



featured agent of the month **GAYLE HENDERSON, RE/MAX EXCALIBUR**

Gayle Henderson, ABR CRS CDPE CLHMS GRI ePRO, works as a REALTOR in Scottsdale, Arizona and has been a Short Sale Commander user since May 2010.

As a top Short Sale closer in her region, hear tips from Gayle on her experience with Short Sales and techniques to simplify the process!

Q: Any advice for agents new to short sales?

A: Make no assumptions with short sales, whether it is something you have read, heard, or experienced, each transaction is undeniably unique. Changes in the short sale world happen daily, making continuing education absolutely essential. Remember you are not the decision maker, rather you are the conduit of information. The more you remain impartial while still passionately working on behalf of your seller, the better you are able to serve your client. If you learn nothing else, remember the successes you achieve and the increasing ease with which you work short sales all comes down to attitude- your attitude, and with your passion, the ability to influence others- especially the servicers to take on this file as if it were one of their own family. Make sure that any time you get a new key-contact at a servicer, that you update your mortgage company manager in short sale commander. It is invaluable to have all of those key contacts in one very central database, ready for your next transaction.

Q: In your opinion what are the pros and cons of doing a short sale?

A: For me there are mostly positives: making a difference in distressed homeowners lives, being a part of solution to the housing crisis instead of part of the problem, applying new skill-sets that help me in all of my real estate business, such as managing multiple files in electronic platforms, becoming more engaged with buyer agents, escrow officers, buyer lenders so that the team approach ensures success. Give me a negative and I will turn it around into a positive.

Q: How do you prepare for a meeting with a client who is considering a short sale?

A:1. We learned about creating email templates from one of our servicers, yes lenders can teach us too. After the seller reaches out to us, we send our template- 1st touch email with our authorization to release form, a digital guide we created explaining the short sale process, and our state mandated short sale seller advisory. We are now adding our MARS listing disclosure before we ever even meet together.

2. We actually reach out to the lender before we do almost anything else to discover what programs the lender may offer, either proprietary or government sponsored, that the borrower might be eligible for participation. We inquire as to whether the servicer takes a set-up package before we even list the property? Will they do an interior BPO now or later? Reporting that information back to the seller before we secure the listing goes a long way in establishing credibility of our intent and trust in our expertise.

3. We follow with a second template email with a series of pdf files for the prospective seller to complete their homework. Usually there are one to two phone calls interspersed between email communications. This is part of our pre-qualification of the prospect as to whether or not we want to take the listing- It is not about what is the price of the home, or any ill-fated attempts to determine through a crystal ball whether the seller's creditor will take the short sale, rather it is about how responsive and cooperative is the seller right now, which we have found is a great indicator of whether or not they have what it takes to stay the course. We can't afford to spend weeks on a short sale only to have the seller bail at the last moment.

4. We set up our file in short sale commander, order our complete Core-logic valuation, conduct our tax record search, identify comparable sales through tax records, and a more detailed analysis of property value, through MLS. We now are

ready for our first face to face meeting, usually in our office. Frequently based on their comfort level, they may choose to bring their documents with them for scanning purposes. All documents are returned to them at the end of the appointment. From this point forward all documents will be handled through short sale commander along with all communications logged as emails, faxes or phone calls. We are truly building a legal file (one that can withstand scrutiny) without any paper.

Q: What is your biggest success in short sales?

A: Strange as this may seem, it is the ability to develop incredible relationships within the servicing community, so that by partnering together we all are part of the solution instead of being part of the problem. My key-contacts and my willingness to understand the processes that each lender uses, permits me to maximize my efficiencies, work faster, smarter and more responsive to the servicers. Helping to make their life easier, increase our successful closings, while I am able to distinguish myself from others creates servicer-advocates that are eager to request to be assigned to my next shortsale. Through this mental attitude, I am able to accomplish the true reward which is making a difference in distressed homeowners' lives.

Q: What are some things sellers should/can do to help the process be a success?

- A. 1. Many of our communities are governed by homeowner associations. We tell our sellers "Don't go delinquent on your HOA dues as those monies can escalate to astronomical amounts and will kill a transaction."
2. Don't move out prematurely. Continue to maintain your home with the continued pride you have always exhibited. If you are forced to move out (job relocation), keep utilities on and maintenance continued. This will inspire confidence in the minds of buyers and their agents. Abandoned properties hurt everyone.
3. Don't make any hasty decisions or moves without consulting your trusted advisors- your REALTOR, your Tax preparer and your real estate attorney. As your advocates they are part of your experienced team.
4. If possible stay current on the second lien, as that can become a positive factor closer to approval time.
5. Sellers need to make a point to forward us, monthly, the most recent bank statements and pay stubs and the updated tax return when filed.

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Q: What are some things agents can do to help the process be a success?

- A: 1. Manage the expectations of the Buyers. Don't make an offer on a short sale if your buyer needs to be in a house in 30 days. Make sure they are committed to this house and not throwing offers on multiple houses without disclosure. The consequences are too grave for a seller to play games with their lives and the lives of their family.
2. Make sure you help your buyer find a lender that will truly pre-approve a buyer, with only appraisal and title commitment as outstanding conditions, before you go looking for property, insuring that in the case of a short-sale, it can and will close within 30 days from seller creditor approval.
3. Email your questions to Listing Agents, calling when substantive conversation needs to take place. If you have not heard from your co-op broker for two weeks, reach out to them for an update- best done in email format, not because we don't want to talk to you, it is because we are able to move to your file seamlessly and return your email, answering your questions more efficiently and detailed.

Q: Tell me about your craziest short sale transaction? How did it turn out?

A. This was the hardest question for me to answer. I describe my short sales as full of what I call "constantly moving pieces- and not always moving at the same time or intensity". The one most recently was a multiple-



ity of never ending emerging moving pieces. Initially we were presented a short sale of a divorced couple. Wife was solely on title. There were three liens, one a very large business loan. We got the third lien on board first, and got their agreement to release with copies of appropriate approval letters. Both the first and the second were same lender different departments, very detailed in both of their documentation requirements. First buyer dropped out after 30 days, and the backup buyer moved forward. The 1st lien asked how much the seller would be willing to contribute and an amount was offered by the seller. Approval letter came out with \$0 contribution. 2nd lien asked the same question and the seller, to my surprise and contrary to earlier conversations, stated \$0 and the 2nd lien negotiator balked, making personal judgments of seller obligation. I reminded her it was not our decision and she should just present it to management. We were getting dangerously close to trustee sale date. 2nd lien came back approved \$0 contribution. Approval letters went to the third lien, who signed off as earlier agreed. The next and final hurdle remaining was Seller –attorney approval letter review. The letter from the 2nd lien was not as specific as I would have liked, in their satisfaction of debt language, and I was prepared to go back to the 2nd lien with a modified language request. The attorney, however, who is the one that the Seller hired to give her his legal opinion cleared both letters and we were on our way to successful close. I am never the decision-maker in this process and by getting out of the way to allow the process to work, it will and it did ending with the ultimate right decision for all concerned.

Q: How has Commander helped your business?

A. Without a doubt, short sale commander has cut 70%+ of the work out of short sales. Monitoring progress at a glance of all files is critical to success. With the file, tasks, activity and email log easily accessible, along with the ability to either share your notes with the various entities or to email updates to all parties makes for a seamless operation. We all have things that don't work out like we intended, an email that never got through or a fax that got lost. Short Sale Commander allows you to completely rid yourself of the time-robbing functions that searching for documents, or notes in a file that duplication of effort can create. Example: If I am on the line with the negotiating team and they can't find a document that I previously sent and I am looking at the same document in a pdf, I can offer to quickly fax or email that document to the negotiator while we are talking and by making their work easier, they will probably readily give me their direct fax or email, because I have, in a sense, become part of the team and not an outsider trying to make their life more difficult.

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