



Kayser Short Sale Law Center

A Graceful Exit from a Difficult Situation for a Homeowner™

Short Sale Guide

Don't sell yourself SHORT – let the Kayser Law Firm help!

“I would not use anyone but Kayser when it comes to short sales. Kayser really is the best in their field.”

- **Janell, REALTOR®**

“Thank you so much for all of your help. Short sales always have so many bumps in the road on the way to closing. Every time we hit an obstacle, you did an amazing job helping us get past it and were always available for questions. I know we would not have made it to closing without your help.”

- **Christy, REALTOR®**

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Serving Missouri & Illinois

Kayser Short Sale Law Center works closely with sellers, buyers, and real estate agents as well as title companies to facilitate, negotiate and finalize the short sale transaction. The firm also works with the sellers and the agent to obtain, process, and furnish short sale packages and other required information to the seller's lender(s). Our firm currently has two locations: St.Louis and Chicago.

After developing, implementing and successfully providing the St. Louis metropolitan area and downstate Illinois with our legal short sale services, we have continued to grow into the Chicagoland area. Our firm is an ideal platform for expansion. Our state-of-the-art short sale negotiation processes have successfully negotiated with Lenders on behalf of Sellers and real estate agents for 8 years. Our top-flight team has the ability to STOP a Trustee Sale or Auction. Kayser's growing group of venture-focused attorneys and file managers have a 95% closing rate* and have the experience to negotiate the best terms for all parties including relocation fees and reduced liability for everyone. The firm covers the waterfront of legal competence: short sale negotiation, foreclosure prevention, and legal issues involving bankruptcy and foreclosure - among others.

We provide you with the most experienced short sale professionals; individuals who have made it their focus to help you eliminate your mortgage debt as fast as possible and minimize any impact to your credit. Our team consists of: three attorneys, four file managers (short sale negotiators), two business development managers and a marketing coordinator.

Kayser provides **free** workshops and presentations for real estate agents and brokers interested in learning more about our services and the short sale process.

We continue to build business relationships with those who share our same vision to ensure the best practices that have proved success in the past. The ever-changing housing industry has us constantly searching for new improvements that will continue to propel the firm and our team toward our mission: *A graceful exit from a difficult situation for a Homeowner™.*

*Past results afford no guarantee of future events. Every case is different and must be judged on its own merits.

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Endorsements to Kayser:

I strongly recommend Kayser Short Sale Law Firm. Many of our members turn to Kayser with their short sale listings. Kayser's team skillfully handles the legal representation of the seller allowing brokers to focus on the marketing of the property. Brokers are free from the frustration and strain of dealing with lenders, not to mention the legal minefields in short sales! Their firm's short sale workshops are extremely informative and a must for all real estate broker organizations.

**- Deb Frazier, Association Executive
REALTOR® Association of Southwestern
Illinois**

As a mortgage banker, my consulting firm worked with The Kayser Short Sale Law Firm. Through countless short sale closings, my office has witnessed attorney Kayser and staff fighting for the often ignored underwater homeowners on "Main Street"...Moreover, during these past six years I've come to hold Kayser's team in the highest regard for all of the work they've done helping their clients to first understand, and most importantly...avoid a potential deficiency / money judgment through successful short sales. Kayser's expertise and professionalism are simply unparalleled!

**- Brandon Sciuto, Mortgage Banker
Mitigation Resolve, LLC**

I wanted to take a moment to express my appreciation for our continued relationship. It is always a pleasure when we work with Ryan, Elizabeth and your team. We have worked with Kayser Short Sale Law Firm on countless short sale closings over the last six years and hold their team in the highest regard. Kayser's expertise and professionalism are unparalleled. I wish all of you the best of luck and much success in the future and look forward to continuing to work with you.

**- Joe Crutchfield Jr., President
Investors Title Company**

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How it works

Kayser & Associates (“Kayser”) client engagement is not complete and Kayser has no duty toward the Seller until each of the following has been fully executed and received by Kayser: 1) Letters of 3rd party authorization, 2) Seller Engagement and Agreement, 3) Seller Incentive Fee Agreement, 4) Agent Guide, 5) Buyer Fee Agreement, and 6) Advanced Legal Fee (if applicable). Once these documents have been received, the Seller becomes a client of Kayser.

Kayser’s legal fees are the greater of \$3,500 or 1% of the contract price. In most short sale closings, lenders pay our legal fees because lenders have budgeted legal fees into the short sale process. These fees are placed directly on the HUD-1 for the lender to pay. Another source for our legal fees comes from certain lender or government incentives for which the Seller may qualify. The third source for our fees will come from an advanced fee collected from the Seller for high risk files, complicated files, and/or files outside our standard criteria. The fourth source is from the buyer. So, legal fees may be paid from a combination of four sources of funds including: 1) Lender; 2) Incentives; 3) Advanced fee, 4) Buyer. Simply notify your Seller that you have aligned yourself with a short sale law firm and we will contact them. Then send us the name and phone number of your Seller. Upon contact, we will prequalify them and call you as to whether they fit our criteria and that they are “on board”. It’s as simple as that. We do all the work and you do what you do best – market the property and solicit the offer.

Government programs (HAFA, HUD PFS, lender initiated short sale programs)

We are very familiar with government short sale programs and get as many of our short sale files into these programs as often and as quickly as possible. There are many reasons to do this. Firstly, these programs assist us in putting a stop to foreclosure proceedings, thus buying us more time to get an offer and eventual short sale approval. Secondly, many of these programs mandate lenders to waive deficiencies – good news to the seller/borrower. Thirdly, these programs provide thousands of dollars from the Treasury to assist the lenders in approving the short sale. They do this by providing contributions to 2nd lienholders to satisfy their debt, and by providing monetary incentives to the seller for relocation expenses. Additionally, these programs can lock in a 6% commission to the Brokers, plus accelerate deadlines to receive approvals from the lenders.

Short Sale vs. Foreclosure

A foreclosure can devastate ones credit and be a public embarrassment. A short sale protects one’s credit, protects one’s security clearance, therefore job security, allows one to secure affordable credit, keeps properties occupied, minimizes losses to the bank, and makes a great deal for the buyer. It is truly a win-win-win.

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The primary reason to opt for a short sale is to protect one's ability to purchase another home. The short sale results in a "settlement" status on their credit report as opposed to "foreclosure." Fannie Mae and Freddie Mac greatly favor borrowers coming out of a short sale allowing the financing for another home, as opposed to a foreclosure where one would have to wait 7 yrs to even be considered. A foreclosure also makes it difficult to purchase a car, start a business, qualify for credit, employment opportunities, can cause an employee to be terminated if their job is in the finance arena, and will fail a security clearance test.

On the initial HUD, which is sent to the bank, one of the costs associated with the sale is our legal fees. In many files, the banks are accepting more than half of our fees.

Why use Kayser Law Center?

Here are a few things to consider:

- You cannot navigate, negotiate, and advise a Seller in a short sale without giving legal advice as to deficiency, deficiency laws, tax implications, foreclosure laws/proceedings, and sometimes bankruptcy law and proceedings, and divorce proceedings and attorneys.
- A law firm handles all of these legal issues and legal interpretation of bank documents.
- A law firm can **STOP FORECLOSURE** and save a short sale.
- A law firm can navigate bankruptcy proceedings and still get the short sale done.
- A law firm provides a legal opinion as to legal bank documents/approvals, deficiency issues, promissory notes, cash contributions, tax implications.
- As a Broker, your job is to make transactions, not spend endless hours negotiating with a bank bureaucracy trying to knot together a deal. Let us do that.
- We can ensure you receive your maximum commission.

While a lot of Broker's may be capable negotiators, they may not always be the right ones to understand what banks are looking for in approving a short sale offer and negotiating tricky contributions, deficiencies and lien issues.

This is particularly important if there is a 2nd mortgage ("2nd") involved -- the 2nd may demand a contribution, which needs to be negotiated and shown on the HUD. The same goes with mortgage insurance companies; they can kill a deal and often do, unless negotiated properly.

Contract language can be confusing and ambiguous. Approval letters need to be interpreted as to the deficiencies and negotiated, so the Seller closes on the deal with "eyes wide open". There are many legal documents and ramifications for signing these. Kayser helps their clients sort through the maze of questions that come up regarding these documents, issues regarding contributions,

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mortgage insurance companies, promissory notes, and deficiencies.

Our firm accelerates the process to complete a short sale in many ways. If 80% of the Broker's time is dealing with the bank then only 20% is dealing with the marketing and selling of the property. Kayser will take that 80% from you and place you in the best position to get your deals closed. A Broker markets and sells real estate and that is where their time should be spent.

Numerous Brokers using Kayser have many short-sale deals pending. They were able to ramp up their short sale listings exponentially and substantially increase their business. Kayser sees a lot of last-minute business from Brokers who are involved in a short sale, but find a foreclosure sale date looming and can't get it stopped. Dealing with banks to get a sale date stopped is not easy. It is not a quick phone call – it takes constant persistence. This is one of the many areas where the team at Kayser excels. We don't stop with the banks; we go right to the foreclosure attorneys to get the job done. Many lenders may also cut commissions to 5 %, but Kayser negotiates this back up to 6% in many deals. Kayser knows when the loan fits a certain profile where the lender is mandated to pay 6% and Kayser will remind them of this, thus protecting the Broker.

Advertising Material:

Commercial solicitations are permitted by the Missouri Rules of Professional Conduct, but are neither submitted to nor approved by the Missouri Bar or the Supreme Court of Missouri.

The Choice of a lawyer is an important decision and should not be based solely upon advertisements.

This content is designed for general information only.

The information presented in this newsletter should not be construed to be formal legal advice nor the formation of a lawyer/client relationship.

St.Louis | Chicago

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Testimonials to our Kayser team:

Great presentation this morning. As I told you earlier, you thoroughly addressed every issue we are generally asked about by our agents. In every case where we perceive a potential short sale, I strongly recommend that it be passed on to your firm. That allows our agents to do their job free from the frustration, stress and strain of dealing with lenders who are frequently uncooperative or unresponsive and dramatically increases the odds of a positive outcome. Thanks again for your time today and for the great job your team always performs.

Andy, REALTOR®

I would like to thank you for all of your work on closing this transaction. It was wonderful having someone on the other side with such great communication. I hope to work with you again in the future!

Stephanie, REALTOR®

Our special thank you to the Kayser Law Firm, providing the professionalism and persistence to help us complete this transaction! If we ever get involved with another Short Sale we are going to request your assistance! Best of life,

Charles and Carol, REALTOR®

Thanks again for all your help. She (the seller) has said over and over again that such a huge weight has been lifted off her shoulders. She would not have been able to do it without you. You are AWESOME!

Sue, REALTOR®



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KAYSER LAW CENTER'S SHORT SALE WORKSHOPS & PRESENTATIONS

The Kayser Short Sale Law Center has proven its viability in a very unstable marketplace. Closing over 2000 short sales, the firm has the proven stability, experience, and vision to aid clients facing the possibility of losing their home. Kayser's dedicated and experienced team represents their clients through every step of the process from the initial consultation to closing.

Elizabeth Kayser, principal attorney and founder of Kayser Short Sale Law Center, has been interviewed on **KPLR channel 11, Fox2**, and has been a featured guest speaker on **KTRS' Mortgage Talk Radio** and for several other radio stations. She has also been featured in the **St. Louis Post Dispatch, Huffington Post** and **Baltimore Sun** numerous times. She has been directly involved with influencing Federal guidelines in programs affecting the short sale process. Elizabeth has conducted short sale workshops and presentations for 8 years in various Missouri and Illinois regions.

The workshops and presentations cover the following topics:

- Credit implications of a short sale vs. foreclosure
- The Short Sale Process Explained – Simply
- No two short sales are alike!
- Keys to a successful short sale
- Every short sale is a **Legal Minefield**
- Foreclosures must be stopped to get short sales approved . . . we do this everyday
- Bankruptcy . . . the many ways it can affect a short sale
- Getting the deficiency waived (debt cancelled)
- Tax issues with short sales

If you are interested in having someone from the Kayser team as a speaker at your next sales meeting, class or engagement, contact the Kayser Short Sale Law Center at 636-220-2218 or send a request by e- mail to info@kayserlawfirm.com. Visit our [Testimonials](#) page to see what people are saying about us.

Please see below for your own copy of our **Short Sale vs. Foreclosure**
Presentation via Prezi or QR code:

[Short Sale vs. Foreclosure !](#)

(This link is PC and Mobile device compatible)



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Short Sale vs. Foreclosure

	Short Sale	Foreclosure
Your Credit Score	Only late payments on mortgage will show. This could lower the score as little as 50 points depending on duration of the delinquency of the mortgage. A short sale's affect can be as brief as 12 to 18 months.	Scores may be lowered up to 400 points and the foreclosure will show on credit report for up to 10 years.
Your Credit History	The loan is typically reported 'settled for less than full amount.' FHA/HUD will report "short sale" to the credit bureaus.	Foreclosures stay on credit record for up to 10 years.
Deficiency	In most successful short sales, the lender gives up the right to pursue a deficiency judgment against the homeowner. 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 an REO sale resulting in a lower deficiency or no deficiency at all if waived.	In deficiency states like Missouri and Illinois, the bank has the right to pursue a deficiency judgment in 100% of foreclosures. In a foreclosure the home will have to go through an REO process if it does not sell at auction. In most cases, this will result in a lower sales price and longer time to sale in a declining market. This may result in a higher deficiency judgment.
Buying another home	At the time of this document, there is no similar declaration or question regarding a short sale.	On any future mortgage applications, a prospective borrower will have to answer YES to question C in section VIII of the standard application that asks "Have you had a property foreclosed upon or given title or deed in lieu thereof in the last 7 years?" This will affect future interest rates.

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<p>Buying another home with a GSE loan (Fannie or Freddie mortgage)</p>	<p>A homeowner who successfully closes a short sale may be eligible for a Fannie Mae or Freddie Mac backed mortgage after only 2 years or less in some cases, depending on the duration of delinquency and other factors.</p>	<p>A homeowner who loses a home to foreclosure is ineligible for a Fannie Mae backed mortgage for a minimum of 7 years.</p>
<p>Buying another home with an FHA loan</p>	<p>Homeowners who complete a short sale may be able to apply for an FHA loan 1-2 years later if they can show the default was due to circumstances beyond their control and can show satisfactory credit prior to the event. Although rare, homeowners may be able to apply for an FHA loan even sooner if they had a short duration of delinquency at the time of closing.</p>	
<p>Job Security</p>	<p>The loan is typically reported 'settled for less than full amount owed.' FHA/HUD will report "short sale" to the credit bureaus</p>	<p>Employers have the right and are actively checking the credit regularly of all employees who are in sensitive positions. A foreclosure in many cases is grounds for immediate reassignment or termination.</p>
<p>Your Next Job</p>	<p>The loan is typically reported 'settled for less than full amount owed.' FHA/HUD will report "short sale" to the credit bureaus.</p>	<p>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 may challenge employment.</p>
<p>Security Clearance</p>	<p>A Short Sale does not challenge most security clearances.</p>	<p>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 may be revoked and position will be terminated.</p>

***Please be advised that the information above is not definitive. Guidelines are subject to change.**

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