

Washington, D.C. – U.S. Rep. Tom Rooney (FL-16) today joined U.S. Rep. Robert Andrews (NJ-1) to introduce bipartisan legislation that will speed short sales and spur growth in the housing market by requiring lenders to decide whether to accept an offer within 45 days.

“Due to the economic crisis, the number of short sales in Florida is rising, but lenders haven’t always been able to keep pace,” Rooney said. “By requiring lenders to make decisions on short sales within 45 days, this legislation would speed transactions and help prevent homes from going into foreclosure.”

“This bill addresses the biggest obstacle for homebuyers and owners in short sale situations,” said Patricia Fitzgerald, a Palm Beach County Realtor.

According to the National Association of Realtors, 27 percent of all home sales in Florida in the 2nd quarter of 2010 were short sales. Unfortunately, consumers have had difficulty executing short sales as lenders have taken months to decide whether to accept proposed short sale prices.

“I have heard from many short sellers in Florida whose potential home-buyers have walked away because they couldn’t get a ‘yes’ or ‘no’ from their lenders,” Rooney said. “This bill would spur growth in the housing market by helping sellers and buyers complete short sales quickly.”

For homeowners who owe more than their home is worth and are in real danger of losing their home, the short sale can help relieve them of the overwhelming financial burden of their mortgage. The lending community has worked to improve the size and training of their workforce that handles short sales, but progress has been extremely slow.

The “Prompt Decision for Qualification for Short Sale Act of 2010,” H.R. 6133, will bring the processing time for short sale price approvals in line with the home-buying and home-selling consumer’s expectations - at most 45 days after submitting the request for short sale approval.

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