

Short Sales



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Short sales- we hear more and more about this way of buying and selling homes. A short sale means the seller's lender is

accepting a discounted payoff to release an existing mortgage.

In fact – This past March, 2008, 20% of our local real estate sales were attributed to “short-sales”. Recently, MLS has updated its profile to include a category for “short-sales”. The reality is that many homeowners will find themselves in a situation where they owe more money than their property is currently worth. In order for a sales agent to help assist a potential seller who wishes to get out from under a negative – equity position, he must have a familiarity with the short sale process.

Be aware that the seller need not be in default -- to have stopped making mortgage payments -- before a lender will consider a short sale. A lender may consider a short sale if the seller is current but the value has fallen. The seller may have over-encumbered, owe more than the home is worth, so a discounted price might bring the price in line with market value. Just because a property is listed with short sale terms does not mean the lender will accept your offer, even if the seller accepts it.

If you are a Realtor, Buyer, Seller or Investor, do your homework and align yourself with qualified individuals who have experience with this process. If you have a good team of professionals working with you, the short sale is an excellent way for the seller to get out of the home, the realtor and mortgage broker to protect their earned commissions, and the buyer to get the best possible price on a home.

I work with a great team to get this process done, and to educate participants on the steps that need to be taken.

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