

# Short Sales – Leslie answers the tough questions



With short sales so prevalent and so many homeowners under financial distress, Leslie confronts head on the issues, questions and concerns facing so many families through a series of short newsletters.

Questions? Curious about *short sales*? Learn about the US Treasury's H.A.F.A. program, designed as a "graceful exit" for homeowners in distress.

## Videos at DonNelsonTeam.com



## HAFA Short Sales...

### Who's eligible | benefits | next steps?



My previous newsletters have covered some of the major issues distressed homeowners face as they consider options for their home.

Unfortunately, some homeowners "freeze up" and do nothing, or they wait too long before starting to take action and the lender forecloses and completes their sale/auction.

But many homeowners realize the benefits of doing a short sale, but don't understand the significance of differences between the *traditional* short sale and the US Treasury's HAFA (Home Affordable Foreclosure Alternative) short sale.

The benefits are *significant*:

- HAFA provides a streamlined, standardized process for selling your home.
- The lender/servicer **pre-approves** the terms - then the home goes on the market like a regular sale.
- Foreclosure sale will be stopped.
- May be able to buy again in as little as 2 years.
- **Provides \$3,000 at close of escrow** for moving expenses.

To learn more:

- turn the page for more detail, or
- go online to [www.DonNelsonTeam.com](http://www.DonNelsonTeam.com)

The US Treasury's HAFA program is designed as a "graceful exit" for homeowners in financial distress.



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Curious to learn more about short sales? Please visit us at [www.DonNelsonTeam.com](http://www.DonNelsonTeam.com)

The basic HAFA eligibility criteria are:

- Property is borrower's principal residence.
- Mortgage is the first loan originated on or before January 1, 2009.
- Unpaid principal balance is equal to or less than \$729,750.
- Mortgage is delinquent or default is imminently foreseeable.
- Verified financial hardship.

Benefits:

- Provides a streamlined, standardized process for selling your home.
- The lender/servicer **pre-approves** the terms - then the home goes on the market like a regular sale.
- Foreclosure sale will be stopped.
- May be able to buy again in as little as 2 years.
- Provides \$3,000 at close of escrow for moving expenses.

Next Steps | Timeline:

- Homeowner requests HAFA short sale – with required documents.
- Servicer has 30 days to respond to borrower with approval and Short Sale Agreement - good for 120 days.
- Home goes on the MLS | offer comes in and submitted to servicer.
- Servicer has 10 business days to approve if all terms are met.
- Close in 45 days!

Big caution – **DO NOT WAIT TOO LONG TO APPLY!**

It can take 3+ weeks to go through the application process and get your HAFA deal approved by your lender(s). Once your lender files the Notice of Trustee Sale (the document setting the time and place of the sale/auction), that sale date will generally be in about 3 weeks – **which may mean you don't have enough time to stop the sale.**

To learn more, see two short videos about the US Treasury's HAFA program on our website, [www.DonNelsonTeam.com](http://www.DonNelsonTeam.com)

Questions? Curious about short sales? Give me a call or email me. I'd love to hear your story – and I'm very discreet.

*Leslie Nelson*