

## EXPECTATIONS & TIMELINE

### **Marketing your home:**

In order to get the highest possible price, it is important that your home be spotlessly clean and “show ready”. It is also important to make your home accessible for viewing on short notice whenever possible. Your home may be shown several times a day in some cases.

### **The Offer:**

All offers will be carefully reviewed and the highest and best offer will be forwarded to the lender, with the other offers given the option of accepting “back up” position. The “highest and best” offer may not be based solely on price but also on the likelihood of closing based on the buyer’s financing, down payment and the condition of the property. Once an offer is received on your property, your agent will schedule an appointment for you to come in and review the Purchase Agreement.

### **The Lender Approval Process:**

The lender approval process only *begins* once you have accepted an offer and both the offer and your hardship package have been forwarded to the lender. Past experience shows that the lender review and approval process can take anywhere from one to five (or even more) months. The timeline varies with each lender.

After the lender reviews the short sale package, they will order a Broker Price Opinion (BPO) which is not an appraisal. The lender orders the BPO to obtain information regarding the purchase price offered on the property and get information about what their net loss might be. Your property will show as ‘Pending, Subject to Lender Approval’ on the MLS until the lender accepts the offer and provides a written Approval for your review.

### **Throughout the lender approval process, it is important that you respond *immediately* to requests for documentation.**

Lenders are inundated with short sale requests and failure to respond promptly will cause additional delays in the process. *In general, lenders are not required to approve any particular transaction.* Please be patient. At times you may feel things are going very slowly, but remember this is not a regular transaction and can take longer to complete.

### **The Lender Approval:**

Once and if an offer has been approved by the lender, your agent will schedule an appointment to review the terms and conditions of the approval. If they are acceptable, no further discussions with the lender will likely be necessary and the transaction can proceed to closing. Sometimes lenders will include terms and conditions of approval that are more burdensome than would be incurred in a foreclosure and careful consideration or reconsideration of your options may again be necessary. You may need to consult with an attorney or tax advisor again if you have legal or tax related questions about any lender terms and conditions of approval. Although the lender approval may take some time, when the approval is finally received the lender may then require the transaction to close anywhere from 20-30 days thereafter, so be prepared to move quickly.

### **The Close of Escrow:**

You, as the seller(s), will be contacted to sign various seller documents at the escrow office. Although you will not receive cash at the conclusion of this transaction, it is still important to carefully review the documents you sign to ensure the loan balances, interest due and penalties are correct.