



## Tips for a Successful Short Sale

If the mortgage is one of the following banks, please contact us for their specific packet.

- Chase
- Green Tree
- Nation Star
- OCWEN
- Real Time Resolutions
- BB&T

Please provide the short sale packet at least three to four weeks before the sale date (foreclosure) to give adequate time to accomplish a short sale.

Provide individual authorization letters for each mortgage, judgment, and lien.

Please note that all parties on the loan are required by the bank to provide financials and sign documents, even in cases of divorce.

Make sure that the financial worksheet shows all expenses. (Expenses should exceed income)

Please provide wet signatures on ALL documents, including the listing contract and purchase contracts. Most banks will no longer accept electronic signatures.

Please include the following verbiage on the listing agreement as it is required for most banks:

- *“Seller may cancel this agreement prior to the ending date of the listing period without advance notice to the broker, and without payment of a commission or any other consideration if the property is conveyed to the mortgage insurer or the mortgage holder. The sale completion is subject to approval by the mortgagee.”*

Please include the following verbiage on the purchase contract as it is required verbiage for most banks:

- *“The buyer is aware that the property is being sold as is.”*

If Bank of America is the lender, please include the additional verbiage:

- *“Sale is contingent upon the seller obtaining the prior written approval of Bank of America.”*

Please do not send counterproposals as most banks will not accept them. They do not understand Colorado contracts and view the contract as not being signed. Please re-write the contract or create an amend so both documents are completely signed.

When receiving a purchase contract on an FHA short sale, keep in mind that FHA does not allow concessions unless the new buyers are also receiving a new FHA loan and then ONLY 1% of the new FHA LOAN AMOUNT will be allowed in concessions.

When the BPO agent calls for access to the property, make sure to discuss any issues and comps. This is your only chance to discuss the value the bank will receive.

If you have filed bankruptcy, are planning to file bankruptcy, or have had a bankruptcy in the last 2 years, please let us know. We can do a short sale, but there are some extra steps.

Try to have the sellers continue paying the HOA and water bill. The bank will typically not cover this.