



# "How To Sell Your Home When You Owe More Than It's Worth"

*In this special report, you'll learn how to get financial peace in your life and side-step costly mistakes most homeowners make!*

## **WARNING: IMMEDIATE RESPONSE REQUIRED**

Wednesday, 7:14 a.m.

Dear Homeowner,

If you owe more on your home than it's worth and feel trapped in a financial nightmare, you must read this entire report immediately. In this report, I'll show you how you can stop lying awake at night worrying about what you should do with your home and your monthly mortgage payment.

The first thing you must know about selling your home when you owe more than it's worth is you're definitely not alone. According to the Wall Street Journal, the number of Americans that owed more on their mortgages than their homes were worth totaled 10.7 million – or about 23 percent of all U.S. mortgage holders. Even worse...

**...about 40% of us who took out a mortgage in 2006 are now underwater.**

There are many reasons this has happened, but unscrupulous lending played a major role. In 2000s, the mortgage industry started to make easy-money loans without taking the time to make sure borrowers could afford the monthly payments. In fact, they even went one step further and started offering creative loans such as interest-only programs, negative-amortization and stated-income loans. Sadly, they were setting millions of borrowers, like you and me, up for failure.



The real estate market finally crashed, and home prices have dropped by 20% to 40% in many areas of the country. Millions of hard-working people, like you, are trapped in a financial nightmare.

*Unfortunately, bad things do happen to good people.*

Many people I talk to today lie awake at night worrying about their homes. Should they simply walk away and let the home go into foreclosure? Why continue making payments on a home when you'll never get your money back? Should they file for bankruptcy? What other options do they have?

In the remainder of this report, I'll lay out all of your options and share what might be the best solution for you.

Let's walk through your options together...

## 1. Foreclosure

Because of the incredible amount of stress of owning a home worth less than what you owe and the challenges of making a monthly mortgage payment, many home owners simply decide walk away from their homes and let them go into foreclosure.

This option seems to be the easiest on the surface because you can mentally move on with your life. Even though this seems to be the easiest way out, it's probably the most damaging decision you can make with numerous short-term and long-term ramifications.

Here are a few short-term ramifications of walking away from your home:

- **YOU are still responsible if someone gets hurt on your property**
- **YOU are still responsible if the house burns to the ground.**
- **YOU are still 100% responsible for anything and everything that happens until the sheriff's sale.**

Bad things happen in vacant homes, and you'll be on the hook. And believe it or not, some banks will let your home sit in foreclosure for long periods of time to keep the liability on your shoulders instead of theirs. *There is no telling what can happen to your home while it sits vacant.*

Assuming nothing bad happens to your home while it's vacant during the foreclosure process, you have to consider the long-term impact of foreclosure:



- **YOU'LL be forced to disclose your foreclosure on any future mortgage application.** This will make it very difficult to buy another home in the near future.
- **YOUR credit score will drop by 300 or more points, which will make almost everything more expensive for you.** Your car insurance rates will go up dramatically. Your credit card rates will go up dramatically. You'll even have trouble renting an apartment because most landlords perform credit checks.
- **YOU may have trouble securing new employment.** Most employers today routinely perform credit checks on new employees. A foreclosure on your credit score could cost you a great new job.

As you can see, walking away from your home is a very BIG mistake with significant short-term and long-term repercussions.

## 2. Deed in Lieu of Foreclosure

Many homeowners who owe more on their homes than they're worth try to give their homes back to their lenders. This is called a Deed in Lieu of Foreclosure and occurs when you sign your home back over to the lender and avoid the foreclosure process. Sounds great doesn't it?

In reality, it's great for the lender and not necessarily for you because...

- The bank can still place a default on your credit report, dropping your score and causing all of the problems listed above.
- The bank can, in many instances, come back and sue you in the future for the losses they incur on your home.
- The bank could send you a 1099 tax form, forcing you to pay large taxes on the amount of debt you walked away from. Imagine what it would be like to get a letter from the IRS saying you owe them \$20,000 in taxes. And you probably know the IRS can wreak havoc on your life when you owe them money.
- Your credit score will be severely impacted because it might include a foreclosure and/or a deficiency judgment.

Needless to say, the bank completely avoids the lengthy and expensive foreclosure process, saving them tens of thousands of dollars, and you're still on the hook for all losses. This is definitely not a win/win arrangement.



### 3. Loan Modification

Turn on the news, and you'll probably hear about various loan modification programs to help home owners reduce their mortgage payments. On the surface, a loan modification sounds like a great opportunity. Who wouldn't want to get their monthly payment reduced?

In March of 2009, the government launched the *Home Affordability Mortgage Program* to temporarily reduce the monthly mortgage payments for families with financial hardship. This program entails a very lengthy application process, and it has helped many home owners reduce their monthly mortgage payments. The two problems with this program are:

- **It's temporary.** Of the 750,000 families in the program, only about 30,000 have had their mortgages permanently modified. This means 720,000 families are still looking at making their original monthly mortgage payment or losing their homes to foreclosure.
- **It doesn't reduce your outstanding mortgage balance.** This means you still owe more on your home than it's worth.

In other words, a loan modification is like putting a Band-Aid on a broken leg. It doesn't fix the problem. To have financial peace in your life, you need to fix the problem for good and eliminate your mortgage, side-stepping the long-term damage to your credit report.

### 5. Bankruptcy

In 2005 many changes were made to the bankruptcy laws, and what they boil down to is:

**You no longer get a clean slate to start over when you file for bankruptcy.**

To qualify for a Chapter 7 bankruptcy, you almost have to be penniless and homeless with no income.

Another common misunderstanding is that by filing for bankruptcy, you don't owe the bank anything. This isn't true. Bankruptcy only stalls the foreclosure process. Unless you get a Chapter 13 bankruptcy and repay everything, you will eventually still lose your home.

Bankruptcy has long-term financial and legal consequences, and an attorney is strongly recommended.



## 5. Short sale

A short sale occurs when your lender agrees to let you sell your home for less than what you owe, and they agree to accept the reduced sales price as full payment of your mortgage. This approach helps you get out from underneath your mortgage, avoid future liability and prevents a foreclosure from hitting your credit report. All-in-all, it's really the *best solution* because it allows you to permanently side-step many of costly challenges listed above.

**You may be able to get out from under your mortgage once and for all without any lingering issues and finally have financial peace in your life!**

Unfortunately, short sales are a little tricky to complete because banks are a little overwhelmed these days processing loan modifications, foreclosures and spending all of the government bailout money they received.

The short sale process is complicated and requires a great deal of paperwork, hours on the phone getting the short sale approved and actually selling your home to another buyer or investor.

You can handle this entire process on your own, but be prepared; it's a full-time job, and one mistake can derail the entire process. It gets even more complicated if you have a home equity loan or second mortgage. These loans must be negotiated, too!

Another option would be to apply for my *Comprehensive Short Sale Program* and let me take care of the entire process for you – *if you qualify and your application is accepted...*

**Here is a summary of the benefits you'll receive if your home is accepted into my special Comprehensive Short Sale Program.**

✓ **I'll help you initiate the short-sale approval process with your lender!**

There are many things to consider at the beginning of this process. It's important to approach your lender properly, or they may flat out reject your request for a short sale. We'll help you avoid these costly mistakes!



- ✓ **I'll help you prepare a "Hardship Letter," which will be required by your bank as part of their approval process.**

You'll receive a sample hardship letter you can use as a template to prepare your own letter to use with your bank.

- ✓ **I'll compile relevant news articles and other details, which will support your case for a reduced sale price on your home.**

The best way to get your bank to accept a short sale is to prove that homes in your area have decreased in price. The key word is "prove," and I'll handle this for you.

- ✓ **I'll provide a detailed market study of comparable homes and recent foreclosures in your area.**

This report will be required by your bank, and I'll perform a detailed market study using all recent home sale activity as detailed in our real estate database. Believe it or not, there is a particular way this report must be prepared in order to be considered by the lender, and I'll make sure you're covered. I'll show your lender exactly what your home is worth today and why they should accept a short sale.

- ✓ **I'll provide your lender with a detailed property analysis report of your home!**

This report will summarize any updates and repairs required and will help the bank to agree to an attractive short-sale price. Remember, the lower the price the bank will accept, the faster we will get your home sold and put all of this behind you for good!

- ✓ **I'll tour your area and take pictures of foreclosed and distressed homes, and we can include these photos with your short sale approval package!**

- ✓ **I'll provide an updated market summary of properties in our area.**

This summary will include all homes listed for sale, the average number of days on market this year compared to last year and a study of price changes between years in this and other markets over the last few months.



- ✓ **I'll prepare a report detailing crime reports for your area, sex offenders and other negative information.**

This report will provide shock value for out-of-state lenders and will help prove your case for a lower sale price.

- ✓ **I'll prepare a "net sheet" showing exactly what the bank will make, after all expenses are paid, if they accept a short sale.**

This summary will give the bank a bottom line and allow them to make a faster decision about your short-sale request.

- ✓ **In addition to the "Hardship Letter" mentioned above, you'll also need to include 14 additional items that will help convince the bank to approve of your short sale.**

There are many items you should include in your hardship letter and package to help get your bank to accept a short sale. You'll receive a detailed checklist indicating what you should include with your hardship letter. In addition, we will review this package and put the finishing touches on it for you!

- ✓ **I'll help with the "Broker Price Opinion," which is the key to a successful short sale.**

Your lender may require a "Broker Price Opinion" before approving a short sale for your home. If this is the case, you must handle this properly. We'll help you with the actual Broker Price Opinion and walk you through our 11-step process to a successful Broker Price Opinion.

- ✓ **I'll list your home in the multiple listing service using proven, pre-tested marketing strategies and expose it to every buyer working with a real estate agent in your area.**

Many real estate agents set up automatic home searches for their buyer clients. We will promote your home in the multiple listing service, and if your home matches any of the criteria of these buyers, an email will be sent them about your home and the attractive price available!

- ✓ **I'll market your home to our database of foreclosure buyers and investors.**



We have been marketing exclusively to buyers and investors and have built up an impressive database of prospective buyers for your home. There is a good chance we have a buyer already waiting for your home!

✓ **We will include your home in our special home buyer tours, where we bring multiple buyers through – all at the same time!**

On occasion, we promote special home-buying tours and attract interested buyers all in one afternoon. If your home is accepted into my *Comprehensive Short Sale Program*, I'll feature it on one of my upcoming home buyer tours!

✓ **I'll make sure that specific clauses are added to your sales agreement to protect you from future liability with your lender.**

Just because the bank approves of a short sale for your home doesn't mean you're in the clear. You'll need to have special clauses included in your sale agreement when your home is sold to a buyer, which will release you from any further liability. I'll make sure these clauses are included to protect you and give you financial peace of mind!

✓ **We will process the entire short sale all the way through closing with all parties involved, including your bank, the buyer, the buyer's lender, the appraiser and the title companies.**

This will save you countless hours of your time and a tremendous amount of frustration. You can spend your free time enjoying life instead of fighting with your lender!

As you can see, my entire *Comprehensive Short Sale Program* has been designed to relieve your stress, eliminate your anxiety and save you time. I'll handle everything for you. You might be wondering if I can do everything listed above for you...

**Don't take my word for it.  
Listen to what our clients say:**

- *We were so relieved when Jared was able to get the bank to accept less than our payoff amount and forgive the remaining balance so we could be free from this debt!*

Sheri V., Bowling Green



- *We contacted a couple other agents to try and sell our home and they either didn't know how to do a short sale or just didn't want to mess with it. Jared has the experience and knows his stuff!*

David C., Smiths Grove

I'll tell you right up front: **Not everyone qualifies for my Comprehensive Short Sale Program.** As you can probably imagine, working with sellers through the entire short sale process is very time-consuming. Because of the amount of time I invest into handling one short sale, I'm unable to work with every seller who requests my help.

**However, based upon my workload, I do agree to accept a select few new clients from time to time.** To be considered for one of these openings, complete and send your *Comprehensive Short Sale Program* Application. You can fax this application to ENTER YOUR FAX NUMBER or mail to: ENTER YOUR MAILING ADDRESS

When you send in your completed Short Sale Application, I will determine whether my service is appropriate for you. It is important to answer the questions on this application honestly and accurately, so that neither your time nor mine is wasted. If your Comprehensive Short Sale Application is accepted, an initial consultation will be scheduled with you and you'll need to come prepared. It is very important to keep your appointment for this consultation, as far more people request them than can be accommodated.

### **In summary, here's what you'll get when if I accept your Comprehensive Short Sale Application:**

- A one-on-one consultation to assess your personal situation and what we can do to sell your home and protect you from liability.
- I'll initiate the short sale process with your lender
- **I'll draft a "hardship letter," which will be required by your bank**
- I'll compile news articles and other public articles highlighting the impact of the recession on our market and home prices.
- I'll provide a comparable homes analysis, highlighting foreclosed homes similar to yours and their sale prices.



- I'll provide a high-level property inspection report on your home highlighting any repairs or updates required.
- I'll tour the market place, photographing foreclosed, distressed and boarded-up homes.
- *I'll provide a report summarizing changes in our market from last year, including the number of homes listed for sale, sale price changes and the number of days on the market.*
- I'll prepare reports highlighting criminal activity, sex offenders living in the area and other negative information for added shock value.
- **I'll prepare a "net sheet," showing exactly what your bank will make, after all expenses are paid, if they accept a short sale on your home.**
- I'll give you a list of 14 other items to compile for the short-sale package I'll prepare for you.
- I'll help with your "Broker Price Opinion," which is the key to a successful short sale.
- I'll list your home in the Multiple Listing Service using pre-tested marketing strategies and expose it to every buyer and investor working with a real estate agent in our area.
- *I'll include your home in our special home buyer tours, where I'll bring multiple buyers through – all at the same time.*
- I'll make sure specific clauses are added to your sale agreement to protect you from future liability.
- I'll process the entire short sale on your behalf, all the way to closing, handling your lender, the buyer, appraisers, title companies and everyone else!

I know that you are probably wondering what the *Comprehensive Short Sale Program* will cost you. The good news is there is no out-of-pocket cost to you! I'm a real estate professional, and I specialize in helping homeowners like you work through the short-sale process. I'll negotiate to have my real estate commission paid directly from your lender when the short sale is finalized.

You'll be entitled to all of the services listed throughout this letter, and **you are under no obligation to sell your home.** In fact, you can easily cancel the entire process if you should change your mind.



To be considered for my *Comprehensive Short Sale Program*, please complete and send the Application Form to my office. You can fax to (270) 843-1663 or send via mail to 3577 Cemetery Rd., Bowling Green, Ky. 42103-9063.

To getting your home sold &  
enjoying financial peace in your life,

*Jared Nugent*

Short Sale Specialist  
Raymer Real Estate Services, LLC  
(270) 202-1262

**P.S. The number of new clients we can accept in any given month is severely limited. And at certain times, we cannot accept any new clients, as the majority of our time is dedicated to assisting existing clients. Also, people referred to us by our existing clients take some of the new openings we have each month. With this in mind, I can only encourage you to fax or send in your Comprehensive Short Sale Application immediately. Right now, we have sent you this report at a time when we have openings for new clients. However, should you delay, when you do respond there may be a waiting list and you may have to wait weeks or months for an opening.**



# *Comprehensive Short Sale Application*

**Please check the box.** I'd like to have my home considered for your Comprehensive Short Sale Program. Please call me to schedule the initial consultation. I understand there is no obligation in meeting with you.

**Please fill out the following about your home:**

Your asking price: \_\_\_\_\_

Address of Property to be Sold: \_\_\_\_\_ City: \_\_\_\_\_

No. of Bedrooms: \_\_\_\_\_ Finished basement? Y/N Square footage: \_\_\_\_\_

No. of Baths: \_\_\_\_\_ Central Air? Y/N Garage (Type): \_\_\_\_\_

Showing Condition (1 poor to 10 excellent): \_\_\_\_\_

Have you received a notice of default? Y/N If "YES", did you respond?

Why is it important to save your credit?

What is your hardship?

If accepted, I will need financial paperwork to start the process. Will you provide all requested paperwork within 2 weeks of acceptance?

How many loans do you have? With which lenders?

Why do you consider yourself a good candidate?

Name: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Two Phone Numbers: Cell \_\_\_\_\_ Home \_\_\_\_\_

E-mail: \_\_\_\_\_

**Fax this form to (270) 843-1663**

**Or send to:**

**3577 Cemetery Rd., Bowling Green, Ky. 42103-9063**

**NOTICE: We are only able to accept a limited number of homes for this special program. Applications are accepted on a first come, first served basis.**

