

# **TODAY'S BROADCAST**

**WEDNESDAY, JANUARY 16<sup>TH</sup>**

**@ 4:00 PM ET**

# **BANK OF AMERICA**

to Discuss

## **THE STATE OF SHORT SALES IN 2013**





Send Your Questions **NOW** to  
**QUESTIONS@CDPENOW.COM**

Or Call with Questions at:  
**1-512-870-8468**



# Bank of America: The State of Short Sales in 2013

*With Special Guest*

**Stephanie Lowe**

*Senior Vice President, Short Sale and  
Deed-in-Lieu Production, Bank of America*



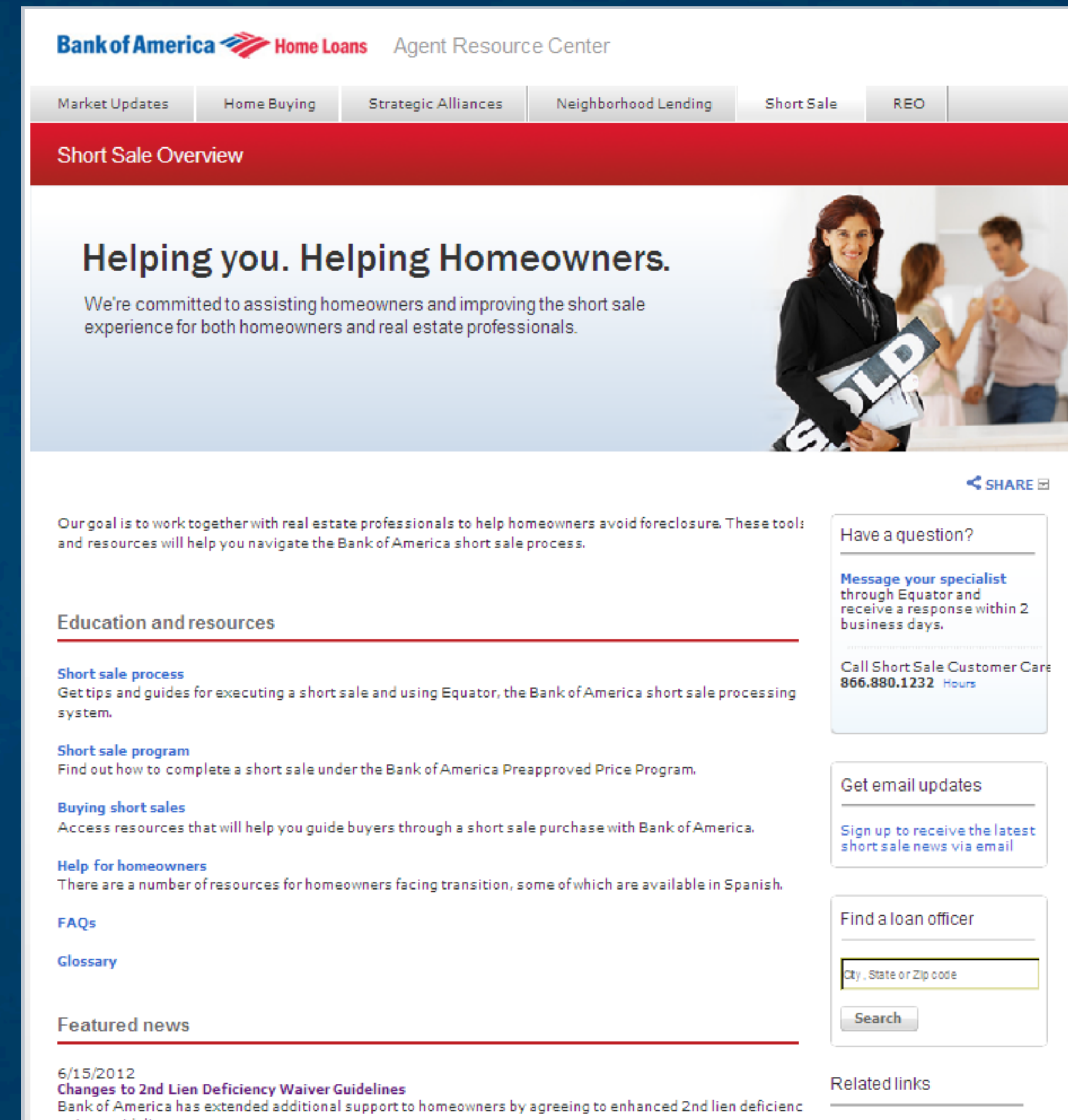


# Short Sale Agent Resource Center

The *updated* Agent Resource Center is for real estate agents to easily locate information about Bank of America short sale programs and services that can help you manage your business.

## Tools, resources, events and other information about:

- Short Sale
- REO
- Mortgage Resources
- Affordable Lending
- Strategic Alliances



The screenshot shows the 'Short Sale Overview' page of the Bank of America Home Loans Agent Resource Center. The page features a navigation bar with links to Market Updates, Home Buying, Strategic Alliances, Neighborhood Lending, Short Sale, and REO. The main heading is 'Short Sale Overview' in a red banner. Below this is a section titled 'Helping you. Helping Homeowners.' with a subtext: 'We're committed to assisting homeowners and improving the short sale experience for both homeowners and real estate professionals.' To the right of this text is an image of a woman holding a 'SOLD' sign. Below the main heading is a 'SHARE' button. The page is divided into two columns. The left column contains a paragraph about the goal of working with real estate professionals to help homeowners avoid foreclosure, followed by a section titled 'Education and resources' with links to 'Short sale process', 'Short sale program', 'Buying short sales', 'Help for homeowners', 'FAQs', and 'Glossary'. The right column contains a 'Have a question?' section with a link to 'Message your specialist', a 'Call Short Sale Customer Care' section with the number 866.880.1232, a 'Get email updates' section with a link to 'Sign up to receive the latest short sale news via email', a 'Find a loan officer' section with a search box for 'City, State or Zip code' and a 'Search' button, and a 'Related links' section. At the bottom of the page is a 'Featured news' section with a date of 6/15/2012 and a link to 'Changes to 2nd Lien Deficiency Waiver Guidelines'.

**bankofamerica.com/shortsaleagent**



# Changes for 2013

Change to Co-operative Short Sale Program ...

Bank of America partners with Auction.com ...

FHA Pre-Foreclosure Changes ...

Changes to servicers ...





# Cooperative Short Sale Program



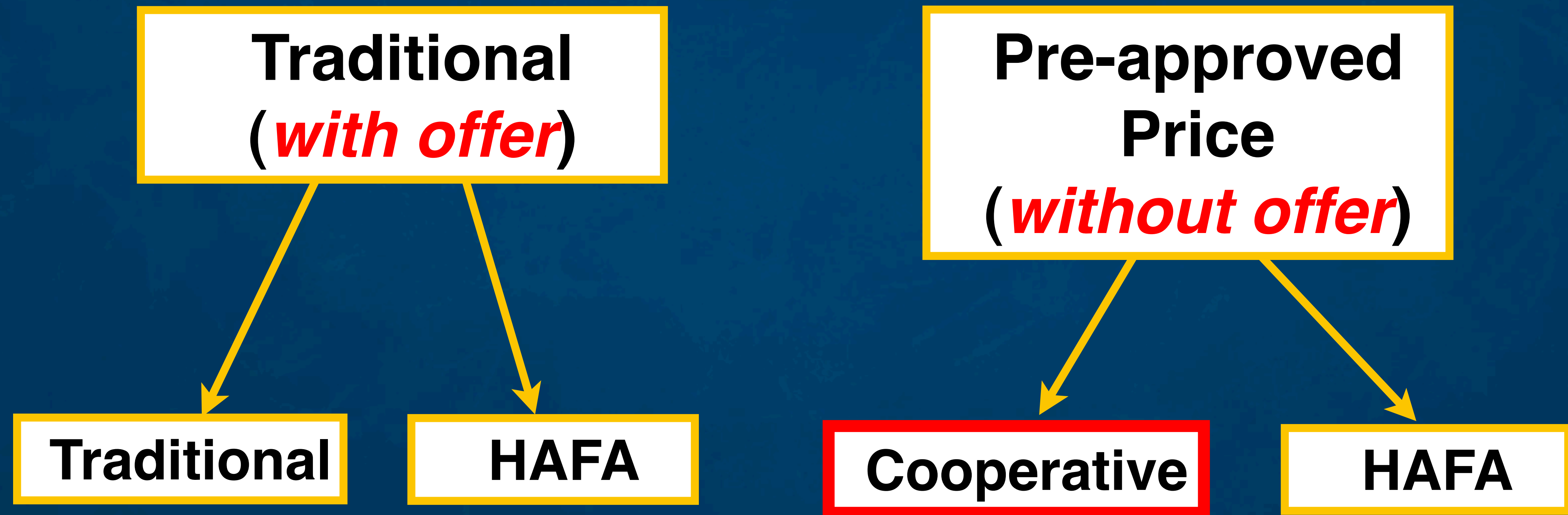
# Cooperative Short Sales

The Cooperative Short Sale Program is for loans that may not be eligible for HAFA but for which Bank of America will still negotiate a pre-approved price and relocation assistance.



# Working with Bank of America

*Agents have 2 paths when dealing with a  
B of A Short Sale:*





# Cooperative Short Sales

## Old Benefits

- Jumbo loans may qualify
- Non-owner occupied eligibility
- Improved approval rates
- Relocation assistance up to \$2,500
- Auto HOLD on foreclosure with signed Borrower Acknowledgement of Interest (BAI)

## Current Benefits

- Jumbo loans may qualify
- Non-owner occupied eligibility
- Improved approval rates
- Relocation assistance up to **\$45,000**
- ***No hold on foreclosure sale*** during marketing period; only when an offer is approved



# Cooperative Short Sales

Previously, once a borrower signed the Borrower Acknowledgement of Interest Form, Bank of America temporarily halted the foreclosure sale for the marketing phase—up to 120 days.





# Cooperative Short Sales

*As of **January 16, 2013**, Bank of America will no longer suspend the foreclosure sale unless an offer is approved by all relevant parties.*

Any existing short sale will not be impacted by this change.



# Bank of America partners with Auction.com



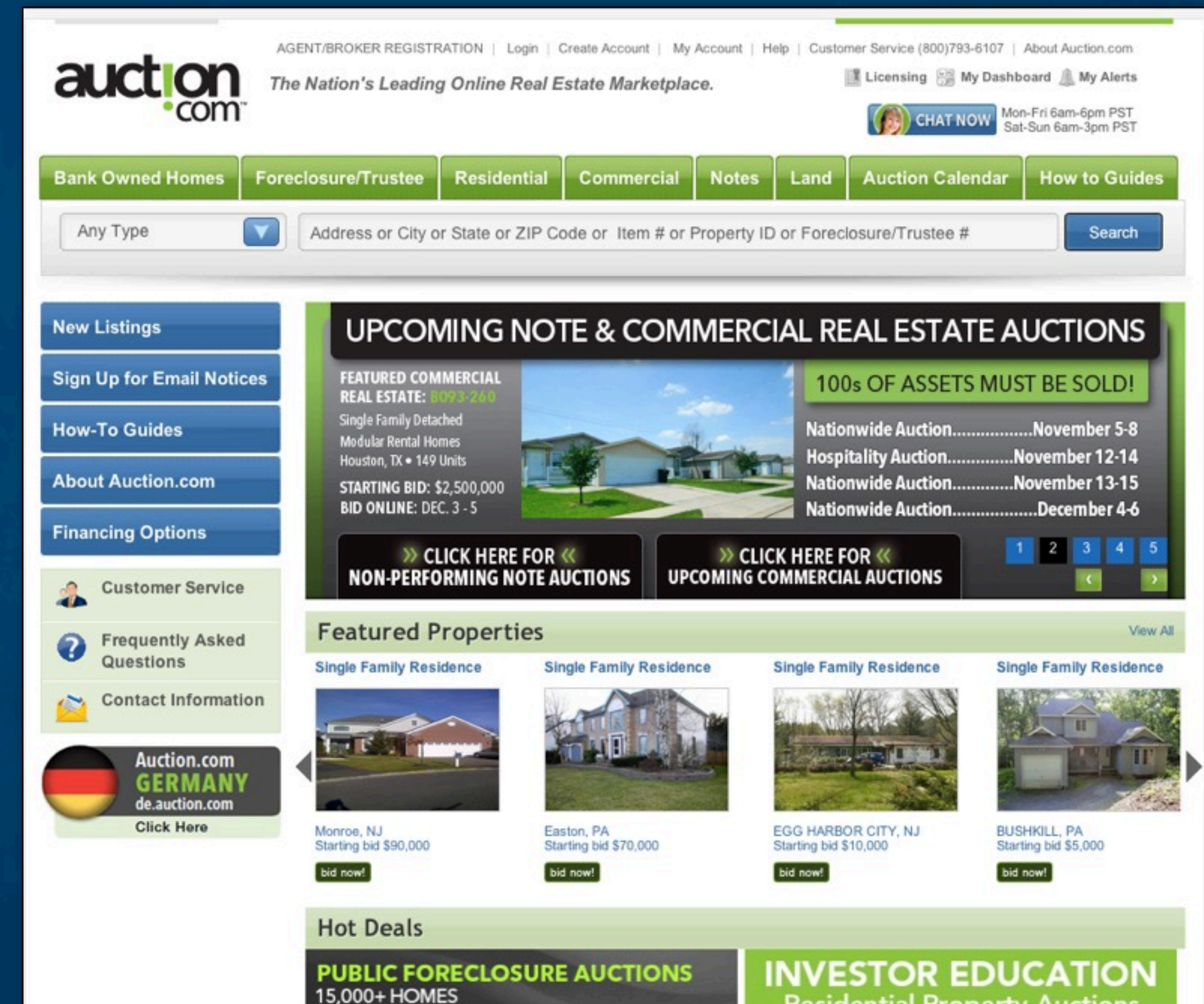


# Auction.com

*Bank of America has teamed up with Auction.com to provide greater marketing exposure for short sale listings.*

## What you need to know:

- Eligible homeowners will be contacted by B of A (not everyone will be eligible)
- Property will be featured on Auction.com
- Agent must hold **2** open houses
- Agent will be notified of winning bid





# Relocation Assistance

*Bank of America provides Relocation Assistance up to \$45,000 through the following*

Homeowner opts to market through Auction.com from day 1 → **\$7,500 - \$45,000**

Homeowner /opts for traditional marketing through the Cooperative Short Sale Program; if unsuccessful, opts into Auction.com marketing on day 60 → **\$5,000 - \$30,000**

Homeowners opt for traditional marketing only through the Cooperative Short Sale Program → **\$3,000 - \$15,000**





# FHA Pre-Foreclosure Program



# FHA Pre-Foreclosure Program

*If approved, homeowner may sell property at fair market value, regardless of mortgage.*

## Key benefits:

- No deficiency judgment
- Relocation assistance up to \$1,000 for those who qualify

## Challenges:

- Requires HUD/FHA approval—longer timelines (approval to participate may take up to 90 days)
- ***CAN'T be initiated in Equator***





# FHA Pre-Foreclosure Program

*Beginning Q2, FHA Pre-Foreclosure Short Sales will be able to be initiated in Equator.*



# FHA Pre-Foreclosure Program

## Timeline Overview

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2. B of A reviews request to see if eligible for loan mod

3. Assigns Short Sale Specialist, sends Welcome Package

5. Orders appraisal, title, reviews eligibility, sends Approval to Participate

9. Verify accuracy of all documents, issue closing instructions

11. Confirm closing date, issue final approval

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1. Have homeowner call Customer Relations Manager to request FHA Pre-Foreclosure Program (1.800.669.6650)

4. Review Welcome package, provide appropriate documents

6. Facilitate appraisal, review Appraisal, dispute if necessary

7. Send listing agreement to SS Specialist, market property, send MLS sheet every 30 days

8. Send purchase agreement, HUD-1, Buyer's disclosure to SS Specialist

10. Email preliminary HUD-1, email final closing docs on close of escrow

close





# FHA Pre-Foreclosure Program

*These documents will be required:*

- Third-Party Authorization form\*
- Pay stubs (30 days consecutive)
- Bank statements (60 days consecutive)
- Hardship letter\*
- Occupancy certificate\*

*\*Be sure your client executes each of the documents requiring a signature*

*\*\*Don't leave any form fields blank. Use "n/a" instead*



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