



# NEED A HELPING HAND?

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## **Millions of homeowners are at a crossroads right now.**

In the midst of a massive economic downturn, the most significant financial asset that many Americans assumed they could always fall back on has turned into a financial liability for a large percentage of the population.

Second quarter 2011 statistics from Corelogic show that 10.9 million, or 22.5 percent, of all residential properties with a mortgage were “underwater,” meaning they owed more on their mortgage than they could sell their home for today’s market.

Add to that an unemployment rate that’s above 9 percent coupled, with widespread underemployment, and you have a situation where millions of homeowners are drowning in debt.

## **Sound familiar?**

The unfortunate fact is that among the 6.3 million homeowners in America who are in some stage of foreclosure right now, only a small percentage are reaching out for help. Too often, various combinations of fear, frustration, anxiety and mistrust cause financially strapped homeowners to dig in their heels and avoid taking action. And that’s exactly what leads to foreclosure.

## **Wondering Where to Turn?**

My mission as a real estate professional who has achieved the Certified Distressed Property Expert Designation (CDPE) is to reach out to financially challenged homeowners and help them to avoid foreclosure. The long-term financial impact of foreclosure cannot be underestimated. Foreclosure can:

- Become a part of the public record and remain on a person’s credit history for 7-10 years
- Drastically lower your credit score
- Deem you ineligible for a mortgage for up to seven years
- Challenge current and future employment
- Put you at risk of a high deficiency judgment, which is the lender’s ability to pursue any debts you owe them for an indefinite period of time
- Become an issue against security clearance if applicable

Now is the time to reach out for help—real help. We’ve all heard about scams, shysters, the frustrations of working with people who don’t really know their stuff, so it’s important to ensure that you identify a trustworthy expert who is tapped into major lenders and is current on what kind of help is available from all sectors.

## **Designated and Determined**

Real estate agents who have achieved the Certified Distressed Property Expert (CDPE) designation have proactively sought the best expertise and insights within the distressed properties arena. They are required to complete several days of intensive training and remain on top of constantly evolving developments. CDPE agents close four times as many transactions every year as the average agent, and as such, can be counted on to negotiate the best foreclosure-avoidance options for their clients with unsurpassed expertise, efficiency and ethics.

As a CDPE-designated agent, it is my mission and my passion to help financially stressed homeowners to get on a path of financial solvency and in the process, move the nation’s housing crisis one step closer to recovery.

## **Job #1: Avoid Foreclosure!**

Contrary to what some may have you believe, your mortgage lender does not want to foreclose on your home! Foreclosure is a disaster for all concerned. The current inventory of bank-owned properties is creating a significant strain on bank operations and entire real estate market. On the local level, a single foreclosure in a neighborhood lowers the value of surrounding properties by 9 percent.

## What is a Short Sale?

In a short sale, a seller works with their mortgage lender to accept a price that's less than the amount owed, in order to avoid foreclosing on the home. Shoring up their efforts to stem the tide of homes going into foreclosure, major banks have staffed up in recent months to process short sales much more efficiently than they ever had in the past. As an incentive to encourage homeowners to pursue a short sale, major lenders, along with the HAFA (Home Affordable Foreclosure Alternatives) program are offering homeowners significant cash incentives.

## What are Other Foreclosure Avoidance Options?

Foreclosure is one of the most devastating financial challenges that a family can face and many times, it can be avoided. A short sale is not the only alternative to foreclosure. Here are others:

**Reinstatement.** A reinstatement is the simplest alternative to a foreclosure—when it's possible. Following a period of non-payment, the homeowner simply pays the mortgage company the total amount due to date, and the mortgage is reinstated.

**Forbearance.** A forbearance is repayment plan that involves a negotiation with the mortgage company to make additional payments over a period of time in order to become current on the mortgage.

**Mortgage Modification.** A mortgage modification involves the reduction of one of the following: the interest rate on the loan, the principal balance of the loan, the term of the loan, or any combination of these. Be sure to never work with a mortgage modification company that requires an upfront fee. I can provide a list of HUD-approved counselors and mortgage modification resources.

**Rent the Property.** If your local market conditions will allow you to rent your home at or above the cost of your mortgage, renting the property and using the income to pay your mortgage could be an option.

**Deed-in-Lieu of Foreclosure.** Also known as a “friendly foreclosure,” a deed-in-lieu allows the homeowner to return the property to the lender rather than go through the contentious foreclosure process. Lender approval is required for this option, and the homeowner must vacate the property at a designated time.

**Refinance.** If you have sufficient equity in your property and your credit is in good standing, you may be able to refinance your mortgage at today's historically low interest rates.

**Service Members Civil Relief Act (military personnel only).** If a member of the military is experiencing financial distress due to deployment, and that can show that their debt was entered into prior to deployment, they may qualify for relief under the Service Members Civil Relief Act.

**Sell the Property.** Homeowners with sufficient equity can list their property with a qualified agent who understands the local foreclosure processes and is able to close a deal prior to bank foreclosing on the home.

## What You Need to Know Now

The highest ranks of the U.S. Government, along with major banks and local agencies, have retooled and restaffed to help homeowners to avoid foreclosure.

As a CDPE agent, my mission is to work closely with you, drawing upon all of my expertise and resources throughout our community to navigate the best possible solution for you and to help you make a fresh start on your life.

## Place Your Confidence in CDPE



CERTIFIED DISTRESSED  
PROPERTY EXPERT™

With the right assistance, the stress of facing foreclosure becomes manageable. CDPE-designated agents have received the knowledge and training necessary to assess all possible foreclosure alternatives and pursue homeowners' best options. A CDPE-designated agent attends several days of intensive, thorough training on foreclosure avoidance and how to negotiate short sales efficiently and ethically. The highly regarded CDPE logo means you are working with the most informed, up-to-date resource available.