



"Anti-Deficiency" Protection in Short Sale Transactions

	Purchase Money	Non-Purchase Money Loan
Lender's Approval Letter Provides Express Debt Relief.	Borrower is Protected from a claim for the balance of the debt by the agreement of the parties. Be careful of the scope of the release.	Borrower is Protected from a claim for the balance of the debt by the agreement of the parties. Be careful of the scope of release.
Lender's Approval Letter is silent on the issue of debt relief.	High probability that the borrower is protected from a subsequent claim for the balance of the debt. <i>Tanque Verde Anesthesiologists v. Proffer Group, 172 Ariz. 311 (App. 1992)</i>	Borrower has NO PROTECTION from a claim for the balance of the debt.
Lender's Approval Letter expressly DOES NOT Provide Debt Relief.	Unknown outcome. <i>Tanque Verde Anesthesiologists v. Proffer Group, 172 Ariz. 311 (App. 1992)</i> may not apply because of phrase "absent evidence of an agreement to the contrary."	Borrower has NO PROTECTION from a claim for the balance of the debt.

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