



Buying A Short Sale Made Easy...

What is a short sale?

A short sale occurs when the seller owes more on their home than what it will sell for in the open market and they need to sell their home or can no longer make payments. It is a pre-foreclosure sale and the property is owned by the seller and not the lender. In a short sale scenario, the lender has agreed to accept less than what is owed on the loan balance or a short pay-off... i.e. Seller owes \$200,000 and the lender agrees to accept less than the \$200,000 loan balance. Keep in mind the lender **does not tell** the Seller what they will accept on the property and they **do not tell** the real estate agent what they will accept or at what price to list the home... in other words the listed price of the home may NOT be acceptable to the lender therefore we say the price is not a deliverable price. **Warning! Short sales can take several months to process and to even find out if the lender accepts your offer, you must have time and patience to purchase a short sale. There is always the possibility of the home being foreclosed on before the short sale is completed.**

How do I purchase a Short Sale?

Short Sales are like any other purchase with the exception being the lender will make the final decision on the sale price, the lengthy timeframe and the seller has nothing to do with the price the lender will take.



1. The first thing you need to know is the price range of the home you can comfortably afford....to do this you will contact a lender and have them send you a pre-qualification letter with the price range of the homes you should be looking at. You do this **before** you start the home buying process or even start previewing homes. Offers will not be accepted or considered without a pre-qualification letter from your lender. If you are buying cash we need a Proof of Funds letter from your bank. We can make some recommendations of lenders who can get your loan processed and approved in a timely manor and offer great rates.
2. After you know the price range of the home, you will give **Karen Fleckinger with the Fleckinger Team** a call at **321-252-8708** to set up your automated daily email home search with the exact criteria of the home YOU are looking for, in your price range.
3. Now, you will review the list of homes you receive from Karen and find 5-7 of them that you would like to see. If you have time, we recommend driving around the neighborhood to make sure it meets your needs. Then, give Karen a call so she can schedule the showings on the properties you like. Try to give her a day notice to set up showings since she will have to make appointments to show these homes. **NOTE: Karen will represent YOU in the purchase of any home listed with ANY real estate company in Brevard. Be sure to tell any other agent you may talk to that "Karen Fleckinger is representing YOU" in your home purchase. Also, in some cases Karen may recommend putting in an**

offer without seeing the home...she will explain the process and the reason for doing this.

4. When you find a home that meets your needs, Karen will help you decide on an offer price and terms and write up the offer for you to sign. You will need to give her a personal check for your "good faith" earnest money deposit, usually around \$500-\$1500 to put in escrow and present with the offer. You will also make formal application with the lender and give them a check for around \$375 so they can order the appraisal on the home when that time comes. **NOTE: Good properties Sell FAST and you need to take action or they will be gone.**
5. Karen will send your offer along with your Pre-qualification letter to the listing agent. The listing agent will now process your offer to the lender.
6. **VERY IMPORTANT**...the short sale process is usually very long and it can take anywhere from 3-6 months for the lender to process the short sale and to find out if the lender will accept your offer. Lenders are overwhelmed with this type of sale and they make ALL the rules, each lender handles short sales their own way. **If you do not have the time or the patience DO NOT purchase a short sale.**
7. Once your offer is accepted by the lender Karen will guide you through the process of selecting a home inspector and the home inspection process. Everyone needs to have a home inspection on any home they purchase.
8. If you are satisfied with the home inspections, then it all goes to the Lender and they will do their magic and process the loan by ordering the appraisal and we will now wait for the lender to give us FULL Loan Approval.
9. When we have full loan approval, we will set a time for closing and you will soon receive a HUD Statement telling you the exact amount you need to bring to closing. This **MUST** be in the form of a bank draft made out to the closing agent/title company. Karen will give you this information.
10. You are finally ready to close on your home and you will meet Karen at the home before the closing to do a walk-through to make sure all is in order with the home based on the terms of the Contract for Sale and Purchase. You will then go to closing and sign all the closing documents, give the closing agent your Bank Check and you will be handed the keys and you now own your home!



**Brought to You By - Larry and Karen Fleckinger
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