

Short Sale Information

There are sellers in today's market that have little or no equity; that is, the seller owes close to or more than what the property is worth. In these situations, lenders are often willing to accept less than the full amount due, commonly referred to as "short pay" or "short sale."

It is extremely important to hire a Short Sale expert to sell your listing. Look for an agent with an SFR or CDDP designation. These agents have completed advanced training and have what it takes to get your short sale SOLD! JoAnn Gadkowski is one of Pikes Peak Association of REALTORS with the SFR designation for Short Sale listings.

Many homeowners who are "upside down" on their mortgage opt to simply walk away from their home and allow it to foreclose. The short sale offers a much better option and provides a win-win for the lender and the homeowner. From the lender's perspective, a short sale saves many of the high costs associated with the foreclosure process—attorney fees, the eviction process, delays from borrower bankruptcy, damage to the property, costs associated with resale, etc. In a short sale scenario, the lender gets their money faster and can cut their losses.

Credit scores are affected less with a short sale than a foreclosure and bounce back in a shorter amount of time. Once you are approved for a short sale, the lender will order an appraisal of your property to determine the market value. Once the value is determined, the lender will allow an agent to sell your property at market value. Once sold, the remaining debt is usually forgiven. The lender often expects to collect 80% or more of the appraised value, so you may still accept an offer lower than the appraised value.

The bottom line is... If your home is worth less than you owe, you can still sell it via a short sale without bringing any money to closing!

Contact JoAnn Today! She offers **FREE** counseling on the Short Sale option for your home. As each situation is unique, free counseling is the best first step to see if it is a possibility for you.

Short Sale Checklist

In order to be considered for a short sale, you may be asked to provide the following:

- **AUTHORIZATION & HARDSHIP LETTER** (provided by JoAnn)
- **FINANCIAL STATEMENT** (provided by JoAnn)
- **RECENT BANK STATEMENTS** for past 2 months
- **RECENT PAYCHECK STUBS** for past 2 months
- **COPY OF CURRENT MORTGAGE STATEMENT**
- **COPY OF YOUR PROPERTY SURVEY** (The survey is a drawn map of the property showing fence lines and how the home sits on the lot. There will be a State Seal stamped on the survey along with the name of the company that performed the survey.)