



## NORTH SAN DIEGO HOMES AND COMMUNITIES

Brought to you by Sean Allen

- 1. Foreclosure Follows You** – Homeowners will always have to disclose they had a foreclosure on any mortgage application (and many job applications) they submit in the future. This can have an adverse affect on their future mortgage rates. This is a credit item that is asked about specifically in credit inquiries. There is no seven-year time limit on this item.
- 2. Credit Score Negative Impact** – Credit scores may be lowered by 300-plus points (per loan). Along with bankruptcy, a foreclosure is one of the most devastating credit issues you can have in relation to future credit availability.
- 3. Ineligibility for a Government Insured Loan** - The homeowner may be ineligible for a government-insured load for 5-7 years (only 2 years in a short sale). A foreclosure is the one credit report item that is very difficult to have expired.
- 4. Possibility of Deficiency Judgment** – Your lender can seek a deficiency judgment against you & collect any amount they do not recuperate at the bank sale.
- 5. Negative in Employment Credit Checks** – Many employers run credit checks on prospective employees. Foreclosure is one of the top items that will put a potential new hire in jeopardy.
- 6. Potentially Damaging in Current Employment** – Many current employers run credit checks. A foreclosure can put a current position in jeopardy.
- 7. Negative on Security Clearances** – Security clearances and government positions, including but not limited to military & law enforcement, can be jeopardized by a foreclosure. Revocation of security clearance can result in job reassignment or loss.
- 8. Lower Tax Liability than Foreclosure** – The tax liability in a foreclosure may be much higher than in a properly negotiated short sale since cancelled debt will be higher in a foreclosure.
- 9. You Have Alternatives** – As YOUR professional, I will help you explore options with you & work toward the best resolution.
- 10. You Must Do Everything You Can** – While it may not seem like it now, there will come a time where your current financial troubles will pass. You will feel much better knowing you did everything you could to avoid the devastating financial consequences so many people face today.