



New Jersey


SHORT SALE vs FORECLOSURE


1. THE MAIN BENEFIT OF A SHORT SALE-THE DEFICIENCY WAIVER

 **Foreclosure:** If the bank completes the foreclosure sale they may have the right to pursue you for the difference between the mortgage balance and the foreclosure sale amount.


 **Short Sale:** Once a short sale is completed the bank forgives the remaining balance and the mortgage is settled.


2. A SHORT SALE WILL BENEFIT YOUR CREDIT

 **Foreclosure:** Your credit score will drop precipitously and will be affected for several years.


 **Short Sale:** Only the late mortgage payments will appear on your credit report and once the short sale is completed the mortgage will show as paid.


3. A SHORT SALE IMPROVES YOUR PUBLIC PROFILE

 **Foreclosure:** A foreclosure will remain as a public record indefinitely.


 **Short Sale:** Once a short sale is completed your credit report will list the account as settled.


4. A SHORT SALE WILL HELP WITH FUTURE EMPLOYMENT

 **Foreclosure:** Many employers run background checks. In many cases having a foreclosure on record may cause issues during the hiring process. It may also be the cause of future unemployment and loss of security clearance.

 **Short Sale:** By selling your property through a short sale and avoiding the foreclosure sale your credit report will show the debt as paid.

5. A SHORT SALE INCREASES YOUR FUTURE POWER TO BUY

 **Foreclosure:** To qualify for an FHA or Fannie Mae mortgage you must wait 3-7 years after the foreclosure.

 **Short Sale:** A homeowner who successfully completes a short sale will be eligible for a Fannie Mae backed mortgage after only 2 years.

IF YOU NEED HELP WITH YOUR SHORT SALE AND AVOIDING THE FORECLOSURE

CONTACT US TODAY 908-838-9545

Ask for Robert or Frank