



## Cygnus' Short Sale Offer Guidelines

Welcome! Please [carefully](#) read this document before submitting an offer and follow the guidelines. In order for you to submit a short sale offer to one of our sellers and for us to submit an accepted offer to the seller's lender, we need a [complete packet](#) that has all of the required documents.

### Highest And Best Offer

We generally get 5-10 offers per short sale. We price our properties aggressively to get buyers so your offer is not likely to be the only one. Therefore you should submit your very best offer to compete. An offer at the list price is not recommended if you want to have a successful offer with the lender. The list price is a suggested starting point but not the best offer price.

### Required Documents

Copy of [Earnest Money Check \(EMC\)](#). We counsel our sellers not to accept promissory notes for short sale transactions.

Copy of [Lender Letter](#), showing that the buyer has prequalified and met minimum income and credit requirements to qualify for a purchase price and loan amount equal to or greater than those shown on the offer.

### Short Sale Addendum.

If your buyer is an investor who is not planning to owner occupy the residence, please use the [Foreclosure Contract](#) to comply with the Colorado Foreclosure Protection Act. In addition to the contract please complete the [Short Sale Addendum](#) form for submission.

If your buyer is making a cash offer please supply [Proof of Funds](#) to close. A "cash" offer with a lender letter and no proof of liquid assets to close will not be submitted to the bank until the discrepancy is resolved.

### Contract Notation

Use [SSA](#) or [MEC](#) in place of hard dates, as applicable. SSA stands for "[Short Sale Approval](#)".

We will not provide title work or disclosures to any buyer until such time as the bank has made a decision as to acceptance, at which point we have an accepted contract and a buyer. Once we have a buyer we will provide Title, Documents, CIC Docs (if applicable) and any Off-Record Matters Docs that we may have. You can use SSA + 2 days or more for these items.

### Alternative Earnest Deadline

If you are providing a copy of an earnest money check, be sure to have an alternative earnest money deadline in your contract otherwise you have to provide a check with delivery of the contract

### Assignability

Generally speaking Banks considering a short sale will not accept assignable contracts so we encourage our short sale sellers not to accept them. If your buyer wants to transfer ownership, we encourage a quit claim after closing.

### Additional Provisions

You must add the following provision to your offer; "[The sale of this property is contingent on the short sale approval by seller's lender](#)". Our sellers will not be accepting any contract which has added language that modifies or negates their rights under the Colorado Foreclosure Protection Act.

### Status Change

The property of interest remains "[Active](#)" until we receive lender acceptance of an offer. Do not request the status to be changed to "[Under Contract](#)" after the seller signs the offer. We are not "under contract" until such time as the lender approves the offer.

### Terms And Conditions

- It will be only be at the seller's sole discretion to accept and present one, multiple or all offers to the bank for approval.
- Acceptance of an offer by seller does not imply approval by seller's lender.
- Approval of an offer by the seller's lender is required for an offer to be considered "Under Contract"

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## **Time Frame**

Short sale take a lot of time and vary in time depending on the lender and market conditions. Expect at least 4 months to complete a sale.

## **Submitting Offers**

You can send your offer by email ([fax@cygnusrealestate.com](mailto:fax@cygnusrealestate.com)) or fax ([303.339.7006](tel:303.339.7006)) via eFax.

If you have questions about short sales please call our main office at (303) 422-SWAN.