

Short Sales Can and Do Make a Difference

A Personal Look at This Industry Trend

by Will Weaver

On any given day, I receive three to four calls from people who are in foreclosure and find themselves in a frightening whirlwind of red tape, debt and decisions most feel too overwhelmed to absorb. Many I meet have been met with brick walls, intimidation and apathy and are truly desperately in need of an ally. Those are the days when you know that having a job that helps people can be extraordinarily rewarding and that providing solutions can and does make a difference.

I listed a property with a woman who had lost her job, her family and was just about to lose her home. With a debt of \$410,000 in a deflated market, we managed to sell the home for \$305,000. While that might not sound like a joyous ending to most people, in this situation, the lender was happy to accept the offer and not seek a deficiency. And the homeowner was happy to have the weight of the world off her shoulders and the capacity to move on with her life. Across the closing table you could actually see the light come on in her eyes again, she cried and the experience once again solidified how important and incredible it is to be a resource for today's consumers.

There are so many questions to be answered for agents and sellers alike across the nation. I hear them in my workshops, see them on blogs and message boards and certainly they are reflected in media publications far and wide. The top three from my experience and my best answer for each are as follows:

1. **How do you justify the list and sale price for a short sale?**

You don't. It is not up to you as the real estate agent to justify either. The lender just needs an offer. It is then their job to look at everything, analyze the numbers, determine how much has

been paid, interest earned, etc. It is your job to present the offer. It is when agents try to be all things to all people in this situation that they begin to muddy the waters. So, it is vitally important that you are the agent and nothing else.

There is a very real connection made when you work with families in crisis

2. **What advice do you have for someone who wants to file bankruptcy because of a foreclosure?**

I would recommend that they talk to their tax advisor first. The reason being is that they may not have much by way of additional debt such as credit cards, etc. and sometimes filing bankruptcy can create more damage to their credit than a short sale. Each situation is different and carries its own set of entanglements. We are not bankruptcy attorneys or tax advisors but always caution consumers to get the best professional advice possible before making a decision of that nature.

3. **Can a real estate agent do a short sale on their own property?**

I would strongly advise against it. I would tell that agent to refer their property to another associate. Why? Because it avoids conflict of interest. Lenders prefer to work with a third party negotiator and finally—it is just too personal.

The ability to look at these cases objectively is critical for everyone involved.

The decision to become a short sale specialist for some agents is a very personal one. For others, it seems like a viable business opportunity. For me, it was a couple of reasons. One, the market in the Detroit area was declining at a rapid rate, and I needed to make an income. I also began to see the effect that decline had on honest, hard-working people. The economy shifted, corporations began laying people off in record numbers, and good people were losing their homes. I felt it was my duty as a real estate professional to do what was within my power to help them save their credit.

From a speaking standpoint, I saw an industry trend of seminar after seminar pop up teaching agents and investors how to take advantage or essentially steal people's homes. There was also an influx of companies out there claiming to be, "Loss Mitigation Services," stating that they had relationships with all the banks. As a REALTOR®, I knew that just wasn't true. As a speaker, I wanted to teach agents what is true, and a step-by-step process for helping their customers in their market area out of a tough circumstance. In my experience, lenders prefer to work with REALTORS® rather than investors or loss mitigators for four reasons:

1. We are licensed by the state.
2. We adhere to a code of ethics.
3. We carry E & O (errors and omissions) insurance.
4. We have too much to lose. As licensed professionals we are less likely to commit fraud for fear of losing our ability to practice real estate.

As an organization, Floyd Wickman and our entire team have always made it our mission to bring the best possible tools to the table for real estate professionals. We saw good agent after good agent having to leave the industry they loved for lack of business in a shifting economy. Sharing with them ways that they could stay in real estate, earn a living and help the customers they had dedicated their careers to is something we are passionate about.

There is a very real connection made when you work with families in crisis like this. I helped a gentleman who, because of an auto accident, had extensive liens on his property and no viable source for work and was facing foreclosure. We sold his home, the lender accept-

ed the offer, removed the liens and now that nice man is restarting his life in another area.

Matt Hodges from Exit Realty shared this recent experience with me. *"I went to Will's seminar about two months ago and it sparked interest with me. Obviously in this market 'traditional' real estate was getting harder and harder As a brand new agent, I knew I needed an edge in order to compete and survive. Will showed me a way to get listings that were almost guaranteed to sell if you price them right, and that is the great thing about it, you have more control to price it to sell quickly even in a down market."*

In the two months since the seminar I have created five new listings and helped two of my existing clients go through the process. I have closed three of these so far and predict many more on the horizon. In fact just this week I have had three homeowners call me and asked me for help."

There are literally hundreds of stories just like these that I could share about the magic of seeing that light come on for people when they realize that they have options to survive the storms they are facing. So, if you, like me, want to learn first hand how short sales really do make a difference, I am happy to help, and I wish you every success.

About the Author: Will has over 12 years of real estate experience and is a three time graduate of Floyd's results getting training systems. He is also a Floyd Wickman Certified Trainer and Speaker. Will brings an enormous amount of expertise in the field of Short Sales and truly teaches from experience-not theory. His work with lenders and sellers in this arena brings him great pride as he has had the ability to bring hope to clients in tough situations. It is an incredible joy to now bring those processes, tools, and strategies to real estate professionals across the nations who look to offer that same kind of hope to their customers. Will can be reached at 800.910.5351 or shortsales@floydwickman.com (be certain to mention BAN). You can also discover the step-by-step methods to your own short sale success by visiting www.floydwickmanshortsale.com and click on seminars and coaching.

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