

Alabama Foreclosure Timeline

Type: primarily non judicial foreclosure

Typical length: 90 to 180 days from first missed payment to foreclosure sale

Alabama is the fastest of the four states. Almost all Alabama mortgages contain a power-of-sale clause that allows non-judicial foreclosure. The lender must publish notice and conduct an auction on the courthouse steps.

1. First missed payment (Day 0 to 15)

Most Alabama mortgages allow a 10 to 15 day grace period before late fees apply.

Your rights: Cure by paying the missed payment and late fee.

2. Notice of default (Day 30 to 120)

Federal Regulation X 120-day rule applies. The servicer sends a breach letter giving 30 days to cure. Alabama law itself does not require a separate notice of default beyond the publication notice.

Your rights: Federal loss-mitigation rights: complete loss mitigation application must be reviewed.

3. Acceleration and notice of sale (Day 120 to 150)

The lender accelerates the loan and publishes notice of the foreclosure sale once a week for 3 consecutive weeks in a newspaper of general circulation in the county where the property is located (Ala. Code 35-10-13).

Your rights: You can demand that the notice strictly comply with the statute and the mortgage. You can pay the full balance to stop the sale.

4. Foreclosure sale (auction) (Day 150 to 180)

The sale is held at the front door of the county courthouse during legal hours. The highest bidder receives an auctioneer's deed.

Your rights: You can bid at the sale. You are entitled to any surplus proceeds after the debt and costs are paid.

5. Statutory right of redemption (Day 180 to 545 (up to 1 year))

You can redeem the property by paying the purchase price plus interest, taxes, insurance, and the value of permanent improvements (Ala. Code 6-5-253). The redemption period is 1 year for owner-occupied residential property.

Your rights: Right of redemption may be exercised by the borrower, spouse, child, heir, judgment creditor, or any junior mortgagee.

6. Possession and ejectment (Day 180 to 240)

After the sale, the purchaser may demand possession in writing. If you do not vacate within 10 days, the purchaser can file an ejectment action in circuit court.

Your rights: You are entitled to written demand and a court hearing. Tenants are protected by the federal Protecting Tenants at Foreclosure Act.

Redemption after sale

Alabama gives a statutory right of redemption - generally 1 year after the foreclosure sale for residential property occupied as a principal residence (Ala. Code 6-5-248), shortened to 180 days in some abandonment cases.

Deficiency judgments

Deficiency judgments are allowed if the lender properly applies the proceeds of sale and follows the notice requirements.

Sources

- Alabama Code 35-10-13 (Notice of Sale)
(<https://alison.legislature.state.al.us/files/coa/CodeOfAlabama/1975/35-10-13.htm>)
- Alabama Code 6-5-248 (Right of Redemption)
(<https://alison.legislature.state.al.us/files/coa/CodeOfAlabama/1975/6-5-248.htm>)
- Alabama Attorney General - Consumer Foreclosure Information
(<https://www.alabamaag.gov/consumer-protection/>)
- CFPB - Regulation X loss mitigation
(<https://www.consumerfinance.gov/rules-policy/regulations/1024/41/>)

General guidance, not legal advice. Talk to a foreclosure attorney or HUD-approved housing counselor about your specific situation.
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