

# HOW TO SELL YOUR HOUSE THROUGH SHORT SALE



## LAW OFFICES OF NEIL CRANE

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SPEAK TO AN ATTORNEY  
FOR FREE CONSULTATION

## Frequently Asked Questions

### If I am in foreclosure, will I lose my home?

Before starting the Short Sale process it is important to consider all of the debts you have on your home. This includes second mortgages, lines of credit, equity loans, etc. The more parties that are involved, the more difficult a Short Sale can be. But don't give up! An experienced attorney can help guide you through the process and make sure that all of your debts are satisfied by your Short Sale.

### After a Short Sale will my entire mortgage be forgiven?

The best scenario is to have no remainder due after your Short Sale. However, the lender may require you to sign a promissory note for the difference between the amount made at the Short Sale and the amount owed on the original debt. This should be avoided whenever possible, as you may find yourself unable to pay

### What if I have other financial problems?

The ultimate goal of a Short Sale is to help relieve your overall financial burden. If the bank's approval of your Short Sale will do nothing to help your other debts and overall financial problems, then a Short Sale is probably not the best option for you. Talk to an experienced attorney to discuss what options are available and which one is right for you.

**Contact Attorney Neil Crane Today  
for a Free Consultation!**

FORECLOSURE IS A LEGAL  
PROBLEM!

SEEK LEGAL ADVICE!!

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## AVOID FORECLOSURE

Connecticut's foreclosure rate is at an all time high, with hundreds of homes being foreclosed on every week. For owners who can no longer afford to keep mortgage payments current, there are alternatives to bankruptcy or foreclosure proceedings. One of those options is called a "Short Sale"

## WHAT IS A SHORT SALE?

A Short Sale occurs when a creditor or lien holder agrees to let you sell your property for less than the full amount owed, and to accept the proceeds of that sale as full satisfaction of the debt. Selling a home via a Short Sale is a legitimate way to stop the foreclosure process and avoid a deficiency judgment

## ADVANTAGES OF A SHORT SALE

A Short Sale can save you the frustration and embarrassment of going through foreclosure process, while at the same time minimizing your losses. Also, a Short Sale may also avoid the damaging effect of having a foreclosure on your credit record.

## DISADVANTAGES

Short Sale is only for people who want to sell their house. The forgiveness of the debt can result in a tax due to the federal government. Furthermore, a Short Sale is a difficult and complicated process.

## HOW TO SELL YOUR HOUSE SHORT

### ❖ KNOW YOUR DEBT

-Figure out your mortgage balance. Ask yourself 'how much do I owe?'

### ❖ KNOW YOUR TIMELINES

- If you fall behind on your mortgage, it is important to act fast. The foreclosure process could take as little as 3 months. Seeking early advice leads to ultimate success.

### ❖ FIND A GOOD BROKER

- Look for a broker with experience in your area and who is practiced in the process of Short Sales.

### ❖ PRICE YOUR PROPERTY PERFECTLY

- An unrealistic price will ruin the chances of a Short Sale. If your home is priced too high, you may not find a buyer in time. If priced too low, the lender may not accept the offer.

### ❖ PREPARE CLOSING STATEMENT

- Selling your home involves various costs and charges such as closing and broker's fees. These costs need to be calculated to find exactly how much proceeds will go to the bank to payoff your debt.

### ❖ GET LENDER'S APPROVAL

- Even if you have found a buyer, approval by the lender is not automatic. The foreclosing lender must agree to accept less money than it is owed. It is very possible that a lender could reject the Short Sale offer.

### ❖ GET A LAWYER TO ASSIST YOU

- An experienced attorney knows the foreclosure timeline and can delay foreclosure and help you negotiate.

### ❖ GET BEST POSSIBLE CONTRACT

- Make sure the sales contract is solid with money down and a solid purchaser.

### ❖ BE UPFRONT WITH ALL PARTIES

- A Short Sale can be very stressful because it involves an agreement between not only you and your bank, but also a third party, the buyer. The buyer needs to know from the beginning that the sale is contingent upon the lender's approval of their offer.