



Your Short Sale Negotiators

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FORECLOSURE vs. SHORT SALE - Part 2

Issue

Foreclosure

Security Clearances

Foreclosure is the **most challenging** issue against a security clearance outside of a conviction of a serious misdemeanor or felony. If a client has a foreclosure and is a police officer, in the military, in the CIA, Security, or any other position that requires a security clearance, in almost all cases clearance will be revoked and the position **will** be terminated.

A Short Sale on its own does not challenge most security clearances.

Current Employment

Employers have the right to check all employees who are in sensitive positions. A foreclosure in many cases is grounds for immediate reassignment or termination.

*A Short Sale is not reported on a credit report and is therefore **not** a challenge to employment.*

Future Employment

Many employers are requiring credit checks on all job applicants. A foreclosure is one of the most detrimental credit items an applicant can have and in **most** cases will challenge employment.

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Deficiency Judgment

In some situations a lender can pursue a deficiency judgment against the borrower after a judicial foreclosure.

*In some successful short sales it is possible to convince the lender to **give up the right** to pursuit a deficiency judgment against the homeowner.*

Deficiency Judgment (Amount)

In a foreclosure, the home will have to go through a REO process if it does not sell at auction.

In a properly managed short sale the home is sold at a price that should be close to market value and in almost all cases will be better than a REO sale resulting in a **lower** deficiency.

Successful Short Sale