

TIPS for the Short Sale Buyers

Highly Recommended:

- MUST love the house
- No deadline necessary, flexibility with closing date
- Pre-approval from a reputable well-known company or, even better, from the bank that holds the note on the short sale property
- Provide “highest and best” prior to sending to bank for approval
- Be willing to agree to a final sale price that is 80-90% of Current Fair Market Value
- Savings to accommodate reduction of seller concessions from 6% to 3%
- Obtain a fully-executed contract
- Obtain a copy of the title commitment from the listing agent
- Confirm the following:
 - House is being maintained, especially if vacant and inspection is completed; winterized in the winter
 - Title has been ordered and clear or able to be cleared
 - Seller is cooperative & committed to process
 - Entity seeking approval is experienced, successful and provides regular updates
 - Deed transfer will be directly from seller to buyer (no intermediary party)
 - Buyer’s Agent receives updates from the Listing Agent or entity handling communications with bank
 - Property is clear of unrecorded Municipal invoices or assessments and CoFO requirements at time of offer and prior to closing (especially if home is vacant)

Recommended, but not necessary:

- Remove as many buyer contingencies as possible: inspection, repairs, mortgage, etc.
- 1 mortgage on the property (2 is doable, 3+ is difficult)

