

Short Sale vs Foreclosure Options



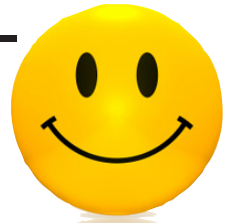
Don't make the Biggest Mistake ever...

Do not let the Bank foreclose on your home!

Beware... Loan Modifications are just a temporary fix and a loan modification will still leave you with negative equity.

A Better Solution — A SHORT SALE

- Possible forgiveness of your deficiency
- Less likelihood of tax liabilities
- Get out of your bad situation



SUBJECT	SHORT SALE	FORECLOSURE
Credit Score	Late payments on mortgage will show after completion of a short sale. The credit score will not be lowered as much, and the effect to the credit score can be as short as 18 months.	A foreclosure will typically affect credit scores for at least 3 years. Scores will be negatively affected between 200 and 300 points.
Credit History	Depending on how the lender reports it, short sales may NOT be reported on credit history.	This will remain as a public record on a person's credit report for 10 years or more.
Fannie Mae Guidelines	Eligible for a Fannie Mae insured loan after 2 years without restrictions.	Eligible with restrictions after 5 years; no restrictions after 7 years.
Primary Residence	This is a negotiable issue between the seller and the lending institution.	No negotiations between the home owner and the lending institution. It is up to the lender(s) whether to file a deficiency.
Deficiency Judgment	A short sale does not usually raise red-flags regarding a person's security clearance.	An employer may choose to not grant certain security levels. Resulting in loss of pay.



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