



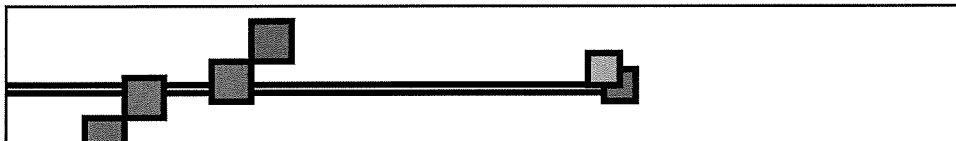
Short Sales & Foreclosures



Bayou Title, Inc.

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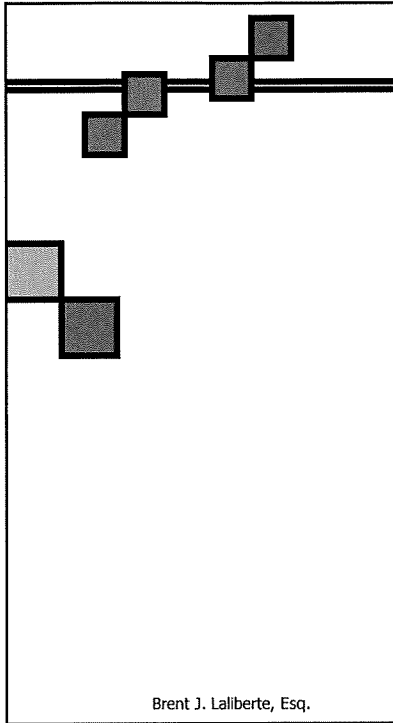


Foreclosure Facts

- Two types of Foreclosure:
 - Executory Process
 - Summary Proceeding
 - No "day in court"
 - Confession of Judgment in mortgage
 - Via Ordinary
 - File lawsuit
 - Take a judgment
 - File a writ of fieri facias

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Winning with Foreclosures - Louisiana

Louisiana's foreclosure proceedings are handled through the courts. The typical timeline for a foreclosure is 6-9 months.

Pre-foreclosure Period

There are two types of court foreclosure processes in Louisiana: executory and ordinary.

The ordinary process is more extensive and costly, and it works more like a lawsuit. This foreclosure process usually lasts about nine months.

The executory process occurs when a lender uses a mortgage that includes an automatic act that imparts a confession of judgment in which the borrower accepts the obligations under the mortgage. This type of foreclosure process moves more quickly and easily, and the ideal timeline is approximately six months. The lender is not required by state law to send any notifications to the borrower before beginning the foreclosure process, however, the deed of trust or mortgage may include such a requirement. Either way, once the petition is filed, the borrower is served with a demand for the default amount. If the borrower does not provide the amount within three days, the court orders a writ of seizure and sale, and the clerk delivers it to the sheriff.

Notice of Sale / Auction

The borrower is personally served with the notice of foreclosure sale by the sheriff. The notice of sale is also published two times in a newspaper in the parish where the property is located. The sheriff conducts the sale, and anyone may bid including the borrower. The winning bidder must pay the sale price in cash on the day of the sale, or in some cases, within 30 days of the sale if a 10 percent deposit is made. The sheriff then issues a deed to the winning bidder.

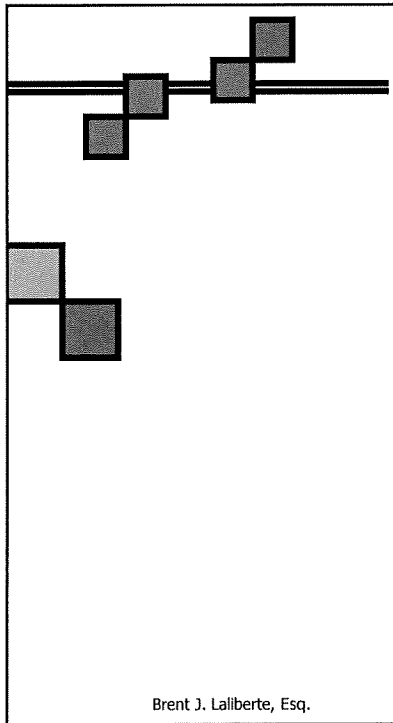
There are no redemption rights for the borrower in Louisiana.

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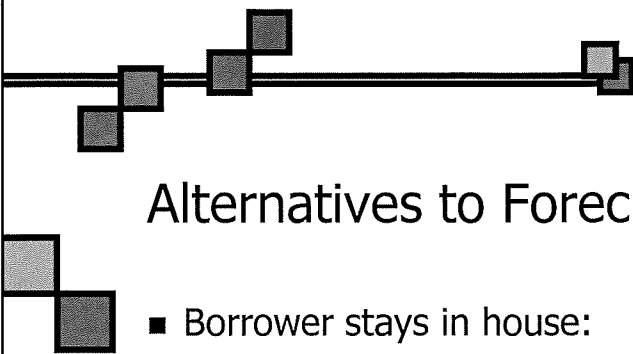
Foreclosure Timelines - All 50 States

STATE	TYPE OF FORECLOSURE	MONTHS TO FORECLOSURE (MEDIAN/RECORDED)	DEFICIENCY JUDGEMENT	REDEMPTION PERIOD
Alabama	Primarily Non-Judicial	1-3	Possible and Practical	12 Months
Alaska	Both	3-4	Not Practical	None
Arizona	Both	3-4	Not Practical	None
Arkansas	Both	4-5	Possible and Practical	None
California	Primarily Non-Judicial	4-4	Not Practical	None
Colorado	Both	3-5	Possible and Practical	75 Days
Connecticut	Judicial Sale	5-6	Possible and Practical	None
Delaware	Judicial	3-7	Possible and Practical	None
District of Columbia	Non-Judicial	2-4	Possible and Practical	None
Florida	Judicial	5-7	Possible and Practical	None
Georgia	Primarily Non-Judicial	2-2	Possible and Practical	None
Hawaii	Primarily Non-Judicial	3-4	Not Practical	None
Idaho	Non-Judicial	5-6	Possible and Practical	None
Illinois	Judicial	5-10	Possible and Practical	None
Indiana	Judicial	5-7	Possible and Practical	3 Months
Iowa	Both	5-8	Not Practical	6 Months, if judicial
Kansas	Judicial	4-4	Possible and Practical	6-12 Months
Kentucky	Judicial	6-5	Possible and Practical	None
Louisiana	Judicial	2-6	Possible and Practical	None
Maine	Primarily Judicial	6-10	Possible and Practical	None
Maryland	Judicial	3-7	Possible and Practical	None
Massachusetts	Non-Judicial	3-4	Possible and Practical	None

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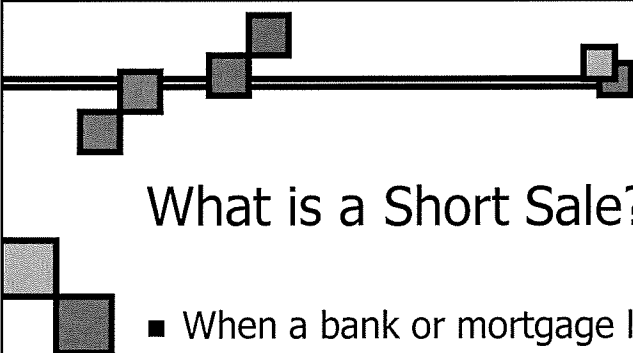


Alternatives to Foreclosure

- Borrower stays in house:
 - Workout Plan
 - Forbearance
 - Loan Modification
- Borrower does not stay in house:
 - Dation en paiement (deed in lieu)
 - Short Sale

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What is a Short Sale?

- When a bank or mortgage lender agrees to discount a loan balance due to an economic hardship on the part of the mortgagor
- The homeowner/debtor sells the mortgaged property for less than the balance owed on the mortgage

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Why will a Lender accept a Short Sale?

- Foreclosures are expensive
- Foreclosures take time
- The asset (house) can greatly reduce in value during the process
- "If you can't maintain the house payments you won't maintain the house"

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The Short Sale Process

- In order for a Short Sale to be reviewed the following is needed from the customer:
 - Explanation of hardship
 - One month income verification
 - One month bank statement
 - Be delinquent
 - Little or no equity in property

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The Short Sale Process (cont.)

- Real estate transaction information needed is:
 - Purchase agreement
 - Estimated net sheet (HUD 1 form)
 - Listing agreement

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The Short Sale Process (cont.)

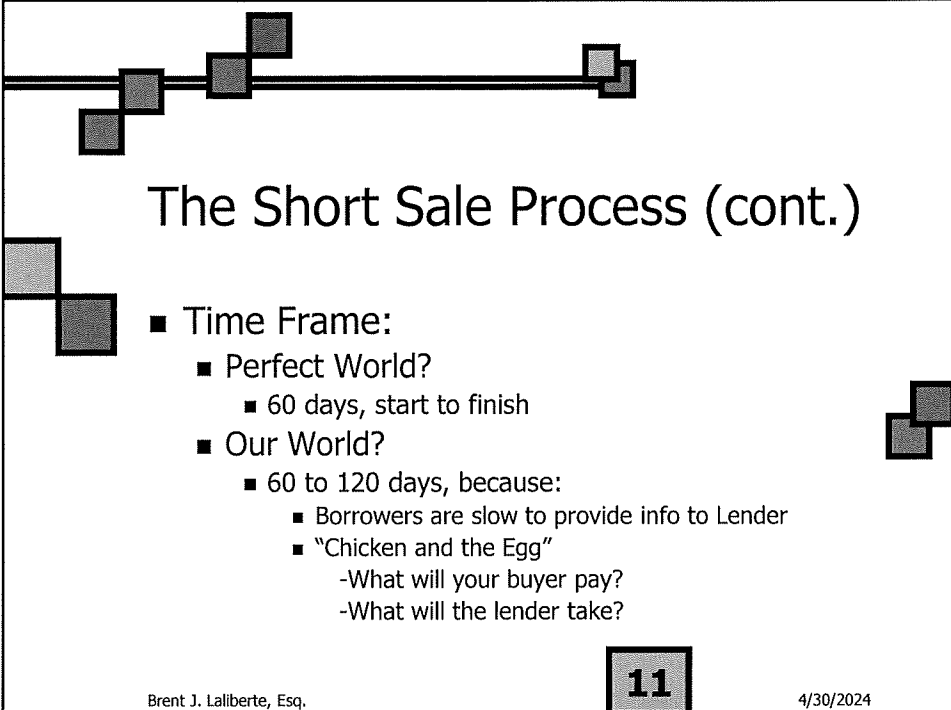
- Lender analysis of the Short Sale:
 - Customer's ability to participate in the loss??
 - Purchase price vs. recent BPO or appraisal
 - Ultimate financial gain or loss to lender vs. going the route of the REO
 - Other recovery options:
 - FHA or VA
 - Government Bailout?

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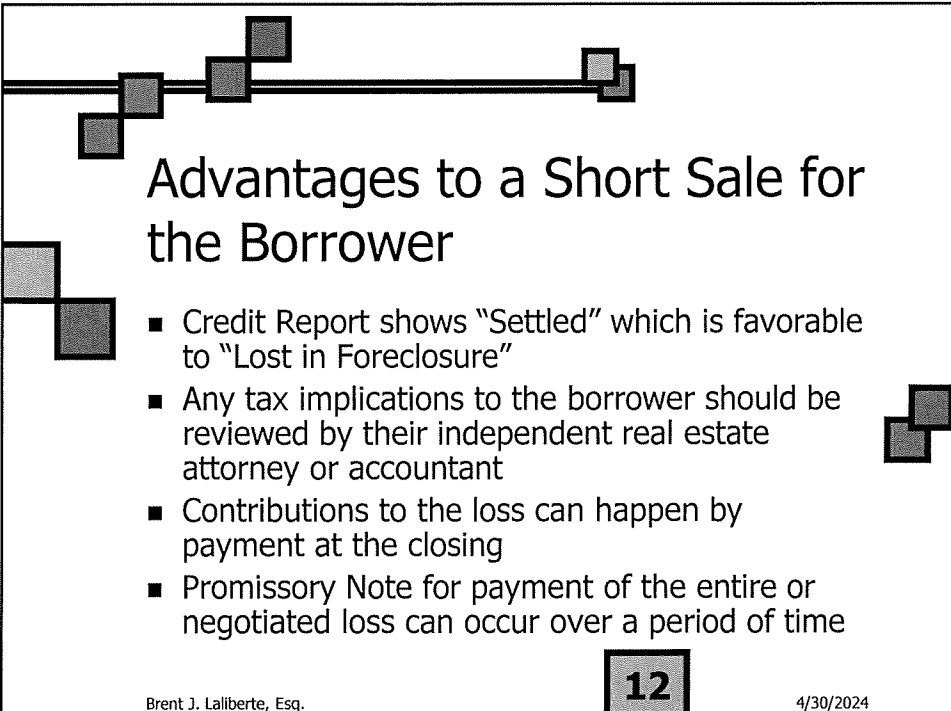


The Short Sale Process (cont.)

- Time Frame:
 - Perfect World?
 - 60 days, start to finish
 - Our World?
 - 60 to 120 days, because:
 - Borrowers are slow to provide info to Lender
 - "Chicken and the Egg"
 - What will your buyer pay?
 - What will the lender take?

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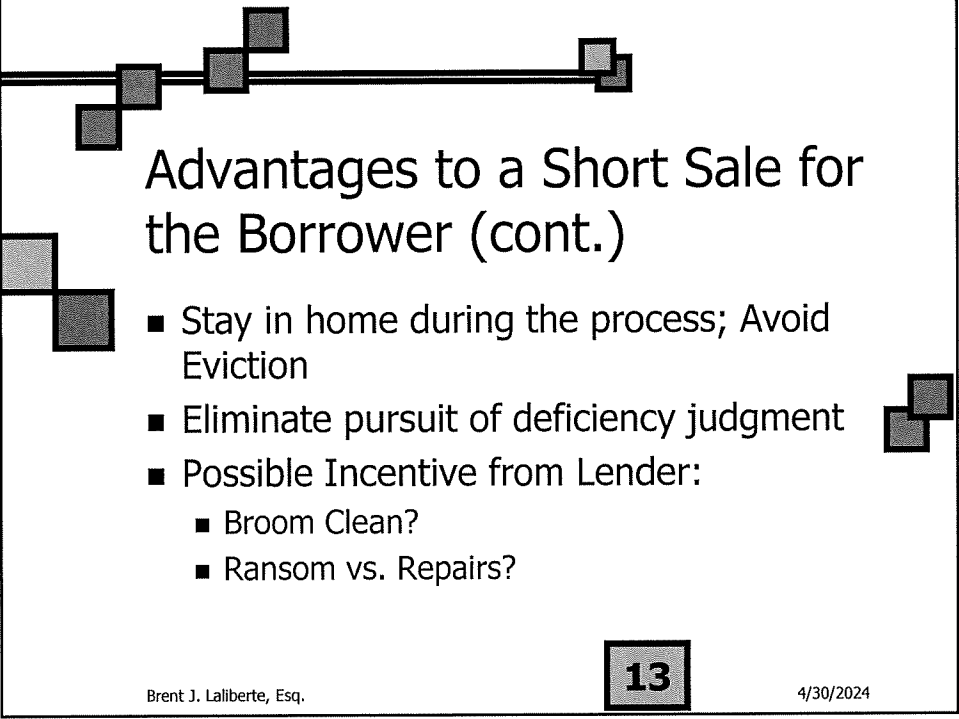


Advantages to a Short Sale for the Borrower

- Credit Report shows "Settled" which is favorable to "Lost in Foreclosure"
- Any tax implications to the borrower should be reviewed by their independent real estate attorney or accountant
- Contributions to the loss can happen by payment at the closing
- Promissory Note for payment of the entire or negotiated loss can occur over a period of time

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Advantages to a Short Sale for the Borrower (cont.)

- Stay in home during the process; Avoid Eviction
- Eliminate pursuit of deficiency judgment
- Possible Incentive from Lender:
 - Broom Clean?
 - Ransom vs. Repairs?

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Junior Liens

- Need to run title early to see what encumbrances are against the property
- Borrowers who are not making mortgage payments are also probably not paying someone else
- Title company, realtor or customer needs to begin the negotiation process with the Junior Lien holder early on; gain trust

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Junior Liens (cont.)

- Everybody needs a reason to do something; a Junior Lien holder is no different!
- Superior vs. Inferior Lien Holders
 - Who blinks first?
 - Who gets what at sheriff sale does not necessarily equate to who gets what in a Short Sale

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Junior Liens (cont.)

- Typically, Lenders have limits of what they will pay a Junior Lien holder (\$1,000 to \$3,000, depending)
- Just because a "first" and "second" appear to be the same Lender at the courthouse, that Lender may be servicing the two debts for different investors

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Short Sale FAQs

- If an appraisal has been completed, why do we still need another one?
 - Most investors and PMI companies require an independent appraisal, regardless of other appraisals
- How flexible is a Lender in paying closing costs?
 - Most Lenders will consider paying some closing costs for the Buyer as well as standard closings costs for the Seller (I.e. commissions, appraisals, taxes, etc.)

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Short Sale FAQs (cont.)

- If a loan is in foreclosure and there is an existing foreclosure date, is a Lender flexible in postponing the sale?
 - This varies by Lender, and by state
- If the agent is having difficulty bringing in offers at market value, what type of flexibility does a Lender have in accepting a less than market value?
 - This once again varies case-by-case, but the closer the offer is to the appraised price the better!

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Short Sale FAQs (cont.)

- What is the Lender's position regarding paying a full commission to a real estate agent?
 - Different factors to consider:
 - How big is the loss?
 - Is the Seller covering some of the loss?
 - Rule of thumb: 6% two agents; 5% one agent

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Dation en Paiement (aka Deed in Lieu of Foreclosure)

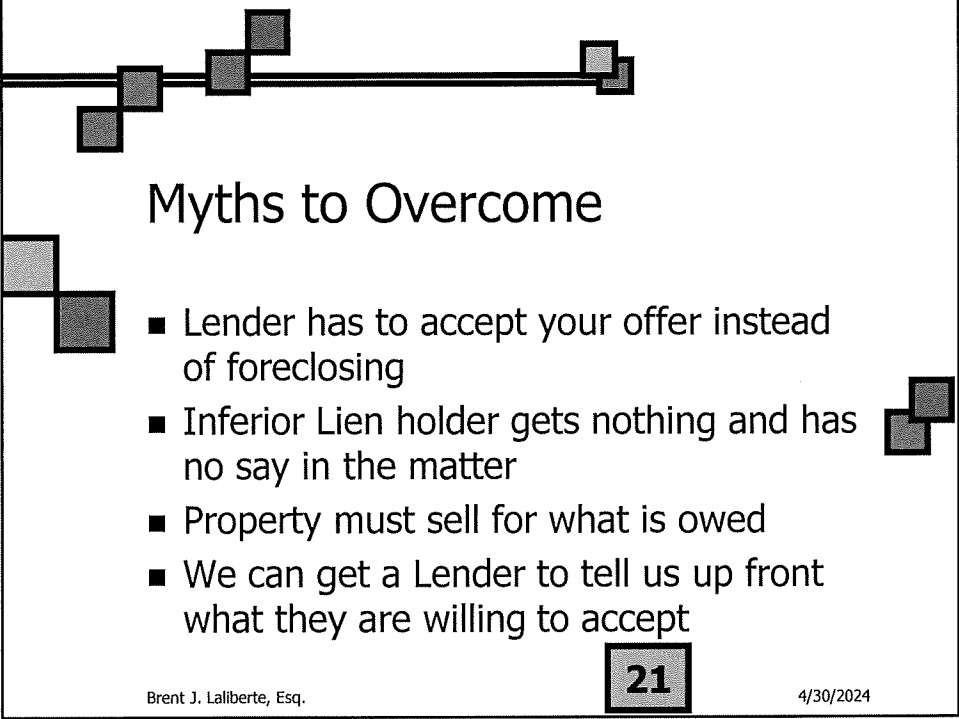
- Usually must have the property listed
- No other liens can exist
- Customer must vacate the property

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Myths to Overcome

- Lender has to accept your offer instead of foreclosing
- Inferior Lien holder gets nothing and has no say in the matter
- Property must sell for what is owed
- We can get a Lender to tell us up front what they are willing to accept

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Possible Pitfalls to a Short Sale:

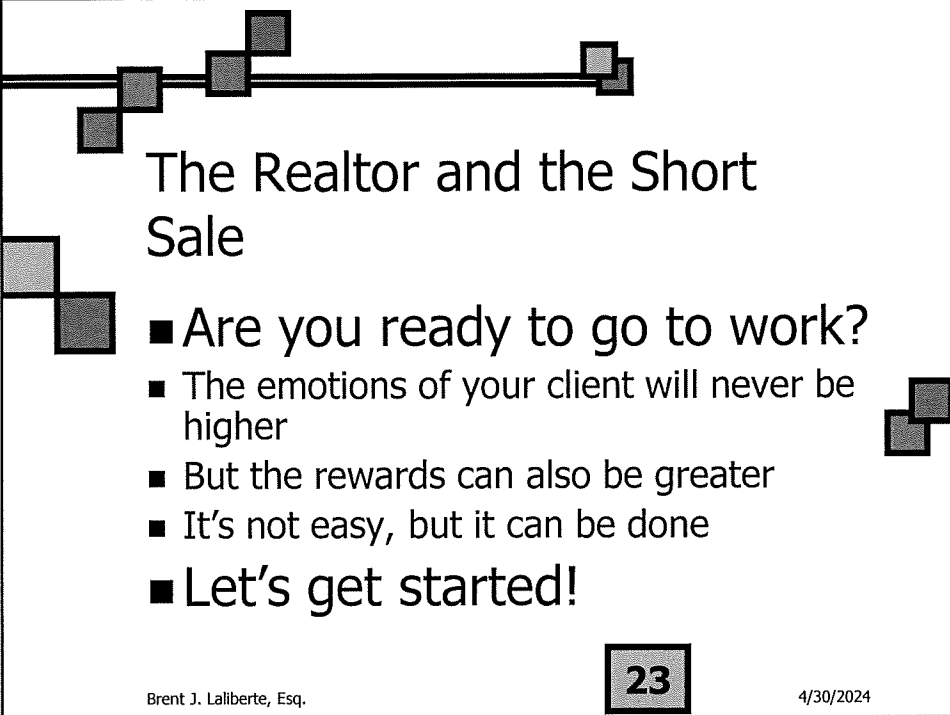
- Seller is not delinquent??
- Too much Seller concessions (Aren't you kind with my money?)
- Buyer may not want to wait the amount of time necessary for the Lender to decide
- Seller tries to "funnel" money back to himself

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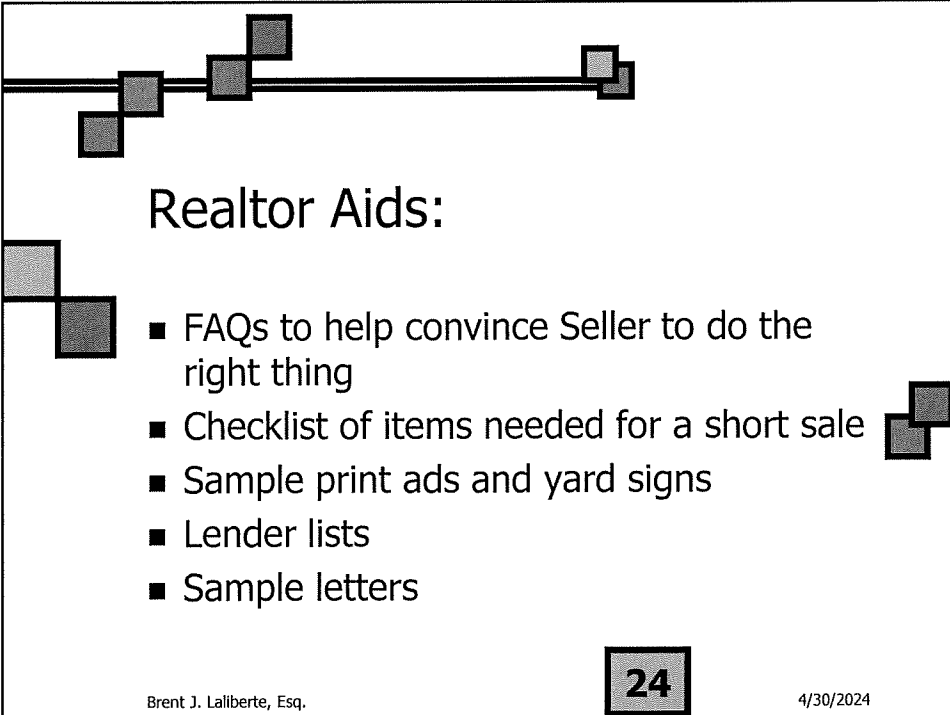


The Realtor and the Short Sale

- Are you ready to go to work?
 - The emotions of your client will never be higher
 - But the rewards can also be greater
 - It's not easy, but it can be done
- Let's get started!

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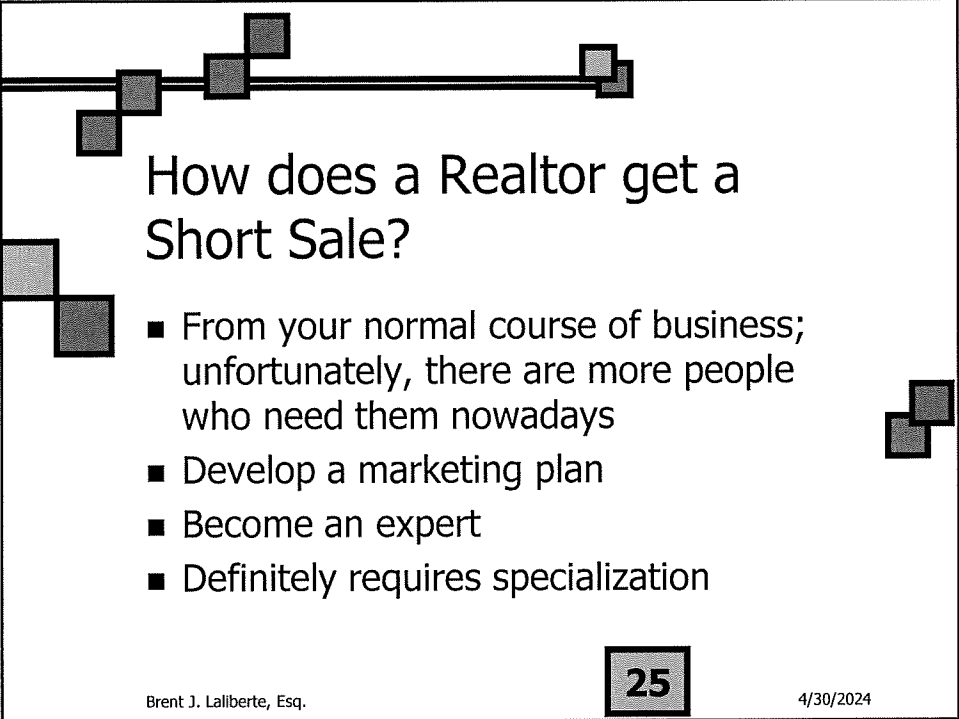


Realtor Aids:

- FAQs to help convince Seller to do the right thing
- Checklist of items needed for a short sale
- Sample print ads and yard signs
- Lender lists
- Sample letters

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How does a Realtor get a Short Sale?

- From your normal course of business; unfortunately, there are more people who need them nowadays
- Develop a marketing plan
- Become an expert
- Definitely requires specialization

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Questions a Realtor must ask:

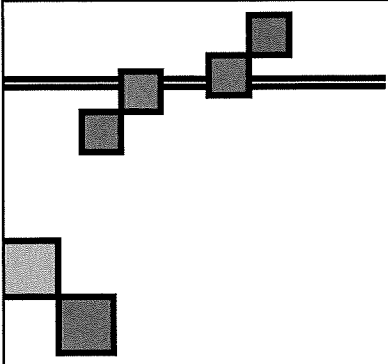
- How many mortgages do you have?
- Are any of them being paid?
- Any other unpaid liens, taxes, judgments, etc.?
- Who owns the house with you?
- What created your problem?

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Answers to Common Questions

Q. Why should I trust you to help me?
A. I know at a time like this it is hard to trust anyone other than your family. I will earn your trust by doing things to help you. If you will give me the chance, I believe that actions speak louder than words.

Q. I tried to sell my home and I owe more than they are selling for?
A. I know the market is tough for sellers today but there are so many options for you to consider.

Q. I can't even sell my home for what its worth, how would I ever pay you?
A. Well in most cases if you would consider a short sale I would be paid by the bank or mortgage company. Remember the last resort would be to just let it go. I also might be able to recommend you to someone in my professional team to further advise you.

Q. If I sold my home where would I get the cash to satisfy all parties?
A. Good question. Most of the time you will be far better off owing a small deficiency rather than the whole amount. At this point am I safe to say you don't have any money at this point to apply in any deficiency? The banks do not want to foreclose however they will do what they have to too get their money back.

Q. Why should I sell my home just so you can make a commission?
A. The answer is simple, I don't want to just sell your home to make a commission, I have a better reason and that is I make a living by selling homes and helping people buy them. But a long time ago I realized that I made a lot more money and friends by doing the right thing for each and every client. You see I have helped several people in your situation avoid foreclosure and not always did we sell their home.

Q. What kind of guarantee can you give me that you will be able to sell my home and get me out of this situation?
A. I could or would never give anyone a guarantee, but what I will do is assure you that I will do every thing possible to help you find the best alternatives in your situation. I will also work directly with the banks and others to get them off your back. I have a high success rate in dealing with the banks as well as get you top dollar for your home.

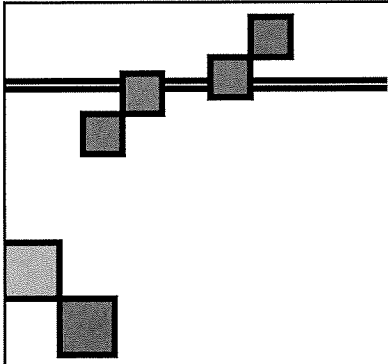
Q. If I sell the home how will be able to move?
A. If you are referring to money, remember to save the payments you would have paid to the banks while we are in the selling process. That should more than cover moving costs as well as other related costs of moving.

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Answers to Common Questions

Q. Aren't you just like everyone else, you just want to stick your hand in my pocket?
A. NO. I actually want to offer my assistance in any way I can. The first thing I want to tell you is something you may not know. Do you know all the ways you can stop a foreclosure? I do and I want to share them with you.

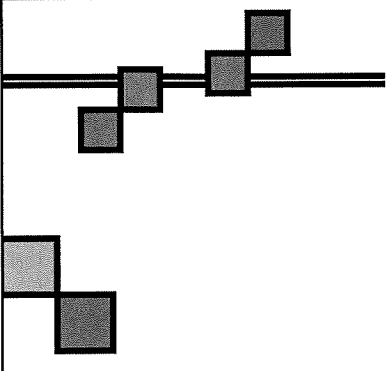
Q. I have called the bank and they won't help me?
A. All they want is paid and paid on time. I have a way with the banks that will help you in the long run. I also have an entire list of Government and non-profit agencies that might be of assistance. I have seen some cases where they will help with some of the past due payments so you don't lose your home.

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Documentation Needed For a Short Sale

Realtor:

- Letter of Authorization (signed by seller)
- Letter of facts about the property
- Market analysis
- Photo's (not the glamour shots)
- Copy of all showings with dates and feedback
- Copy of Listing Contract
- Copy of Purchase Contract (if applicable)
- Review letter of hardship
- Send to Loss Mitigation Department

Seller:

- Two years tax returns with W 2s
- Three months bank statements
- Current monthly budget
- All mortgages with account numbers
- Any pending bankruptcy
- Hardship letter (make them cry)
- Last 30 days pay stubs (if applicable)

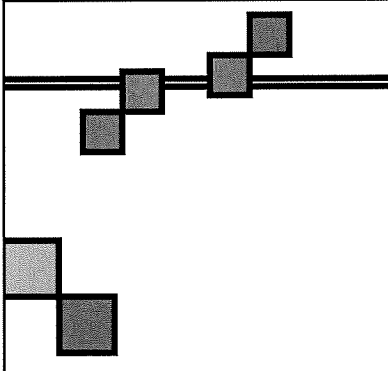
Remember the more complete the package the better the cooperation from the bank.

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Ads That Work - Print

Facing Foreclosure?
Have you had someone explain your right to you? I have helped many people in your situation avoid foreclosure. Call me today at 123-456-7890 ABC Realty

Losing Your Job?
If that's the case don't let your home go into foreclosure. I will explain your options to you. Call today for a free consultation 123-456-7890 ABC Realty

Just Want Out
I have several painless ways to get out of a bad or undesirable situation. My ways work! Call me today at 123-456-7890 ABC Realty

Don't Know Where...
To sure? I have successfully helped people like you stop the foreclosure process and avoid Bankruptcy. Call me today at 123-456-7890 ABC Realty

Payments Going Up?
If you don't want the burden of your home any longer, don't let it go into foreclosure. I will help! Call me at 123-456-7890 ABC Realty

Beware of Scams
Know your rights. Don't let the banks tell you what you can do with your house. Call me and I'll explain your rights to you for nothing. Call today 123-456-7890 ABC Realty

Free Consultation
Helping people who are behind on their payments. Salvage their credit and save them from foreclosure. Call me today at 123-456-7890 ABC Realty

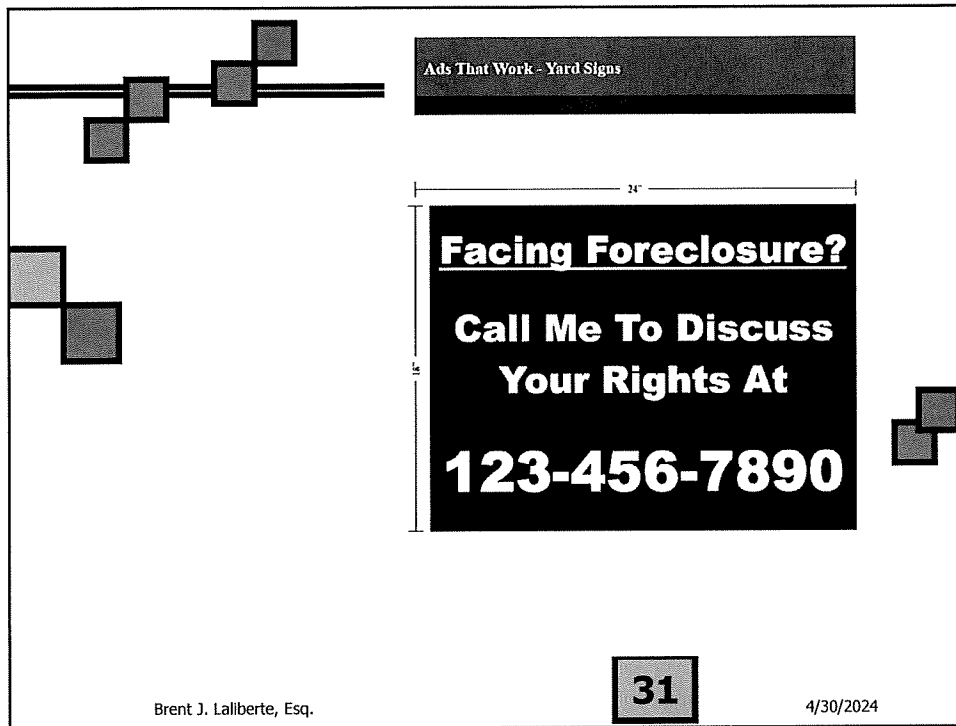
Behind on Payments?
I have helped several people just like you avoid foreclosure. Call me for a free consultation 123-456-7890 ABC Realty

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Ads That Work - Yard Signs

Facing Foreclosure?

**Call Me To Discuss
Your Rights At**

123-456-7890

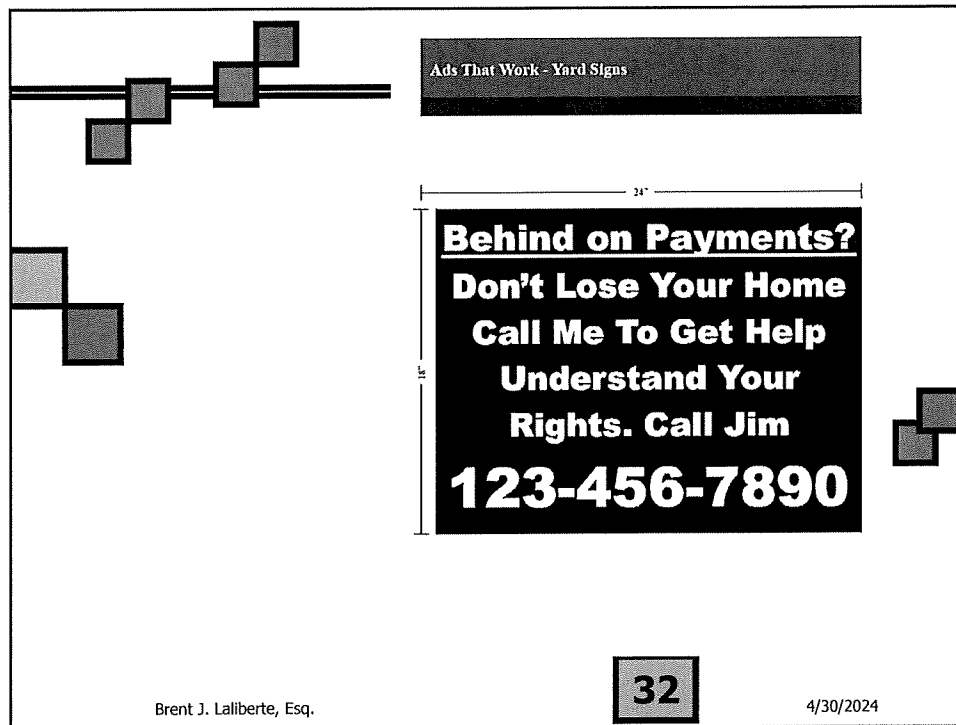
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The image shows a yard sign design on a white background. At the top left, there is a decorative graphic of a utility pole with several rectangular signs attached to it. In the top right corner, there is a dark grey rectangular box containing the text "Ads That Work - Yard Signs". The main sign is a large black rectangle with white text. It is dimensioned as 24 inches wide and 18 inches high. The text on the sign reads: "Facing Foreclosure?" (underlined), "Call Me To Discuss Your Rights At", and "123-456-7890" in large, bold letters. At the bottom left of the page, the name "Brent J. Laliberte, Esq." is printed. At the bottom center, the number "31" is enclosed in a grey square. At the bottom right, the date "4/30/2024" is printed.

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Ads That Work - Yard Signs

Behind on Payments?

Don't Lose Your Home

Call Me To Get Help

**Understand Your
Rights. Call Jim**

123-456-7890

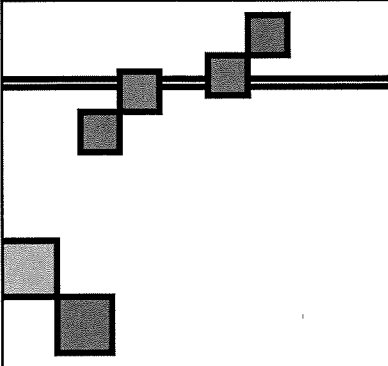
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The image shows a yard sign design on a white background, similar to the one on page 31. It features the same decorative utility pole graphic in the top left and the "Ads That Work - Yard Signs" header in the top right. The main sign is a large black rectangle with white text, dimensioned as 24 inches wide and 18 inches high. The text on the sign reads: "Behind on Payments?" (underlined), "Don't Lose Your Home", "Call Me To Get Help", "Understand Your Rights. Call Jim", and "123-456-7890" in large, bold letters. At the bottom left of the page, the name "Brent J. Laliberte, Esq." is printed. At the bottom center, the number "32" is enclosed in a grey square. At the bottom right, the date "4/30/2024" is printed.

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List of Lenders

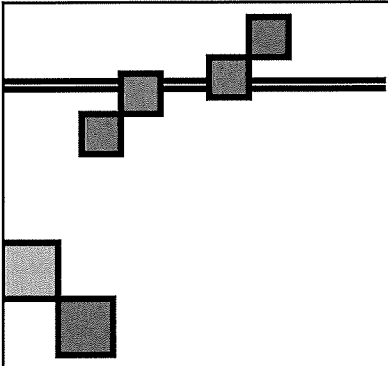
1st American Home Mortgage	800-756-5573
1st Federal of Michigan	800-482-0662
1st Federal Savings Bank	800-422-3372
1st National Bank	800-854-7715
Althance Funding	800-426-1143
Althed Home Mortgage Capital Corp.	888-898-3376
American Mortgage Company	888-991-6400
Ameriquest	888-231-1313
Ameritrust Company	800-422-2442
APX Mortgage Services	800-843-1279
Astoria Financial	800-278-6742
Bank and Trust Company	800-433-3955
Bank of America	800-301-3744
Bank of Florida	239-234-2100
Bank of New York	212-495-1784
Bank of the West	925-942-8300
Bank Plus	800-542-7587
Barrett Banks	800-468-1810
BBK&T Bank	800-226-3228
Beneficial	800-340-7866
Bridgeway Bank Group	800-794-2070
Capital Funding	800-437-6661
Capital One Bank	888-497-6278
Carwest Mortgage	888-980-8806
Central Jersey Bank	800-369-2500
Champion Mortgage	800-232-5502
Charter Oak Federal Savings	800-832-3452
Charter Pacific Bank	800-272-2265
Chase	800-933-9933

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List of Lenders

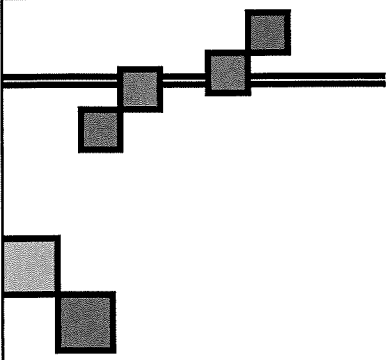
Chemical Mortgage Company	800-848-9116
Citi Mortgage	800-667-8424
Citizens Bank	800-676-6176
Cityall	800-762-2489
CMA Mortgage	800-557-1513
Compass Bank	800-239-4357
Countryside Home Loans	866-670-3274
Crestar Bank	800-373-7827
Ditech	800-939-6879
Dollar Bank	800-242-2265
East Boston Savings Bank	847-952-3700
eLoans	888-533-3333
Emerald Funding	888-963-3436
Fidelity Federal	800-232-2909
Fifth Third Bank	800-972-3010
First Fiduciary Inc.	800-653-2600
First General Mortgage	800-225-6410
First United Federal	800-452-0883
Fleet Mortgage Corp.	800-635-3796
Genoa Bank	800-592-2828
GUAC Financial Services	800-765-4622
Harris Bank	888-340-2265
Heartland Mortgage	800-552-0344
Home Savings	888-822-4731
HomeFed Bank	800-824-3533
HSBC North America	847-564-5000
Harrington National Bank	800-480-2265
Indiana Federal Bank	800-342-5760
Indiana Federal Savings Loan	800-851-4839

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List of Lenders

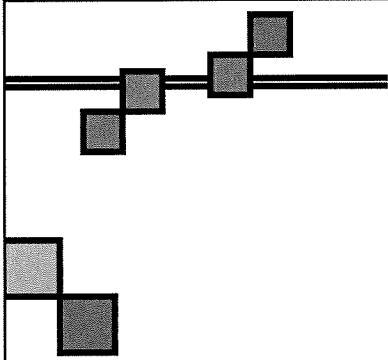
Key Bank	800-539-2968
LaSalle Bank	866-904-7222
Lending Tree	800-461-0117
Liberty Federal Bank	888-323-1776
Loewsia Bank	800-618-8214
M&T Bank	800-724-2440
Mellen PSFS	800-362-5510
Meridian Mortgage	800-327-2374
Michigan National Bank	800-622-6864
Mid America Mortgage	800-461-6288
Midwest Mortgage Finance	800-925-9725
Midwest National Mortgage Corp.	800-225-8894
National City	800-913-1631
National First Mortgage	800-336-2966
Nationwide Mortgage Brokers	800-563-5795
NBD Bank	800-223-5623
Newcome Mortgage	888-639-7661
North Fork Bank	877-694-9111
Ocean City Home Savings Loan Association	800-311-1398
Ohio Bank	800-843-9991
Ohio Citizens Bank	800-752-3430
Ohio Savings Bank	800-852-1938
Park National Bank	800-762-2616
Pennsylvania Capital Bank	800-642-3586
People's Bank	203-338-7171
People's First Federal Credit Union	800-446-5598
Pinnacle Bank	800-543-7188
Pioneer Bank	800-623-1889
PNC Bank	818 PNC BANK

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List of Lenders

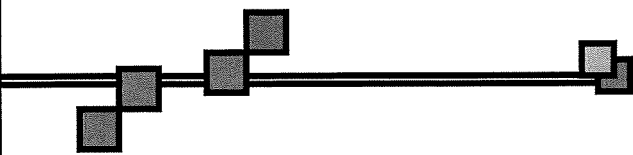
Progressive Mortgage Corp	800-334-8512
Quickon Loans	800-251-6080
Raffanperger Hughes	800-338-2195
Regions Bank	800-REGIONS
Ryland Mortgage	800-786-8638
Sigat Bank	800-233-7191
Sky Financial Group	866-759-2265
Society Bank	800-451-6513
Sovereign Bank	877-768-2263
Summit Bank	800-541-1365
Suntrust	800-786-8787
YFC Bank	800-823-2265
Third Federal	888-THIRD-FED
Trust Corp. Bank	800-348-2243
U.S. Bank	800-872-2637
Union Bank	800-547-5375
Unico Center National Bank	800-UN-CENTER
Upland Mortgage	800-875-2631
US Bancorp	800-872-2637
Valley Federal Savings Bank	800-225-5409
Valley National Bank	800-225-5819
Wachovia	800-922-4684
Washington Mutual	800-788-7000
Wells Fargo	800-469-3557
Whitney National Bank	800-844-4450

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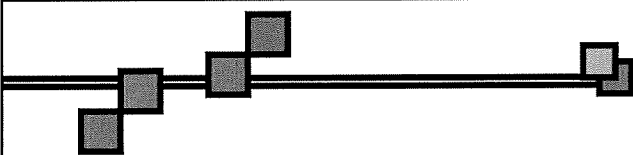


Realtor Sample Letters

- Direct Marketing Letter No. 1
- Direct Marketing Letter No. 2
- Hardship Letter
- Letter For Bank Authorization
- Offer Consideration Letter

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Who is the Realtor's BFF?

- The title company. . BAYOU TITLE!
Why??
 - We verify what is owed on the house early in the process
 - We negotiate the Short Sale with the Lender
 - We negotiate with Inferior Lien holders
 - We treat your client with respect!

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Remember. . .

- A Short Sale that does not happen will often become an REO
- Professional demeanor with the Lender may just get you the listing later
- If your Buyer could not work the deal via the Short Sale, maybe they can buy it from the Lender now

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