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Smother Short Sales: 4 Tips From Lenders*

1. Find out if there are any liens on the property, which can become big problems for lenders and real estate professionals. Secondary liens may require money to minimize their losses and can balk at approving the short sale. Frequent objectors include tax lien holders and mechanics liens holders.
2. Engage both primary and secondary lien holders at the same time because all parties will need to approve the contract.
3. When working with the seller, ensure that all paperwork is completed and submitted on time. Also, make clients aware that they may be asked to reduce the lender's loss by making a payment or by signing a promissory note.
4. When working with a buyer, make a reasonable offer on the property. A ridiculously low offer is a waster of everyone's time. The servicer's primary goal is to minimize the investor's loss on a property with a distressed borrower. The lender will try to obtain fair market value for the property, so offers way below fair market value just cloud the process.

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