

Successful Tips for Buying Short Sales

by Ronald Candelaria, Short Sale Expert

1. **Get Loan Approval, Not Prequalification.**

The lenders are already losing thousands of dollars approving a short sale. They do not want the buyer falling out of escrow. Set your offer apart from the competition and get fully approved before making an offer.

2. **Choose An Experienced Short Sale Agent.**

All real estate agents are not alike – especially in short sales. It costs you no money to hire an experienced short sale agent to represent you, and could cost you everything if you don't.

3. **You Must Have the Patience of a Zen Master.**

Short sales are not short. They take time (90-120 days on average). If you do not have the patience to wait for the lender(s) to approve the short sale and your offer, consider a bank owned property or an approved short sale.

4. **Have Your Agent Qualify the Listing Agent.**

Any agent can list a short sale, but few know how to get the short sale approved. If the listing agent is inexperienced in short sales, the process could take much longer, or worse, your offer denied. You need to know your odds of success before the process begins.

5. **Do Your Homework.**

Some inexperienced listing agents list the home for thousands below market value in hopes of getting an offer. Have your agent check the comps of solds, pendings, and actives in the neighborhood. Don't be fooled into making a low ball offer, waiting months for acceptance, only to find the lender wants thousands more for the home.

6. **Find an Agent Who Likes Short Sales.**

Some agents will try to talk you out of writing an offer on a short sale because the agent does not get paid unless the short sale is approved and your offer is accepted. That could take months. Find an agent who is comfortable in working with the short sale process. Some of the best deals take time and patience. Make sure your agent will be there for you.

7. **R.E.O. vs. Short Sale.**

A well priced R.E.O. (Bank Owned Home) may have multiple offers. If so, you need to be prepared to act quickly, and bring in your best offer. Short sales take longer. Sometimes the first offer gives up and cancels their offer. If you time it right, you can make an offer much later and still get the home. An experienced agent can guide you.

8. **Consider a Fully Approved Short Sale.**

Because short sales take time for approval, sometimes offers written are long gone once the bank approves the offer. This is a terrific opportunity to get a great deal on a home without the wait. The approved short sale list price is the offer the bank will accept. Depending on several factors, sometimes you can make a lower offer and the bank will still accept. An experienced agent will help you negotiate the best deal.