

## HOW TO SUBMIT YOUR SHORT SALE FILE TO THE LENDER FOR APPROVAL:

**When submitting your short sale package you must know what to send and where to send it.** We have provided with you with the short sale checklist. It is posted on the Short Sale Website. Review the following secrets when preparing to submit your Short Sale Package:

**Secret #1 – The seller’s file has an ACCOUNT NUMBER assigned to it, or a FILE NUMBER. Every page on the Short Sale package should have that number on it.**

### **Where do I send it?**

Obviously you should submit your short sale package to the lender via the fax number they provide. Where can you find that?

**Secret #2 – Call customer service to determine where you should send the package. Make sure you tell them what type of loan it is- First Mortgage, Second Mortgage or Equity Line.**

After you've submitted the Package correctly, you'll want to give the lender enough time to evaluate the deal. The lender will check to make sure the offer submitted comes within the proper ratios. (Refer to Short Sale Math doc on our website.) If it does, your deal will most likely get accepted, however you must also be prepared if the lender rejects your offer.

**Secret #3 - Just because your first offer is denied does not mean that the deal is dead.** This is now the perfect opportunity to learn precisely what you have to do in order to close the short sale.

**Secret #4 – Depending on the lender you may get a counter. Remember it is loss mitigation's job to recover as much money as possible.**

The first thing you will want to do before making another offer is find out from the lender exactly **why** the first offer was rejected. Find out which items need corrected and next time the offer may get approved....

**Here are several key factors that may result in your offer being rejected:**

- They will not net the required amount needed to justify accepting your short sale offer. Your offer was too low based on their BPO.
- The package was not submitted correctly.
- They do not agree with the terms of your contract, net sheet or HUD-1 statement.
- The loan is government insured and the lender has no reason to discount the loan. This is a rare in this market.

**Secret #5– If you think the loan is a government insured loan, before proceeding call the lender and ask what workout options are available for this loan.**

- The investors of the loan are asking for more money to close out the loan.

**Secret #6 – The lenders will bluff, be prepared for them to bluff. Remember nothing is over until it is over.**

- The loss mitigation rep is angry with you and they are intentionally refusing to close your loan.

**Secret #7 – If you feel as if you are being treated unfairly and you can clearly show the hardship and it meets the criteria, ask for the loss mitigation manager.**  
( Remember, BE NICE!)

**Secret #8 – Your two biggest expenses in real estate are your taxes and your ego.**

- You did not clearly demonstrate the borrowers hardship.
- The lender would like to explore alternative payment options with the homeowner instead of doing a short sale.

These are just some of the reasons you may get from the lender for your short sale being rejected but the main thing to remember that you must ask a lot of questions. The main reason your short sale offer will be rejected will be because the offer is too low, 99% of the time that will be the reason.

**Secret #9 – When dealing with the smaller banks, they may not be able to accept your deal however they may give you the listing when it comes back in REO.**

Remember, the lender's number one concern is how much money they can get. We will need to be constantly selling them on the fact that your market is moving down and your offer today will give them more money.

**Script** – "Mr. Lender, Ok so you are countering me to full payoff. Realistically, the buyers agent is expecting a number, can you give me a number? Mr. Lender I am representing the Seller or your bank at this point. Please tell me what do I need to do to get this deal closed. Thank you for taking the time to think about it. Mr. Lender if I can get blank from the Buyer realistically, will that get this deal closed?"

**HREU RULE** – You must never get attached to the outcome of any transaction. If your deal does not get accepted, then work on getting a conclusion, however do not let one transaction make you ineffective. Your real estate BUSIESS is not determined by one transaction.

**Copyright 2008 Harris Real Estate University**  
**HarrisRealEstateUniversity.com**