

From the Office of the Sheriff:

We have all read of the less than stellar real estate market and the rise in real estate foreclosures. I see it everyday as the Sheriff is responsible for the sale of properties that are foreclosed upon. Often, eager buyers await the sale in hopes of getting “a deal”. In 2006, we sold 155 properties for a total of \$12,593,447.00. This is double 2003. We will exceed that this year. Often these people only know what they learned on late night infomercials and little else regarding the purchase of foreclosed properties. What do you need to know about foreclosures?

The process takes approx. 300-310 days from beginning of the case to confirmation of the sale. Properties normally go to sale after all efforts to work with the payment delinquency have been exhausted. These efforts include options such as foreclosure forbearance agreement, loan modification, deed in lieu of foreclosure, or short sale. Personal service is attempted on each defendant. Within 20-45 days of service there will be a judgment hearing. After the judgment is entered, there is a redemption period. That period varies from two-months for vacant property to six-months for owner occupied.

By the time a property is scheduled for a foreclosure sale, all parties holding judgment liens, construction liens, second mortgages, and state and federal tax liens which were docketed or recorded AFTER the recording date of the lenders mortgage and BEFORE the Lis Pendens (pending lawsuit/foreclosure) is recorded will have been named and joined to the lawsuit.

The vast majority of cases are “non-deficiency” which means the lender has agreed to accept the property as full satisfaction of the amount due. Wisconsin laws allow for a deficiency judgment. This results in the borrowers being liable to the lender for any shortfall between the amount bid at sale and the remaining debt. Lenders waive deficiency claims because it cuts the post-judgment, pre-sale redemption time period in half. The Notice of Sale must be published six weeks in the county newspaper.

By the time the property gets to the sale, all lien holders should have been named and joined to the property. Generally, second mortgage holders, judgment lien creditors etc., have only the right to bid at sale, claim any surplus funds which result from the sale, or exercise the right to redeem the property by fully paying off the plaintiff during the foreclosure but before the sale. Any lien holders listed on the case will have their liens extinguished by the foreclosure sale. Property taxes owed to the municipality are not affected. No warranties as to title or property condition are made by the foreclosure lender to avoid claims by third party foreclosure sale purchasers. The Sheriff sells the properties “subject to all liens and encumbrances of record.” Upon sale, a confirmation hearing is conducted within 30-days of the sale.

Sales are conducted in the Sheriff’s Department upper lobby by Chief Deputy Blaine Lauersdorf. We are not attorneys and are not in a position to provide legal advice. Approximately 99 of 100 properties are purchased by the mortgage holders. If you are interested in any foreclosure sale properties, obtain legal counsel to evaluate the status of title, the property taxes, and the foreclosure court file before bidding. All properties scheduled for sale can be viewed by going to our website at www.dodgecountysheriff.com and click on Sheriff’s Sales. Thanks for listening tnehls@co.dodge.wi.us.