



PRE-FORECLOSURE HOME SELLING FAQ

Answers for homeowners who have received a Breach and Election to Sell in Nevada

1. What does a Breach and Election to Sell actually mean and how much time do I have?

A Breach and Election to Sell is the formal document recorded by your lender's trustee with Clark County declaring you in default and initiating the foreclosure process. In Nevada this is the equivalent of what other states call a Notice of Default. It is the first legal step in the foreclosure process but it is not the end. From the recording date you have 90 days to bring the loan current or sell the home before the process moves to the next stage. That is enough time to make a smart decision but not enough time to ignore it.

2. I have equity in my home — what happens to it if I let it go to foreclosure?

This is the most important question on this list. Yes there is a legal process that is supposed to return surplus funds to you after a foreclosure auction. But here is what actually happens to your equity before you see a dollar.

Foreclosure costs come out first. Trustee fees, attorney fees, legal filing fees and administrative costs. Then your lender collects the full mortgage balance plus accrued interest, late fees, penalties and property maintenance charges. By auction day you owe significantly more than you think you owe today. Then any junior liens, second mortgages, HELOCs and judgment liens are satisfied. You get whatever is left.

The harder truth is that foreclosed properties typically sell 5% to 10% below market value and lenders frequently open bidding at exactly what they are owed. If no outside buyer bids higher the lender takes the property and no surplus exists at all.

A properly marketed sale on the open market is the difference between walking away with real money and walking away with nothing.

3. Can I still sell my home after receiving a Breach and Election to Sell?

Yes. Receiving a Breach and Election to Sell does not take away your right to sell your home. You remain the owner and you can sell at any point before the trustee sale is finalized. This is precisely why acting early matters. The more time you have the more options you have and the stronger your negotiating position is with buyers.

4. How is selling in pre-foreclosure different from a regular sale?

In most ways it is the same process. Your home is listed, marketed, shown and sold. The key differences are urgency and coordination. There are deadlines in the background that a regular sale does not have and your agent needs to understand how to work with your lender, coordinate with the title company and move efficiently without sacrificing your bottom line. This is not the time to work with an agent who has never done this before.

Jennifer Stuart - Simply Vegas • 1780 W Horizon Ridge #100, Henderson, Nv 89012 • 702-265-4498

***If you are currently under contract with another real estate agent, this is not a solicitation for services
This document is for informational purposes only and does not constitute legal, tax, or financial advice.*

SFR Certified Short Sale & Foreclosure Resource since 2009

5. Will selling now hurt my credit?

A completed sale even in pre-foreclosure is significantly better for your credit than a foreclosure. A foreclosure can remain on your credit report for seven years and affect your ability to purchase another home, obtain financing and in some cases even secure employment. Selling your home and satisfying the loan even under difficult circumstances closes the chapter cleanly. Most homeowners are surprised by how much better their financial position looks after a clean sale versus what foreclosure would have done to them.

6. What if I owe more than one loan on the property?

This is common and it is manageable. If you have a first and second mortgage, a HELOC or any other liens on the property all of those need to be accounted for in the sale. As long as the sale price covers what is owed across all loans the sale proceeds pay off each lien at closing. Your title company coordinates all of it. The key is making sure your agent understands how to read a preliminary title report and structure the transaction correctly from the start.

7. How quickly can we actually close?

A traditional sale with a financed buyer typically closes in 30 to 45 days. If speed is the priority cash buyers can sometimes close in as little as two weeks. The right answer depends on your specific timeline and how much runway you have before your sale date. When we talk I will look at exactly where you are in the process and give you an honest assessment of what timeline makes the most sense for your situation.

8. Why would I use a real estate agent instead of just selling to an investor?

Investors are not calling you because they want to help you. They are calling because they want to buy your home below market value, flip it and keep the difference. That difference is your equity. A properly marketed listing on the open market creates competition among buyers, drives the price up and puts the maximum amount of money in your hands at closing. In most cases homeowners who sell through an agent net significantly more than those who accept an investor's offer even after commissions.

9. What does this cost me?

In a traditional sale real estate commissions are paid out of the sale proceeds at closing, not out of your pocket upfront. You do not write a check to get started. The consultation is always free with no obligation of any kind. You only pay at the successful close of a sale and that payment comes from the proceeds of your home, the same proceeds that in most cases far exceed what an investor would have offered you.

10. What is the first step?

Call or text me directly at 702-265-4498. We will have a private conversation with no pressure and no obligation where I look at your specific situation, tell you honestly what your home is worth in today's market and walk you through exactly what a sale would look like for you. You will leave that conversation with real information and real options regardless of what you decide to do next.

Jennifer Stuart - Simply Vegas • 1780 W Horizon Ridge #100, Henderson, Nv 89012 • 702-265-4498

***If you are currently under contract with another real estate agent, this is not a solicitation for services
This document is for informational purposes only and does not constitute legal, tax, or financial advice.*

SFR Certified Short Sale & Foreclosure Resource since 2009