

Foreclosure

Acronyms & Definitions

Acronyms:

SS - Short Sale (This is not a quick sale)

NOD (NDF) – Notice of Default & Election To Sell

NOS – Notice of Trustee Sale

REO – Real Estate Owned (Bank Owned)

TD – Trustees Deed Upon Sale

Definitions:

Short Sale - A sale of real estate in which the sale proceeds fall short of the balance owed on the property's loan. It often occurs when a borrower cannot pay the mortgage loan on their property, but the lender decides that selling the property at a moderate loss is better than pressing the current debtor. Both parties consent to the short sale process, because it allows them to avoid foreclosure, which involves hefty fees for the bank and poorer credit report outcomes for the borrower.

Notice of Default and Election to Sell - A formal notice to a borrower declaring that a default has occurred and that legal action may be taken. A notice to a borrower with property as security under a mortgage or deed of trust that he/she is delinquent in payments. Foreclosure could also be started due to delinquent taxes, non-payment of insurance, or advances made. If the delinquency (money owed and late), plus costs of preparing the legal papers for the default, are not paid within a certain time, foreclosure proceedings may be commenced. All entities with a secured lien junior to the deed of trust in which we are foreclosing are required by Nevada Statute to receive a copy of the Notice of Default. Other people with funds secured by the same property are usually entitled to receive copies of the notice of default.

Notice of Trustee Sale - A written document that sets forth the day, date and time of the trustee's sale, describes the property to be sold and gives an estimate of the unpaid debt as of the first publication date. The Notice must publish once a week for three consecutive weeks in a newspaper of general circulation in the county where the property is situated. Furthermore, the Notice must be posted in 3 public places for 20 consecutive days, in the township or city where the property is situated and where the property is to be sold. In addition, due to the changes in legislation, effective Oct. 1, 2005, the Notice of Sale must also be recorded with the county recorder. At this point a datedown (update) of the TSG should be ordered from title to check for any new liens or judgments as well as bankruptcy. The Notice of Trustee's Sale must now be mailed both Regular and Certified or Registered to all the same persons as the Notice of Default at the beginning and any new junior lien holders that may appear of record.

Trustee's Deed Upon Sale: a written document which is prepared and signed by the trustee when the secured property is sold at a trustee's sale. This document transfers ownership to the successful bidder at the sale and/or bank; must be recorded with the county recorder in the county in which the property is located. Effective July 1, 2009, Trustee's Deed Upon Sale must be recorded within 30 days. NRS 107.080 Section 8 (a)(b)

