

To Lisa  
From Donna

B10 -- Lake Oswego Review/West Linn Tidings, April 30, 2009

her house to sell in the shortest amount of time  
checking account.

A short sale sounds like a good thing. Everyone wants his or  
possible, right? Unfortunately, in this case, "short" refers to your

A short sale is a home that is being sold for  
below what the seller owes on the property, and  
the seller does not have funds to make up the dif-  
ference at closing.

If you're a seller who's in this situation, take  
heart. You're not alone. Your Realtor is there to  
help.

We asked our resident  
experts for advice.

**Don't be embarrassed:** It's  
normal for your feelings to  
vary from defeat and anger to  
embarrassment. Please know  
that your Realtor is a profes-  
sional, and they are here to  
help you.

"Sellers need to recognize  
that even during these emotion-  
al times, the one thing that  
must prevail is honesty with  
your Realtor. If the broker who  
is trying to help you with your  
situation does not have all of  
the pertinent information, it is  
next to impossible to resolve  
the problem satisfactorily,"  
noted David Tangvald, a princi-  
pal broker with Prudential  
Northwest Properties.

And, think of a short sale as  
the lesser of two evils — at least  
you are not being foreclosed.

"To assist the bank in  
removing a non-performing  
asset from the books in the  
worst recession since the great  
crash will eventually be viewed  
as considerably less of a stigma  
than an outright foreclosure.

Maybe it looks bad on paper right now, but a few  
years from now that same bank may be clamoring  
for business," encouraged Don McCredie, a broker  
with Realty Trust Group, Inc.

**Research your options:** Contact your lender.  
They may be able to offer you options such as a  
loan modification to reduce your payments.

**Get organized:** Broker Lisa Balmes with Chris  
Balmes Properties notes, "You will need to pro-

vide all your financials, including the last three  
paystubs, two years of tax returns, the last two  
months of bank statements, as well as a letter of  
hardship. The lien holder(s) might also include a  
separate financial document to be filled out,  
signed and returned with the rest of the packet. It  
is best to get all of the financial information sub-  
mitted when the house is listed,  
because the broker will most  
likely have to send (them) on  
multiple occasions."

**Hurry up and wait:** Even if  
you are organized and have all  
your documents in order, be  
prepared for a lengthy process,  
perhaps as long as several  
months. The bank that owns  
the mortgage has to approve  
any offer you receive. The lien  
holder may have hundreds of  
short sale files to process. This  
is one of those character-build-  
ing times that your parents  
warned you about.

**Protect yourself:** You may  
want to consult a nonprofit  
agency that provides free  
homeowner counseling and  
information, including the ins-  
and-outs of a short sale.

Your local Realtor can pro-  
vide you with details, or check  
out the resources at  
[http://www.hud.gov/foreclo-  
sure/](http://www.hud.gov/foreclosure/). The Oregon Department  
of Justice is reporting many  
incidents of scams and frauds  
being perpetrated against  
homeowners in distress. Be

extremely cautious if you are approached by any  
company that offers to negotiate on your behalf  
for an upfront fee. If in doubt, check it out at the  
Attorney General's Consumer Protection Hotline,  
503-229-5576 or [www.doj.state.or.us](http://www.doj.state.or.us).

Stay tuned for next month's column, when we'll  
cover foreclosures. Questions about homeownership?  
Visit [www.HOWNW.com](http://www.HOWNW.com), a one-stop infor-  
mation resource on buying a home.

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