

## HELPFUL INFORMATION

- Please be aware that lenders are often unwilling to allow seller contributions to closing costs.
- Be patient! Short sales can take time but lenders have recently made improvements on their processing procedures. We do provide updates throughout the progression of the transaction.
- Being prepared, organized, and proactive will make short sale transactions less stressful and time-consuming for all parties involved
- Every lender will order/perform some kind of evaluation of the subject property to determine "fair market value". Most use BPOs (Broker's Price Opinions), although more complete appraisals are sometimes performed. If the purchase price is significantly below the lender's value, the lender will likely make a counter-offer or request the parties do so.
- As a condition to issuing written consent, Short sale lenders typically ask for evidence from the Buyer's bank that a new loan has been fully approved. Purchaser need to make sure their own financing is in place and ready to go.
- Short sale approvals require closing within 30 days. They are no guarantees extensions can be obtained and the short sale lender may charge additional money to do so.
- Short sale lenders do not pay for home repairs. Buyers need to perform inspections when their offer is accepted so they can make any appropriate adjustments to the purchase price before the initial short package is submitted.

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**The Law Offices of  
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## Short Sale Guide For Buyers & Sellers



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**ESCROW**  
*Legal Services*

***An Independent Law Firm  
Specializing In  
Commercial & Residential  
Real Estate Escrow Services***

## THE SHORT SALE PROCESS

- Once we have the requested documents from the seller and the short sale package is complete, our office will fax it to the lender's Loss Mitigation Department. Confirmation of receipt typically takes 7 to 10 days and multiple submissions are sometimes required before the lender acknowledges the package has been uploaded.
- After initial set up and review by the lender, additional documents may be requested either before or after the assignment of a negotiator. Sellers will need to provide periodic updates of date sensitive materials like pay stubs and bank statements.
- The short sale lender orders a BPO (Broker's Price Opinion), or appraisal. Some lenders may want the appraiser to enter the home, some may just do a drive-by, and others rely on a Comparable Market Analysis prepared by a Broker of their choosing. If the loan is backed by an investor, the lender will forward the file to the investors and mortgage insurance company, where applicable, for approval.
- ◆ Upon approval, the seller's lender will send a payoff letter specifying the amount they are willing to accept and a "good through date". There is a very limited amount of time to close the transaction once this letter is issued and both parties should be ready to move forward immediately.
- ◆ After we receive an approval letter, we will contact both parties to make an appointment to sign documents.



**We Have Expertise.** Myrna Weissman, attorney and owner, has over 30 years of international legal, financial and real estate experience. The members of our staff have been hand-picked by Myrna based on their skills and commitment to excellence

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**Short Sales Experience.** We have successfully completed more short sales than any negotiator in NW Washington. We have the experience.

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**We Are A Law Firm.** We carefully review all your documents for accuracy every step of the way.

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**No Agent Fees For This Service.** Our negotiation fees are paid by the lender as part of the settlement cost. There are also no upfront fees.

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**We Have A Dedicated Negotiation Team.** Short sales require diligence and insight to the negotiation process. Our experienced team is diligent with follow up on a daily basis.

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**We Communicate.** We stay in contact by phone and email to provide continuous status of your file.

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**We Are Caring.** We treat all of our clients with dignity and respect.

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**History of Successful Negotiation.** We have helped hundreds of home owners with efficient and timely short sale negotiation services.

## WHATS NEEDED TO BEGIN

Our office works with sellers to prepare a short sale package for their lender. We often begin this process as soon as a Listing Agreement is signed. A package typically includes:

- ◆ A signed authorization giving lenders permission to speak with our company and your agent.
- ◆ A copy of the Purchase and Sale agreement with all of its addenda.
- ◆ An estimated closing statement.
- ◆ Listing agreement, and/or listing history.
- ◆ Comparable sales.
- ◆ Hardship letter. (we are happy to help sellers prepare this)
- ◆ Budget and/or financial statements.
- ◆ Bank statements.
- ◆ Pay stubs.
- ◆ Tax returns.
- ◆ Investment, retirement account statements.
- ◆ Letter of loan commitment from the buyer's lender.
- ◆ Appraisal.

This list may seem intimidating, but we are here to help sellers through every step of the process!