Never sign documents you do not fully understand.
- Keep copies of everything.

Colorado's Division of Real Estate also advises homeowners not to rush into transferring title or signing an agreement without first discussing the legal consequences with an attorney. (Division of Real Estate)

Colorado Division of Real Estate: Predatory Loans and Foreclosure Help

Reporting Suspected Fraud

Suspected scams or deceptive business practices may be reported to:

Colorado Attorney General — File a Complaint
Consumer Financial Protection Bureau — Submit a Complaint
Federal Trade Commission — Report Fraud

Urgency is not a reason to surrender control. Slow down enough to verify who benefits, what happens to your equity, and whether the proposed transaction actually resolves the mortgage.

PART IX — RESOURCES

Colorado Foreclosure and Housing-Counseling Resources

Colorado Foreclosure Hotline and CHFA

CHFA directs Colorado homeowners at risk of foreclosure to the Colorado Foreclosure Hotline and its approved housing-counseling partners. (CHFA.Colorado)

Colorado Foreclosure Hotline: 1-877-601-HOPE (4673)

CHFA Foreclosure Prevention

Colorado Housing Connects

Colorado Housing Connects helps homeowners who are behind or concerned about falling behind connect with HUD-approved housing counselors. (Colorado Housing Connects)

Colorado Housing Connects — Foreclosure Assistance

HUD-Approved Housing Counseling

HUD-approved counselors can help homeowners review their budget, communicate with the servicer, understand available options, and prepare for next steps. HUD provides an official national counselor search. (HUD)

Find a HUD-Approved Housing Counselor

County Public Trustee

Use your county Public Trustee's official website to verify:

- whether foreclosure has been filed;
- the case number;
- the scheduled sale date;
- continuances or withdrawal;
- cure procedures; and
- auction information.
- Colorado Public Trustee Information

Legal Assistance

Legal advice may be needed when the foreclosure is disputed, Rule 120 papers have been received, bankruptcy is being considered, title or ownership is unclear, or the sale date is close.

Colorado Legal Services
Colorado Judicial Branch — Residential Foreclosures

Fraud and Consumer Complaints

Colorado consumers may report suspected fraud or deceptive business practices to the Colorado Attorney General. (Colorado Attorney General)

Colorado Attorney General — File a Complaint
Consumer Financial Protection Bureau — Submit a Complaint
FTC — Report Fraud

A Final Word

Whether you have started defaulting on payments or facing foreclosure, it can feel overwhelming. However, you still have real choices and time to use them well. Revisit your Immediate Action Plan, keep your backup strategy current, and reach out to trusted professionals along the way. Whatever path you take, I hope this guide helped you move forward with clarity, confidence, and a plan you can trust.

Rogelio Rodríguez
Vida Properties eXp Realty
Lic #100017388
720-724-8187 | rogelio@vidabroker.com
VidaBroker.com

FINAL PROFESSIONAL AND COMPENSATION DISCLOSURE

This guide is intended to support informed decision-making and does not replace individualized advice from a qualified attorney, tax professional, HUD-approved housing counselor, lender, or other appropriate professional.

No foreclosure-prevention, retention, sale, short-sale, or transition option is guaranteed. Homeowners should continue verifying deadlines, sale dates, cure amounts, and case status directly with the mortgage servicer and county Public Trustee.

Real Estate Disclosure

I am a licensed Colorado real estate professional affiliated with eXp Realty. References in this guide to “I,” “me,” “my,” or my role as a real estate professional apply to Rogelio Rodríguez and, where applicable, eXp Realty.

My role may include helping a homeowner evaluate whether a traditional sale or short sale could be completed before foreclosure, preserve available equity, resolve liens, reduce further financial harm, or provide a more controlled transition.

Neither I nor eXp Realty receives compensation merely because you receive or use this guide. Compensation may be earned only if you choose to enter into a separate written brokerage relationship and the property successfully sells, subject to the applicable listing agreement and transaction documents.

Nothing in this guide creates a brokerage relationship with Rogelio Rodríguez or eXp Realty. Homeowners remain free to select any housing counselor, attorney, tax professional, lender, real estate broker, title company, or other service provider.

References to HUD, CFPB, Colorado Judicial Branch, the Colorado Division of Real Estate, CHFA, or county Public Trustee offices are for informational purposes only and do not imply endorsement, sponsorship, or affiliation.