



# SHORT SALE PROCESS LONDON PROPERTIES

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As if selling a home is not hard enough, many California homeowners face the added challenge of selling short. To do a short sale, you have to find a buyer and convince your mortgage lender to accept a loan payoff of less than what you owe. A short sale can get thorny and complicated, but understanding the process will help you manage your expectations, prepare for each step, and improve your chances of success. To get you started, here's a brief overview of the typical short sale process:

STEPS	DESCRIPTION
1. Hire a REALTOR®	The first step in the short sale process is to hire a REALTOR® to represent you in selling your property and negotiating with your mortgage lender. Your REALTOR® may meet with you to preview your property, discuss your particular circumstances, and offer different strategies as how to best proceed.
2. Contact Your Lender	You may authorize your listing agent to contact your mortgage lender on your behalf to determine the lender's short sale requirements. Many lenders require that you enter into a contract to sell your property before submitting your short sale request, but there may be a growing trend for lenders to pre-approve short sales.
3. List Your Property For Sale	You may maximize your marketing efforts by listing your home for sale with your REALTOR®. Getting a good price and a good buyer for your property helps to ensure your lender will approve your short sale request. Your REALTOR® may help you to, among other things, get your property ready for showings, advertise and market your property for sale, conduct open houses, and interface with prospective buyers and their real estate agents.
4. Enter into a Sales Contract	A buyer interested in purchasing your home, may write an offer to purchase which you may accept contingent upon, among other things, your mortgage lender's approval of a short sale.
5. Submit Request to Lender	You may prepare a short sale package for submission to your lender. A short sale package generally includes information about you, your financial situation, your property, and your sales transaction. Your lender may require you to submit a hardship letter explaining the reasons you are unable or unwilling to repay your mortgage loan. You may have to obtain a short sale approval from any creditor with a security interest in the property you are selling (such as first trust deed, second trust deed, judgment lien, or federal tax lien).
6. Obtain Short Sale Approval	After you've submitted your short sale request, the lender's response generally takes many weeks to many months. If your lender approves your short sale request, carefully review the terms and conditions of that approval. The short sale approval may have an expiration date and other financial, legal, tax, credit, and other consequences.
7. Perform on Sales Contract	Depending on your agreement with your buyer, it may be after you notify the buyer of the short sale lender's approval that the buyer starts to perform on the sales contract by, among other things, opening escrow, submitting the good faith deposit into escrow, getting the property inspected and appraised, obtaining financing, and proceeding to close escrow.
8. Close Escrow	Towards the end of your transaction, you will generally go into the escrow office to transfer title of the property to the buyer. In the meantime, the buyer goes into escrow to deliver the funds for the down payment and closing costs and sign loan documents for the funding of the buyer's loan if any. The sale is consummated, possession of the property is generally turned over to the buyer, and the escrow officer disburses all funds accordingly.

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# FORECLOSURE TIMELINE

## LONDON PROPERTIES

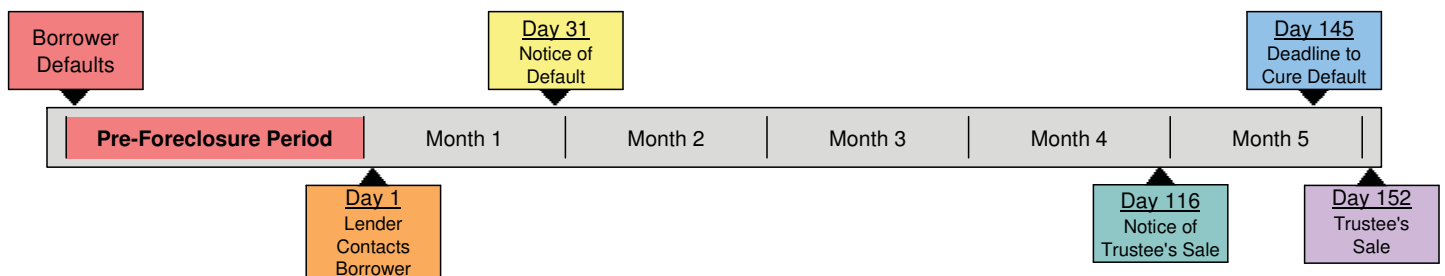
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If you're facing foreclosure, you may find it challenging just understanding the foreclosure procedures your lender will use to sell your property to satisfy your debt. Yet, you may want to beat the clock by selling your home yourself or pursuing another alternative to avoid foreclosure. To help you prepare yourself for what's to come, here's a quick summary of the approximate minimum timeframe for the typical non-judicial foreclosure in California. The actual number of days for your particular situation may vary from the approximate minimum time periods set forth below.

DAY	EXPLANATION
<b>Pre-Foreclosure Period</b>	If you stop making your mortgage payment, your lender may take about two, three, four, or more months before it commences foreclosure.
<b>Day 1: Lender Contacts Borrower</b>	A lender must contact the borrower by phone or in person to assess the borrower's financial situation and explore options to avoid foreclosure. During the conversation, the lender must inform the borrower of the right to meet with the lender within 14 days and give the borrower a toll-free number for HUD-certified housing counselors. This requirement to contact borrowers only applies to certain owner-occupied residential loans made between 2003 and 2007.
<b>Day 31: Notice of Default</b>	For most owner-occupied loans made from 2003 to 2007, a lender may file a notice of default 30 days after contacting the borrower to explore options to avoid foreclosure. The notice of default informs the borrower of the default. It must be filed in the county where the property is located and then mailed within 10 business days to the borrower and others who have requested notice.
<b>Day 116: Notice of Trustee's Sale</b>	Five days before the lapse of three months after the notice of default, the lender may record a notice of an upcoming trustee's sale to be held no earlier than 3 months and 20 days after the filing of the notice of default. The notice of trustee's sale must be recorded, posted, mailed to the borrower and others, as well as published once a week for three consecutive weeks in a newspaper of general circulation.
<b>Day 145: Deadline to Cure Default</b>	Up to five business days before the trustee's sale, the borrower may reinstate the loan by paying the missed payments plus allowable costs. After the reinstatement period expires, the borrower still has the right to redeem the property by paying the entire debt, plus interest and costs (not just the arrearage) at any time before the bidding begins at the trustee's sale.
<b>Day 152: Trustee's Sale</b>	Although California law allows a trustee's sale to take place 20 days after the posting of the notice of sale, lenders customarily wait 11 more days to help protect against federal tax liens. At the trustee's sale, the property is sold at a public auction to the highest bidder. Title is transferred to the successful bidder by a trustee's deed.



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