

Alaska (AK) Foreclosure Laws

When you develop a definite plan of action with well-timed, well-informed steps, you can stop the foreclosure process and save your home. We have outlined the foreclosure process for the state of Alaska

Judicial Foreclosure Available:yes

Non judicial Foreclosure Available:yes

Alaska offers two ways to borrow money against real estate: a true mortgage, and a deed of trust. The true mortgage may be foreclosed in Superior Court, according to the rules of equity. The deed of trust names the trustee who will oversee the foreclosure sale by recording and posting a notice of sale and arranging an auction to the highest bidder. Alaska law provides a procedure to appoint a substitute trustee by recording a proper notice of the appointment.

Preferred Method of Foreclosure:Non-judicial deed of trust sale.

Non judicial Power of Sale Foreclosure

The deed of trust must be foreclosed according to its own terms, provided those terms are consistent with the minimum protections of Alaskas laws.

Preliminary Notices

Recording

Not less than 30 days after the default and not less than three months before the sale, the trust will record notice of default stating the name of the borrower and the book and page where the trust deed is recorded. It must describe the property, the borrowers default, the amount the borrower owes, and the trustees desire to sell. It must give the date, time and place of the sale.

Mailing

Within ten days after recording the notice of default, the trustee must mail a copy of the same by certified mail to the last known address of (1) the borrower, and (2) any person whose claim or lien on the property appears of record or is known to the lender or trustee and (3) any occupant. The trustee may have the notice delivered personally instead of sending it by certified mail.

Reinstatement Rights

Any time before the sale, the borrower may cure the default and stop the sale by paying a sum equal to the missed payments plus attorneys fees. The lender may not require the borrower to pay off the entire remaining principal balance of the loan to cure the default; just the missed payments and attorneys fees. If the lender has recorded a notice of default two or more times, then the Alaska statutes provide that the lender can refuse to accept the borrowers monies for the missed payments and attorneys fees and proceed with the foreclosure sale instead.

Sale Procedures

Place of Sale

Manner of Sale

The trustee can conduct the auction or bring in an auctioneer to call out the sale.

Postponement

The trustee can postpone the sale by giving the person who conducts the sale a signed and written postponement request moving the foreclosure to a different time and place, which must be publicly announced at the time and place originally fixed for the sale.

Terms

The trustee must sell to the highest and best bidder. The lender may bid at auction. The trustees deed must give the book and page where both the original deed of trust and the default notice were recorded. It must state the notice of default was properly mailed. It must give the time, place and manner in which the foreclosure sale was conducted, and the amount paid for the property at foreclosure. After the sale, the trustee must record an affidavit that the notice of default was properly mailed.

Deficiency

Judicial foreclosure permits a deficiency suit. However, s if the lender forecloses through an out-of-court foreclosure sale under the deed of trust, then the lender may not sue for a deficiency judgment afterward.