



**BEHIND ON  
MORTGAGE PAYMENTS?**  
← **Solutions ahead**



CERTIFIED DISTRESSED  
PROPERTY EXPERT™

## ***A Dignified Alternative to Foreclosure***

When a mortgage becomes unaffordable, avoiding foreclosure becomes a primary goal. It is a unique situation that adjusts priorities and changes perspectives. For the millions of homeowners unable to make their mortgage payments today, there are alternatives to foreclosure that can lead to an entirely different, more positive financial outcome.

One of the leading solutions to foreclosure today is a short sale. In a short sale, the lender agrees to accept the sale amount, even if it is less than what is owed on the mortgage. In this report, you'll see how the consequences of foreclosure compare to those of a short sale. As a CDPE-designated agent, I have been extensively trained in the alternatives to foreclosure and can help you make an informed decision.

## **YOUR FUTURE LOANS**

My goal is to help you get your life back to normal as quickly as possible, and part of that is your ability to own a home again. Here, a short sale can help. After previous mortgage difficulties, owning a home in the near future will depend on your loan eligibility, which is severely impaired by foreclosure. A successfully negotiated short sale will allow you to be eligible for a Fannie Mae-backed loan in only two years, as opposed to five years after a foreclosure (seven years if the property is not your primary residence).

**What would it mean to own a home again in three to five years?**

When attempting to acquire a mortgage through another company, your loan application will ask whether you've had a property foreclosure in the last seven years. These applications do not ask about any past short sales, meaning if you have avoided foreclosure through a short sale, your chances of securing a future loan with lower interest rates are substantially better.





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Also, you can immediately apply for an FHA (Federal Housing Administration) loan after a successful short sale, assuming you are current on your mortgage payments before the sale. If you aren't current, you will be eligible after just three years. If you want to determine your eligibility for this process, contact me as soon as possible.

### **YOUR FUTURE CREDIT**

**A short sale may only lower your credit score by as little as 50 points.**

When facing the possibility of foreclosure, your credit score is also at stake – something that has become a stronger factor in lenders' decisions to provide loans, low interest rates, credit cards, etc.

A short sale, by itself, can lower your credit score by as little as 50 points, as opposed to anywhere from 250 to over 300 points in a foreclosure. In addition, a drop in credit due to a short sale can be recovered as quickly as one year, while a foreclosure will affect your credit for at least three years.

Your credit history, which is also taken into account for loans, does not keep record of past short sales, but a foreclosure will be publicly recorded for at least 10 years.

### **YOUR FUTURE EMPLOYMENT**

Current and future employers have the legal right to check their employees' credit, and many of them do so regularly. If an employer checks your credit, you want the report as clean as possible. Unlike foreclosure, a short sale is not directly reported on your credit (it will usually say "paid as agreed", "paid as negotiated", or "settled").

If your job requires a security clearance – such as police, military or government work – a foreclosure most often presents an issue. Since short sales are currently not explicitly reported on credit reports, they do not challenge most security clearances.

### **YOUR DEFICIENCY JUDGMENT**

In most states, lenders have the ability to pursue a deficiency judgment, or the difference between the amount the home sold for and what was owed on the mortgage. In some successful short sales, the lender may surrender this ability. However, if the lender does not

give up this right, a short sale will present a much smaller deficiency because they typically sell for much more than a foreclosed property.


**Contact me for all the information you'll need to know about deficiencies, including our state's specific laws.**

A short sale offers more than the opportunity to strengthen your future financial stability. It offers peace of mind. The value of this foreclosure alternative is why I have taken the time to understand and master the short sale process.

You deserve a professional level of guidance in your situation, and I offer extensive knowledge and access to updated information about foreclosure avoidance. As a CDPE-designated agent, I have made a commitment to helping as many homeowners as possible. A short sale could make a huge difference in your financial future, so please contact me right away.

**Place Your Confidence in CDPE**

With the right assistance, the stress of facing foreclosure becomes manageable. CDPE-designated agents have received the knowledge and training necessary to assess all possible foreclosure alternatives and pursue homeowners' best options. A CDPE-designated agent attends several days of intensive, thorough training on foreclosure avoidance and how to negotiate short sales efficiently and ethically. The highly regarded CDPE logo means you are working with the most informed, up-to-date resource available.



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