

“Your Real Estate Advisor”

INTro #2

# Deal or No Deal



Brought to you by:

Home Ownership Matters Training Institute

## **Description:**

This INtro provides some insight into the biggest question related to short sale: Do we have a short sale deal or don't we? How will we know? When will we know?

## **Objectives:**

1. To raise awareness of the peculiarities associated with a 'short sale' transaction
2. To alert agents to expect certain behaviors from lenders/servicers so they can prepare themselves (and their clients) accordingly

# MAYBE

## Means



- a. We have multiple offers, we are trying to decide
- b. We are considering OUR options—foreclosure or workout
- c. We are in financial distress and  
don't know what we are doing
  - 1. With you
  - 2. Anybody else
  - 3. Ourselves

# Deal Means YES!



**We will allow the closing**

**B U T**

- You better move quick, or we may change our minds
- If we get new information, we may rescind our approval
- If it's not in writing, we may change the terms and/or conditions
- We said YES to the closing;  
we did not waive our rights concerning the deficiency

# NO Deal

## Means

# NO CLOSING



- The proposed deal is not workable for either the servicer or the guarantor
- Usually means GO Home, whether it's a game show or short sale
- Might indicate they have another offer which we would prefer to pursue
- Foreclosure is eminent since no viable offer has been made



# Alerts

If a DEAL is declared, then it is critical to have a signed Approval letter which contains all the contingencies and applicable deadlines, duly signed by a representative from the lender

- a. Total commission will be \_\_\_\_%
- b. Net proceeds to the lender will be \_\_\_\_\_
- c. \$\_\_\_\_\_ to be paid to release 2<sup>nd</sup> lien
- d. Funds must be wired to \_\_\_\_\_
- e. Lender reserves all rights under the terms of the note  
(Code for we are not waiving our right to file for a deficiency judgment)
- f. Etc. Etc. Etc....

# Alerts (Continued)



- All parties must be prepared to perform under the terms of the contract, as approved, within the timeframe stipulated
- Failure to meet all stipulations, in minute detail, will lead to rescission of the approval by the lender/servicer

# Resources

**Article:** “Deal or No Deal” – E-mail Heather for more information  
HomeOwnershipMatters@gmail.com

**Blog:** [HomeOwnershipMatters.Blogspot.com](http://HomeOwnershipMatters.Blogspot.com)

Has numerous references on this subject which will be enlightening

**HOM's Website:** <http://www.HomeOwnershipMatters.com>

We are pleased to announce that a full webinar is now available  
Register for: “Short Sale: Not Your Typical Transaction”

## Websites You Might Check Out:

- <http://www.dsnews.com>
- <http://www.mortgagenewsdaily.com>
- <http://www.implod-o-meter.com>
  - <http://www.hud.gov>

# Partial List of Webinars Offered by HOM

- Vol 01:** Getting to the Closing Table
- Vol 02:** Is it Fraud or “just predatory”?
- Vol 03:** Brokers: Are Your Agents Putting You at Risk?
- Vol 04:** PALM—Practical Application of Loss Mitigation
- Vol 05:** Secrets of a Professional BPO

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- Vol 06:** Fair Housing
  - Vol 07:** Seller is the Lender
  - Vol 08:** Short Sale: Not Your Typical Transaction
  - Vol 09:** Foreclosure Intervention: Why Do You Need a Specialist?
  - Vol 10:** Buying REO is Risky Business

## The BT Series

- Vol 11:** Buying TIME—When Your Money is Running Out
- Vol 12:** Mr. Smitherman—The Connection for Your Housing Situation
- Vol 13:** Q W R—In Detail
- Vol 14:** Foreclosure: a PROCESS & an EVENT
- Vol 15:** Taking Charge of Your Housing Situation

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Or fax this to (Toll Free): (877) 587-4507

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What would you like to see HOM do in the future? (Webinars, courses, e-mails, articles, etc):

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**Thanks for your input, we really appreciate it!**