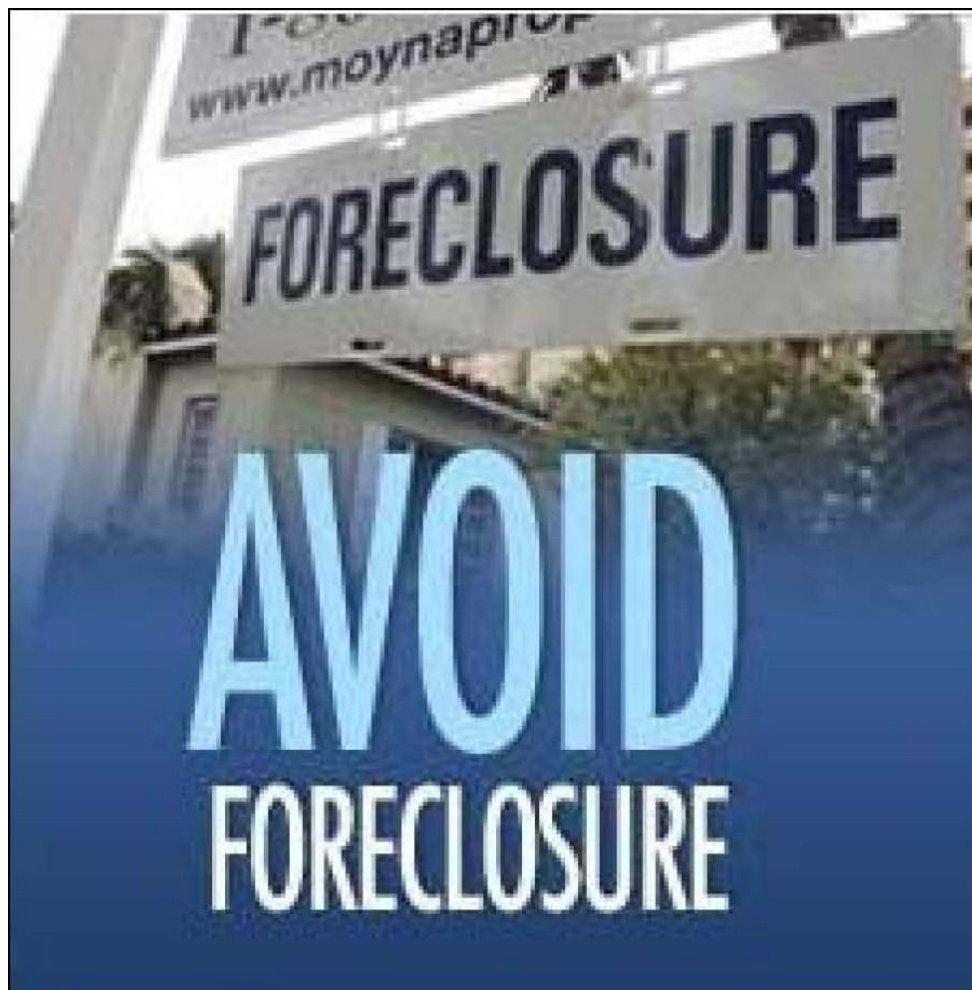


The Definitive Guide to Beating Foreclosure | Maxum Realty 619-663-9268

<http://www.ListedValue.com>

**OPTIONS
TO AVOID
FORECLOSURE!**



INTRODUCTION

If you are behind on your mortgage you owe it to yourself to consult with an expert on your options to avoiding a foreclosure on your credit rating. Each situation is different and requires individual attention.

Being behind on your mortgage payments can mean you will receive many mailers offering to help you get out of your tough situation. Many of these people are not truly qualified to assist you in making the difficult decisions ahead of you.

Most often, the reason someone falls behind on a home loan is due to a situation that is out of their control. Maxum Realty is here to answer the tough questions before you decide to do anything. We assist home owners every day in choosing the right path to minimize loss and liability.

The # 1 thing you need to make sure you never do is sign anything that leaves you vulnerable to a deficiency judgment. Some agents who tout themselves as short sale experts do not go the extra mile when negotiating the details of the short sale. We go above and beyond what most agents are able to do so that when the short sale is complete you can rest assured knowing it was done correctly.

Contact us at 619-663-9268 for a free consultation.

WHAT IS FORECLOSURE?

Foreclosure is defined as “a legal process by which the lender seizes property of a homeowner, usually due to the homeowner not making timely payments on the mortgage”. The foreclosure process varies from state to state. The basic timeline for a foreclosure in California is provided below:

Day 1

- o Notice of Default (NOD) recorded with County Recorder
- o Gives the borrower 90 days to catch up on payments & late fees
- o This is the official beginning of the foreclosure process

Day 91

- o Notice of Trustee’s Sale (NOTS) recorded with County Recorder
- o Sets a foreclosure sale date

Day 112

o Trustee's Sale

o Property is sold to the highest bidder at a public auction

o If there are no bidders, the property reverts to the lender and becomes Real Estate Owned (REO)

While this is the standard timeline that the lenders utilize, they often do not follow it precisely.

Once a property is foreclosed upon, the lender will typically allow the previous homeowner 3 days to move from the home before the filed an Unlawful Detainer Action (eviction). If the home is tenant occupied, they will allow 60 days.

Many homeowners are not prepared for this and end not only with a foreclosure on their credit but an eviction as well. This can be devastating for a family. This is why it is vital for a homeowner to explore their options to avoid foreclosure before it is too late.

WHAT ARE MY OPTIONS?

The first step in exploring your options to avoid foreclosure is to determine the value of your home. The Maxum Realty team are experts at determining home values in San Diego.

Call us at 619-663-9268, email us at Clay@ListedValue.com or visit www.ListedValue.com to receive a FREE home evaluation.

Your options vary greatly depending on whether or not your home is worth more or less than what you owe to the lender. This is the best place to start.

WHAT IF MY HOME IS WORTH MORE THAN WHAT I OWE?

Sell Your Home:

This is a terrific position to be in as you clearly made a wise investment and now have the opportunity to cash in your investment. After providing you with a FREE home evaluation, the Maxum Realty team will review our hybrid marketing system which encompasses both print and internet marketing with you. Our system ensures that your home will sell for top

dollar in the shortest amount of time possible. When your home sells, your current lender will be paid everything they are owed including missed payments and late fees.

Refinance:

This is another terrific position to be in as interest rates are at historically low now. The Maxum Realty team has an established network of Lenders in San Diego. We would be more than happy to provide you with a list of lenders that can help you with your refinance. The lender will be able to structure your refinance so that your debts with your current lender are satisfied as a part of the deal.

WHAT IF MY HOME IS WORTH LESS THAN WHAT I OWE?

Loan Modification:

This is the modification of the original rate and/or terms of your existing loan resulting in a new monthly mortgage payment that is affordable to you. The goal of this option is to avoid foreclosure and keep you and your family in your home. This option is designed for homeowners who've suffered a financial hardship that has decreased their income or been affected by an adjustable rate mortgage. It is important to understand that you must be generating stable income to qualify for this option. To find out if you qualify for this option, call us at 619-663-9268 or email us at Clay@ListedValue.com.

Short Sale:

This is the sale of a home for less than what is owed.

For example:

A borrower owes \$300,000 to the lender and sells his home for \$100,000. The goal of this option for both the lender and the homeowner is to avoid foreclosure. You may ask, "Why would the lender agree to accept less than what they are owed?". The lender is willing to do this for a few reasons:

1. Foreclosure is extremely costly to the lender (\$25,000-\$75,000)

2. Short Sale homes sell for 21.3% more than bank owned (REO) homes

3. They are lenders not property managers. There is a lot of liability in owning and managing property that the bank does not want.

A REAL Short Sale Expert Is Needed! If your home is worth less than what you owe on your mortgage, a short sale may be the best option for you. Instead of just walking away from the property and severely damaging your credit, a short sale will allow Maxum Realty to negotiate with your bank and get a short sale approved and closed. Not everyone will be approved to do a real estate short sale. Banks are not eager to take a loss on their investment but they also realize that if they take the home back through the foreclosure process they will likely take a loss equal or greater to this amount. A short sale allows the bank to take the loss and move on because essentially, the banks do not want to own real estate.

Maxum Realty works directly with the bank to show them this may be the best option available. It is likely in this current real estate market, that the bank will approve the short sale and accept the loss in order to avoid taking a larger loss if the property were to come back to them as a foreclosure. The bank will be very selective in what they pay for when you sell your home through a short sale. You need to be aware of the downside of doing a short sale and what the tax implications may be. Despite a short sale having some downsides, the positives of this can still outweigh the negatives of losing your home through a foreclosure.

The Mortgage Forgiveness Debt Relief Act of 2007, also known as Section 2 of H.R. 3648 was passed to eliminate having to pay the additional tax that would be due on the loss to the bank. Basically, any loss to the bank would be treated as ordinary income to you because what was a loss to the bank became a gain to the former home owner. Keep in mind that this will eliminate the federal tax but you still may owe money to the state. You will need to speak with your tax professional to know what the consequences will be for your current situation.

For more detailed information about short-sale-taxes."Mortgage Forgiveness Debt Relief Act of 2007, Section 2 of H.R. 3648a please refer to our page on a short-sale-taxes. Please feel free to call us with any questions and what your options would be. We can help you with a short sale in San Diego County.

To find out if you qualify for this option, call us at 619-663-9268 or email us at Clay@ListedValue.com.

Forbearance Agreement:

Typically, a forbearance agreement is accepted by a bank when someone can show they had a temporary hardship and this is the reason they fell behind in their mortgage payments. It has become fairly common and something that Maxum Realty can help you with. Two items a bank will look for when they consider a forbearance is the reason you fell behind in your mortgage payments, proof that your financial difficulties were a one-time occurrence and not likely to happen again. The forbearance takes the amount you owe and does 1 of 2 things: One option is to spread the amount you owe out over a period of 6 months. The other option is to add the amount owed on to the back end of your mortgage and have it paid at the end of your mortgage term. This may be an option that you were unaware of.

Deed In Lieu of Foreclosure

This is when the homeowner agrees to deed their home to their lender in lieu of making any additional mortgage payments. The positive is that this option avoids a lot of the ugliness of the foreclosure like the notices being posted on your door and possible eviction. The negative is that it is only slightly less damaging to your credit than a foreclosure. This is usually a last resort option only used when a loan modification or short sale is not possible.

Bankruptcy:

This is the liquidation and/or reorganization of your debts. There are multiple types of bankruptcy including Chapter 7, 11 and 13. If you are interested in learning more about filing bankruptcy, please contact us and we will refer you to a local attorney who can further assist you with this matter.

Do Nothing - Just Let it Go!:

A foreclosure may negatively affect your credit at least 7 years or more. You can always let your home go into foreclosure and do nothing. Sometimes the

situation seems so overwhelming and this may be a good option. We don't recommend that you do this, and would suggest that you talk to someone so you can determine if any of the options above would make more sense. We have agents that will provide you with answers to all of your home-selling-questions. You can also contact us if you feel more comfortable. It's important that you talk to someone that you can trust, and not someone that is looking to take advantage of someone in a difficult situation. There are many real estate scams and you don't want to become a victim because you didn't seek a second opinion. You may have some options that you are unaware of.

Foreclosure:

This is not really an option but a negative consequence of not acting in your best interest as soon as possible.

Summary:

This report is intended to inform you of the numerous options available to you that can help you avoid foreclosure in San Diego. We know it is a difficult decision and we are here to help you. We encourage you to share this report with friends and family members that may be facing foreclosure. Our goal is to save families from foreclosure one short sale at a time.

Please call us at 619-663-9268 or email us at Clay@ListedValue.com to schedule a FREE consultation to determine which option is best for you and your family!

Maxum Realty specializes in helping you relocate, buy and sell property in all the surrounding neighborhoods:

Mission Hills (92103), Carmel Valley (92130), Normal Heights (92116), Mission Valley (92108), Kensington (92116), Talmadge (92115), University Heights (92116), Del Sur (92127), La Jolla (92037, 92093), Point Loma (92106), Hillcrest (92103), University City (92122), UTC, Downtown (92101), Golden Triangle, Carlsbad (92008, 92009, 92010, 92011), Coronado (92118), Golden Hills (92102), Rancho Bernardo (92127, 92128), Encinitas (92024), Olivenhain (92024), Scripps Ranch (92131), Santaluz (92127), 4S Ranch (92127), Mira Mesa (92126), Rancho Penasquitos (92129), South Park (92102), La Costa (92009), San Marcos (92069),

92078), Oceanside (92054, 92056, 92057), Pacific Beach (92109), Leucadia (92024), Solana Beach (92075), Mount Helix, Sorrento Valley (92121), Cardiff by the Sea (92007), Del Mar (92014), Rancho Santa Fe (92067), Fairbanks Ranch, San Luis Rey (92068), Ocean Beach (92107), North Park (92104), College Grove (92115), San Carlos (92119), Del Cerro (92120), Old Town (92110), Linda Vista (92111), Clairemont Mesa (92117), Tierrasanta (92124), Poway (92064), Carmel Mountain Ranch (92128), Sabre Springs (92128), Bay Park (92110), Mission Bay, Ramona (92065), La Mesa (91941, 91942), El Cajon (92019, 92020), Alpine (91901), Lakeside (92040), Balboa (92102), Eastlake (91913), Santee (92071), Lemon Grove (91945), Bonita (91902), Chula Vista (91910, 91911, 91914, 91915), Imperial Beach (91932), National City (91950), Paradise Hills (92139), Mission Beach (92109), Otay Mesa (92154), San Ysidro (92173), Escondido (92025, 92026, 92028, 92029), Fallbrook (92028), Vista (92083, 92084), Spring Valley (91977, 91978), Jamul (91935)

Thank you!