

Certified Foreclosure Specialist Designation & Training



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PREFACE

INTRODUCTION

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Benefits of being a CFS, foreclosure defined, judicial versus non-judicial foreclosure, accelerating foreclosure, steps and timelines, deed in lieu, cash for keys.

Chapter 2 – The Basics of Loss Mitigation

Definition of loss mitigation, loss mitigation principles, importance of current value, a shift in loss mitigation strategies, cost breakdown, loan modification, short sale and foreclosure, who is mitigating what loss.

Chapter 3 - Mortgage or Deed of Trust

The two-party mortgage transaction, the third-party deed of trust transaction, importance, the anti-deficiency rule.

Chapter 4 - Prospect Interaction

Understanding the psychology, first contact strategy, quick fix companies, relocation options, agent positioning.

Chapter 5 - Alternatives to Short Sales

Due diligence before listing short, refinance (FHA Secure and HARP), reinstatement, forbearance, loan modification, Chapter 13 bankruptcy.

Chapter 6 - Home Redemption Business for Realtors

Loan modifications defined, Making Home Affordable federal plan, qualifying guidelines, trial period versus permanent modification, two profit models, information required for approval, working with lender, money back guarantee, five key approval categories for underwriting, position of second and third lien holders, alternative strategies if loan modification gets rejected, qualified written request, forensic loan audits, creating a HAMP-conforming loan modification.

Forms: Loan modification checklist, Authorization to Release, Hold Harmless Agreement, Qualified Written Request template, complete loan modification example, hardship affidavit template, form 4506-T, completed Bank of America loan modification case study.

Chapter 7 - Consequences of Short Sales and Foreclosure

How to approach client, Realtor's fiduciary responsibilities, deficiency balances, short sale versus foreclosure, HR 3648, tax liabilities, investor and rental property deficiencies, issuing 1099s, deficiency judgments, promissory notes, affects on credit, recourse versus non-recourse loans.

Chapter 8 - Listing and Selling Short Sale Properties

Definition of, details of complete short sale package, strategies on listing the property, establishing price, broker commission, buyer disclosure, triggering BPO, completing a BPO, meeting BPO agent at property, moving to under contract or pending, preparing the HUD-1, performing Broker's Price Opinions, dealing with multiple offers, dealing with subordinate lien holders, changing MLS status, representing buyers in short sales, new HAFA program, building a short sale listing pipeline, pre-NOD leads, NOD leads, advertising in print media, homeowners' workshops, telephone call scripts, representing short sale buyers.

Forms: Hold Harmless Agreement, Authorization to Release, Deficiency Waiver contract, hardship letter template, borrowers' financial statement template, residential BPO template, repair bid form, short equity addendum form, direct mail marketing letter, print display ad, short sale checklist, case studies, lien release, completed HUD-1, HUD-1 template in Excel.

Chapter 9 - Broker's Price Opinions

Definition of, how used, drive-by versus interior, average fee paid, how to apply, benefits to Realtors/lenders, who hires agents, qualifications required, commonly asked questions, and answers on vendor tests.

Forms: Completed BPO, blank BPO template, FNMA BPO template.

Chapter 10 - Listing and Selling Bank-Owned Property

Overview of industry, qualifications required, pitfalls of REO business, how and how much paid, who hires new agents, when are assets assigned, uncompensated services, services required, marketing strategies to build business; B2B selling, applying with asset management companies and direct lenders, networking, pay-per-click and e-mail marketing, telephone sales, direct mail, advertising in trade publications, attending REO conventions, asset manager prospecting script, expense reimbursement, building a contractor team, managing REO properties, double ending listings, representing REO buyers.

Forms: Initial offer summary, offer instructions addendum, as-is addendum, REO case studies, REO Master Listing Agreement sample, REO Broker Field Manual.

BONUS SECTION - Starting a Loss Mitigation Company