

The Top 5 BIGGEST Mistakes Real Estate Agents Make When Entering the Short Sale Market

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Introduction

If you are a real estate agent or professional then you have probably come across quite a few potential short sale leads over the past two years. Since the foreclosure crisis has created such a glut of bank owned homes on the market, we are seeing more and more banks that are willing to negotiate a short sale with the homeowner instead of pursuing a foreclosure lawsuit.

The legal costs to file a foreclosure lawsuit against a homeowner can cost as much as \$30,000. Once the bank gets their property back they still need to pay a “trash out” company to clean the property and then they need to assign the property to an REO listing agent. When the property sells the bank needs pay another 6% commission to the realtors. It can take as long as two years for the bank to finally sell a delinquent property. This means many months of lost interest payments and damage to the property while vacant.

For this reason, most banks in today’s market would prefer to do a short sale. And this is where you as a realtor have a huge opportunity to make money. You see most homeowners that are in foreclosure are considering a short sale. These homeowners often turn to a realtor that they know to help them sell their home. You might even know someone personally that is in this situation and that has come to you for help.

We wrote this report for realtors just like you that are in this situation. When you get a short sale lead, we know that you want to help your client negotiate their short sale and move on with their lives. We also know that you want to keep 100% of the commission. This report will show you how we can help you have a satisfied client AND keep all of the commission.

Here are the the top 4 mistakes that real estate agents make when entering the short sale market.

MISTAKE NUMBER 1

Not Understanding How Big This Opportunity Is

We are currently in the midst of the largest foreclosure crisis this county has ever encountered since the Great Depression. The opportunity is so large and on such an unprecedented scale that most realtors do not really understand how big the opportunity is.

Consider that almost 50% of all homes in the U.S are currently “underwater” meaning that the homeowner owes more than their home is worth. Many of these people would be very happy to walk away from their home. In some states 1 in 10 people are now in default meaning that they cannot afford to make their payments on their home. This translates into millions of people that would love to do a short sale!

Almost all of these people have no idea how to go about doing a short sale so they do what comes naturally – they call a realtor. You have probably received phone calls from short sale leads like this and have done absolutely nothing with them! Consider that every one of these leads could be paying you a 5% commission and you can begin to understand how big the opportunity is.

If you are not doing something with your existing short sale leads then you are simply throwing money away. You probably wake up every morning wondering how you could get more clients or do more business. Well here is the greatest opportunity in the last century and what exactly are you doing with this opportunity? Are you marketing for short sale leads? Are you looking for short sale candidates? Do you think short sales are too much work? There are realtors making high 6 figure incomes from short sales and you could be too.

But you need to recognize the opportunity and you need to take action. Do not let this opportunity pass you by. It is time for you to cash in on these short sale leads.

MISTAKE NUMBER 2

Negotiating the Short Sale Yourself

When you get a short sale lead you are faced with a decision. You can either do nothing, and let the opportunity pass you by or you can take action and seize the opportunity. Most realtors simply waste the opportunity and do nothing. You probably have a few short sale leads sitting on your desk right now that you could be doing something with.

If you do decide to take action, don't make the mistake of negotiating the short sale yourself. Many realtors make the mistake of thinking that they can negotiate a short sale and then get in way over their head. Ultimately this leads to a lot of wasted time, no commission and one very dissatisfied client that loses their house to foreclosure. You have a responsibility to your client to get them the best possible short sale negotiation that they can get. Your only goal is to make money from the transaction. If you can have a professional short sale negotiator negotiating the short sale why would you waste your time doing it yourself if you are going to make the same commission either way?

Our team of expert short sale negotiators has successfully completed hundreds of short sales. They have contacts at all of the major banks and are familiar with all of the files, paperwork and nuances of each lender. They have negotiated hundreds of short sales and know what they are doing. They are experts at getting the short sale completed.

Do not make the mistake of thinking that negotiating a short sale is easy. Most short sale files that are submitted by realtors are closed because they were not submitted correctly. If your strategy for a short sale is to list the property on the MLS, draw out a cash buyer and then use that cash buyers offer to negotiate your short sale then you are making a huge mistake. This is what most realtors do because they are not professional short sale negotiators. You need a buyer BEFORE your property is listed on the MLS. And you need to make sure that your buyer doesn't walk. We are cash buyers and we are ready, willing and able to close whenever there is an approved short sale.

Leave the short sale negotiating to a short sale expert. That way you can focus on getting more leads and making more money. You do want to make more money right?

MISTAKE NUMBER 3

Not Marketing For Short Sale Leads

Most realtors that get a short sale lead usually get the lead from someone that they know. If the only leads that you are getting are from people that know you then you are

not marketing for short sale leads and you are missing out on the biggest opportunity of your life time.

There are thousands of cash buyers looking for good deals at cheap prices. These buyers would love to buy short sales that have already been approved by the bank. There are millions of homeowners in foreclosure that are considering a short sale. Are you marketing to these homeowners in foreclosure? How would they find you? Stop wasting your time with the retail market and focus on the huge opportunity in short sales.

You should place ads online on Craigslist, Ebay Classifieds and Backpage. Get yourself a lead capture page (landing page) and begin marketing for short sale leads. This is a huge opportunity to make a lot of money in a very short period of time. Cash in on this opportunity while it is there. This is the easiest money to be made in the real estate business today.

MISTAKE NUMBER 4

Not Understanding the Legal Implications of a Short Sale

Are you a foreclosure expert? Do you understand all of the nuances of foreclosure laws in your state? Do you understand all of the legal, credit and tax implications of a short sale? Don't give your clients bad advice by giving them information that is not accurate. If you do not know all the nuances of the implications of the short sale don't attempt to make like you do. You are not an attorney and you are not a CPA. Neither are we. That is why we have a team of attorneys and CPA's that have reviewed all of our short sale forms and contracts.

Our team of expert short sale negotiators knows what to say to your client. They have negotiated hundreds of successful short sales. Leave the negotiating to experts and stay away from giving legal and tax advice when you are not sure of the answer.

Do you understand deficiency judgments, liens, second mortgages, foreclosure laws, and tax laws for your state? Do you think you are qualified to be explaining these things to your clients? Consider this before you begin trying to negotiate a short sale by yourself.

Why bother with all the headache and liability of the short sale negotiation when you can simply let our team of expert short sale negotiators do it for you? After all either way you get to keep all of the commission. Why not make the same money for much less work? We are not realtors and we do not want your commission. We just want to buy these properties.

MISTAKE NUMBER 5

Not Understanding How Much To Offer the Bank

Think about it. You have spent your real estate career as a realtor working with retail real estate and retail valuations. Now you are trying to negotiate a cash offer with the bank. Do you really know your comparable sales, repair estimates, BPO's, appraisals etc. the way that you should? Do you know what cash investors would pay for this property and why? Negotiating too low will mean that you will lose the deal. This is the biggest reason why realtors lose short sale deals. You need to understand the nuances and differences between different lenders and how much they are willing to take. Each bank is different and you need to know what offer they will accept as well as how to negotiate with them. Remember that if your short sale is not accepted then you make no commission and you have a very unhappy client.

Conclusion

- Recognize how big the opportunity is - the opportunity to make money is huge!
- Don't let this opportunity pass you by - start making money from short sale leads
- Don't waste short sale leads - turn every short sale lead into cash
- Market for short sale leads, the more leads you have the more money you make
- Don't negotiate the short sale yourself – leave it to an expert short sale negotiator
- Don't give legal and tax advice to your clients

You can start submitting your short sale leads right away by signing up at our website www.shortsalefloridahouses.com

Once you have signed up you will get a user id and password emailed to you and you will be able to login to our system and begin to start submitting your short sale leads directly into our database. We will have a short sale negotiator assigned to your file within 24 hours.

You might be wondering how we make our money. We are not realtors so you get to keep 100% of the commission. The way that we make our money is by selling these properties to cash investors for a small profit. We have a huge database of tens of thousands of investors that are looking for cash deals and we sell these approved short sale deals to these investors.

If you have any questions please email me at lex@lexlevinrad.com or call 800-617-2884 ext 1. If you would like to know more about me and my company please visit our website at www.lexlevinrad.com

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