

## Ohio Short Sales Attorney

Due to the economic downturn, the real estate market has suffered. Properties are no longer worth what they once were. People are having difficulty making their mortgage payments and foreclosures have become a common occurrence. When facing a foreclosure, oftentimes homes are upside down, which means that the value of real estate is not what is owed on the property. Unfortunately, buyers will only be willing to offer the market value on any property. So what happens if you owe more on your house than it is worth?

At [Dever Law](#), we can help you with the answers to these difficult questions by finding the solution that is best for you. Our law firm is just outside of Cincinnati and serves clients throughout southwest Ohio. Our firm is particularly skilled at finding creative and innovative solutions for our clients. One solution is a short sale.

### Facts About Short Sales in Ohio

A short sale occurs when a mortgage holder sells their real estate for less than is owed on the mortgage. In order to use a short sale, it must be accepted by your lender before you can sell your home. Not every borrower will qualify for a short sale; they are considered a privilege. Generally, individuals use a short sale to avoid foreclosure. It allows individuals to settle with the lender. This can be advantageous because it is looked upon more favorably than a foreclosure because of the attempt to settle with the bank.

### Are There Drawbacks of a Short Sale?

- **Painful:** One of the main drawbacks of using a short sale is that it is a painful situation financially, because you are taking a loss on the home.
- **Deficiencies:** If a short sale is not conducted correctly, there can be legal deficiencies that can lead to a creditor garnishing your wages or assets.
- **Credit score:** While a short sale is viewed in a more positive light than a foreclosure, it can affect your credit score.
- **Secondary liens:** If you have a lien on your property such as a home equity lien, tax lien, or mechanic's lien, your short sale can be more complicated. Each lien must be negotiated separately before you can close on the sale.
- **Afterwards:** You may be required to sign an unsecured promissory note as a condition for the short sale. That means, after the short sale is closed, the lender can attempt to collect the difference between the amount they were given and the amount they are owed. Generally,

that means the lender can come back for a period of 15 years to collect the money.

### **Negotiating Deficiency is An Absolute Must When Negotiating a Short Sale:**

A lender has several options available to it when determining what to do with your deficiency balance (the part of the debt not covered by the sale of the home).

1. The lender can attempt to collect the deficiency balance after the property has closed.
2. The lender may require you to sign an unsecured promissory note for the deficiency as a condition of agreeing to the short sale.
3. Third, the lender may agree to cancel the entire deficiency balance.

You must negotiate for the release of the lien and the underlying debt. If you do not, the lender may not forgive the debt and chose to pursue collection activities.

### **Contact Cincinnati Short Sale Lawyer**

If you are considering using a short sale to avoid foreclosure, it would be smart to have an attorney on your side. [Contact](#) Dever Legal Services by calling 877-464-5297 today.