

Short Sale Seller Advisory

TABLE OF CONTENTS

1 Before Proceeding with a Short Sale

- 1 Understand a Lender's Options upon Loan Default
- 1 Be Aware of Predatory "Rescue" Scams & Short Sale Fraud
- 2 Report Suspected Scams
- 2 Contact a free HUD-approved housing counselor or contact your lender directly
- 2 Utilize free services available to Arizona residents
- 2 Obtain Legal Advice
- 3 Obtain Tax Advice
- 3 Be Aware of the Consequences of Committing "Waste"

3 Options other than Short Sale

- 3 Loan Workout
- 3 Loan Modification
- 4 Refinance
- 4 Deed-in-Lieu of Foreclosure
- 4 Work Out Sale
- 4 Bankruptcy
- 4 Foreclosure

5 Short Sale Considerations

- 5 Contact a qualified real estate professional
- 5 Investigate documentation and eligibility
- 5 Determine the amount owed on the property
- 5 Determine the estimated fair market value of the property
- 5 Consult legal counsel
- 5 Understand that a short sale may not discharge the debt
- 6 Obtain tax advice
- 6 Be aware of the impact on your credit score
- 6 Understand that there may be a waiting period before you can buy another home
- 6 Home Affordable Foreclosure Alternative (HAFA) Program
- 6 Review the Arizona Association of REALTORS® short sale forms
- 6 For more information

7 Seller Acknowledgment