**Potential Errors by Mortgage Servicer Leading to Foreclosure**

When borrowers acquire a mortgage loan for their home, they usually make monthly payments to companies, typically referred to as mortgage servicers. They may be a third-party handling payments for your original lender, such as banks. Mortgage servicers perform a number of responsibilities for the management of mortgage loans, such as:

* Collecting, recording, and processing monthly payments
* Sending statements to borrowers on a monthly basis
* Reviewing applications for loan modification and working out alternatives to foreclosure to help borrowers in default
* Paying insurance and taxes from escrow accounts
* Initiating and carrying out the foreclosure process

As mortgage servicers handle accounts of many borrowers for different lenders, it is important to ensure that they are not wrongly using their powers or making errors in processing your payments. If you are a borrower, you must understand your rights and learn about the mistakes and intentional frauds certain mortgage servicers make to ensure you do not up losing your home to foreclosure.

**Common Types of Mortgage Servicers Errors**

Considering the volume of data mortgage servicers handle on a day-to-day basis, there is a lot of room for error in terms of recording and processing payments. Here are a few common types of errors that mortgage servicers make:

* Imposing unreasonable charges or fees
* Improperly crediting or applying payments
* Not accepting conforming payments
* Dual tracking the borrower; meaning that the mortgage servicer is simultaneously pursuing foreclosure while assessing your request for a mortgage loan modification or contemplating any other options
* Starting a foreclosure or carrying out a foreclosure sale process without following proper procedures
* Not providing accurate information regarding foreclosure status or any work out options

**Disputing Mortgage Errors to Protect Your Home from Foreclosure**

The [Real Estate Settlement Procedures Act (RESPA)](https://portal.hud.gov/hudportal/HUD?src=/hudprograms/respa) is a federal law that has statutory guidelines for borrowers to dispute potential errors made by your mortgage servicer, and allows you to obtain essential information of your account with the company.

In order to initiate the process, you must send a letter to your mortgage servicer, known as the Notice of Error, that is for requesting information. Different time limits have been assigned to the mortgage servicer to provide a response to the notice of error, depending on the request you have sent.

If the notice of error is to notify your mortgage servicer about a certain error in the management of loan, the company is required to correct the error, inform you about it, and provide contact information so that you can follow up on your request. The time limit for the mortgage servicer to acknowledge your letter is five business days. Sending a response has different time limits, which range from 7 business days to 30 business days, depending on the nature of error. It is important to note that the clock starts ticking the day the mortgage servicer receives your notice of error. The company may extend the duration to 15 days, if they inform you about the delay within the initial deadline of response, along with a reason for it.

If your mortgage servicer has made errors or engaged in any type of mortgage abuse leading to your foreclosure, you should consider working with an experienced [foreclosure defense attorney](https://www.covertlegal.com/practice-areas/foreclosure-defense-short-sales/) to help you with your case. [Contact](https://www.covertlegal.com/contact-us/) Covert & Covert, LLP at (630) 717-2783 or online to schedule a free consultation today.