

[Date]

[Homeowner Name]

[Property Address]

[City, State, Zip Code]

Dear [Homeowner Name],

I am writing to provide you with a clear comparison between two primary options available to you as you navigate your current housing situation: a Short Sale and a Foreclosure. Understanding the differences is vital for your long-term financial health.

1. Credit Score Impact

Short Sale: Typically results in a 100-150 point drop. The credit report usually reflects "settled for less than full amount."

Foreclosure: Often results in a 200-300+ point drop. A foreclosure remains on your credit report as a public record for 7 years.

2. Future Home Purchases

Short Sale: Under current guidelines, you may be eligible to buy a new primary residence in as little as 2 years.

Foreclosure: You are generally restricted from obtaining a conventional mortgage for 5 to 7 years.

3. Deficiency Judgment

Short Sale: We work to negotiate a full release of liability, meaning the bank agrees not to pursue you for the remaining balance.

Foreclosure: In many states, the lender retains the right to sue you for the "deficiency" (the difference between what you owed and what the house sold for at auction).

4. Employment and Privacy

Short Sale: This is handled as a private real estate transaction. It is generally not reported to employers.

Foreclosure: This is a public legal proceeding. Many employers, especially in finance or government, run credit checks and a foreclosure can negatively impact current or future employment.

5. Control and Timing

Short Sale: You stay in control of the process, work with a Realtor, and have a more predictable move-out date.

Foreclosure: The bank controls the timeline. You may be forced to vacate the property on very short notice following a trustee sale.

My goal is to help you exit this situation with the least amount of damage to your future. Please contact me at [Phone Number] or [Email Address] to discuss which path is right for you.

Sincerely,

[Your Name]

[Your Company/Title]

[Your Phone Number]