

To Lisa
From Donna

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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 difference 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 professional, and they are here to help you.

"Sellers need to recognize that even during these emotional 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 principal 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 submitted 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-building 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 provide you with details, or check out the resources at <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.

Stay tuned for next month's column, when we'll cover foreclosures. Questions about homeownership? Visit www.HOWNW.com, a one-stop information resource on buying a home.

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