

Bank of America

Reveals

Program Updates to Assist Agents!



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Bank of America Reveals Program Updates to Assist Agents

Here at CDPE, our goal is to bring you the best, most relevant information about our industry. We accomplish this by building and maintaining close relationships with lenders, servicers and industry-influencing organizations.

Recently, CDPE author and Charfen Institute CEO Alex Charfen hosted an EXCLUSIVE broadcast with Bob Hora, SVP, Mortgage Servicing Executive at Bank of America Home Loans.

During the broadcast, Bob Hora discussed Bank of America's efforts to improve the short sale process, providing new insights into Bank of America's evolving approach to managing their distressed mortgage portfolio.

Bank of America Plans 60 – 70% Increase in Short Sales

Bob Hora stated that Bank of America's biggest commitment is to keep the homeowner in the home if at all possible. However, in many cases the homeowner is simply too far underwater and must find an exit.

In such cases, Bob Hora announced a renewed commitment to helping these homeowners exit with dignity, introducing a three-pronged approach to foreclosure prevention—targeted solicitations and outreach, improved customer case management, and more short sales, loan modifications and deed in lieu.

1. More Short Sales, Loan Modifications, and Deed in Lieu

Bank of America's goal is to increase the number of short sales closed in 2012 by as much as 60 – 70%.

To achieve this goal, Bank of America has improved Equator and plans to trim short sale processing time.

2. Targeted solicitations and outreach

The fact is, most homeowners do not know or do not understand their options.

As part of their commitment to homeowners, Bank of America launched new, targeted communications and education programs to inform homeowners of their options.

Namely, Bank of America introduced the "Home Transition Guide." The guide will be sent to homeowners during the delinquency process, and will provide the homeowner with information on short sale and deed-in-lieu options, community service referral information, next-step checklists, and referrals to additional resources.

"...increase the number of short sales closed in 2012 by as much as 60 – 70%."

By informing homeowners of their options, Bank of America is paving the way for the agent to step in. The hardest part of a short sale can be convincing the homeowner that a short sale is a credible (and preferable) alternative to foreclosure. This guide goes a long way in bridging that gap.

If you would like to use the guide or reference it, you can download it here: <http://bankofamerica.com/hometrtransition>.

“Agents can show the homeowner what the short sales process is and can help the [homeowner] with it. I think an ounce of prevention is worth a pound of cure as far as getting through the process and making it a faster process.”

Bob Hora
SVP, Mortgage Servicing Executive
Bank of America Home Loans

3. Bank of America Speeds up Short Sales with 3000+ Specialists

To increase the number of completed short sales, Bank of America has committed to improving the short sale process and timeline by streamlining as much as possible and improving the customer experience.

First, Bank of America is increasing manpower, raising the number of Short Sale Specialists to over 3,000. This increase allows Bank of America to assign specialists earlier in the process, giving every agent and homeowner a single point of contact that is accountable for responding in a timely manner. Bank of America also introduced the new “Closing Center of Excellence” dedicated solely to closing short sales.

“Bank of America is increasing manpower, raising the number of Short Sale Specialists to over 3,000.”

In addition, Bank of America is dedicated to improving the customer experience and meeting all of their Service Level Agreements. For example, when an agent reaches out to Bank of America, that agent should expect a response within two days. If this does not happen, Bank of America has improved the escalation process so the short sale can keep moving forward.

Biggest Roadblocks to Closing Bank of America Short Sales

1. Homeowner disengages

Short sales can take a long time to close, and the process can be trying for homeowners. Other homeowners simply do not want to acknowledge the situation.

An agent, however, can help prevent disengagement by staying on top of the transaction, setting expectations, and informing the homeowner of changes as they arise. By serving as a guide, agents can ease the pain of losing a home, and can help the homeowner exit with dignity.

2. Timelines

There are two crucial pieces to the delinquency timeline: when a homeowner is referred to foreclosure and the foreclosure sale date. Bank of America states that you should initiate the short sale process at least 45 days prior to the foreclosure sale date. However, if you are running up against the foreclosure sale date, HAFA or proactive coop short sales can help postpone that date.

If you are unsure of a foreclosure sale date, contact your specialist.

3. Fraud Checks and Policies

Fraud is destructive to agents and homeowners alike. To prevent fraud, Bank of America reviews every short sale transaction for any discrepancies or irregularities.

If Bank of America discovers a discrepancy or problem, they have improved the flow of communication so that the issue can be resolved as quickly as possible and the short sale can continue.

4. Documentation

It is essential to have the correct documentation. Bank of America made changes to Equator to quicken the process of uploading and submitting new documents. An agent can now scan documents, upload them to Equator and email them directly to a short sale specialist.

5. Reasonable Market Offer vs. Valuation

Disagreements around valuation and reasonable market offers cause delays and problems for all parties involved. On the broadcast, Bob Hora outlined the steps you should take if you believe the valuation of the property is not realistic with current market value.

*Learn how CDPE agents
close 4x as many deals
as the average agent!
cdpe.com/become-a-cdpe-now*

First, contact your short sale specialist and log your concern in Equator.

Second, obtain your own BPO or appraisal and upload this documentation to Equator. Such evidence will help Bank of America plead the case to investors and potentially help secure a value reconsideration.

Equator: Importance and Improvements

When handling a Bank of America short sale, the agent must log all transactions and documentation through Equator. Any escalations or complaints will be evaluated and handled based on records in Equator.

“Those that have the training, that understand how the transactions work, are true partners.”

*Bob Hora
SVP, Mortgage Servicing Executive
Bank of America Home Loans*

To make Equator as convenient as possible for agents, Bank of America constantly seeks to better the program. Bob Hora announced several such improvements, including:

1. Improved Process flow
 - a. Additional fields at initiation to evaluate options
 - b. Specialists assigned early in the process
 - c. Homeowner document upload by agent
 - d. No longer rejecting files for low offers vs. valuations.
2. Welcome call and communication routines
3. Agent communication and outreach

4. Back up buyers

- a. If your buyer walks and you have a back up offer, contact your short sale specialist immediately. Make sure your specialist closes the first transaction so you can move forward with the next. Be sure to complete all tasks assigned by the specialist within 14 calendar days of receiving the tasks.
- b. For detailed instructions, visit <http://www.bankofamerica.com/realestateagent>

Short Sale Problem Resolution

If you are having trouble with a Bank of America short sale, follow these steps:

1. Contact your Short Sale Specialist through Equator. This ensures the interaction is logged and recorded.
2. Contact your Short Sale Specialist via phone.
3. If no response or issue is not resolved, escalate to the Team Lead
4. If the problem is still not resolved, contact the Short Sale Customer Care at 1.866.880.1232

What You Can Do to Close More Short Sales

- 1) Expand your short sale knowledge
- 2) Set appropriate expectations and communicate with homeowners and buyers
- 3) Use Equator to communicate with specialist

With Bank of America planning a 60 – 70% increase in short sales next year and other major lenders following suit, there has never been a more crucial time to educate yourself

“I can’t emphasize it enough—expand your short sale knowledge. Get the training if you don’t have the training... The CDPE has a great training program that we highly recommend you go through.”

Bob Hora
SVP, Mortgage Servicing Executive
Bank of America Home Loans

on the distressed property market.

Currently, 1 out of every 4 homeowners is in some stage of the foreclosure process. By acting as a guide for these homeowners, you can make an immeasurable difference in their lives and in your community.

The Certified Distressed Property Expert (CDPE) Designation Course gives you the training and tools you need to successfully list and close short sales, and help homeowners exit with dignity.

In fact, the average CDPE agent closes 80% of their short sale listings.

“Currently, 1 out of every 4 homeowners is in some stage of the foreclosure process.”



“If you plan on working in the distressed property market, this course is a must. The information provided and the resources available through the CDPE designation will provide you with the tools you need to be a successful short sale agent. Don’t miss out on the amazing opportunity to gain market share and take advantage of this market niche!”

Aaron Armstrong
Keller Williams Realty



“I made \$67,500 in the first six months from applying what I’ve learned at the CDPE course. I expect to double that in the second six months.”

David Eigarsh
Eigarsh Realty

To sign up for a live CDPE class in your area, visit: www.cdpe.com/schedule

Or get started immediately with our online Distance Learning Course! For more info, visit: www.cdpe.com/distance

Use the same tools and systems the top producers are using. Get started today. Become a Certified Distressed Property Expert!