

Los Angeles Times

### **Obama's standardized short-sale plan could help troubled homeowners**

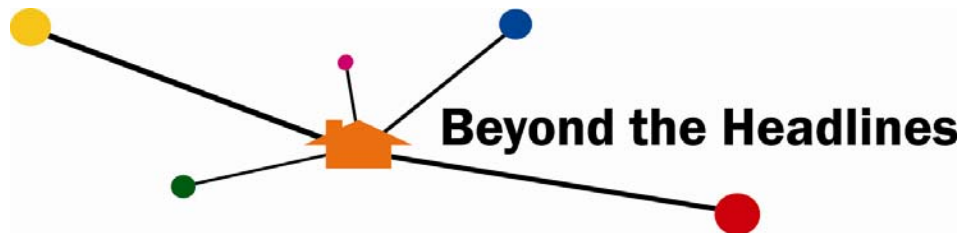
The U.S. Dept. of the Treasury recently announced the Home Affordable Foreclosure Alternatives Program (HAFA), which provides instructions for lenders and servicers participating in the Making Home Affordable Program and Home Affordable Modification Program (HAMP). The purpose of HAFA is to create an alternative to foreclosures for homeowners unable to successfully modify their troubled mortgage under HAMP, and to streamline the short-sale process.

#### **KEEP THIS IN MIND**

- A short sale is when the lender agrees to accept less than the amount owed on the mortgage instead of foreclosing. Many homeowners and REALTORS® have expressed their frustrations in the short-sale process, criticizing lenders for the amount of time it takes to process and approve a short sale. The CALIFORNIA ASSOCIATION OF REALTORS® listened to members' concerns, worked with other industry groups, and responded by helping to create provisions to streamline the short-sale process.
- The HAFA program simplifies and encourages short sales and deeds in lieu of foreclosure. It will permit pre-approved short sale terms before a property is listed; release borrowers from future liability for the debt; provide financial incentives to borrowers, servicers, and investors; and prevent servicers from attempting to reduce real estate commissions established in the listing agreement as a condition for short sale approval.
- Under terms of the program, the borrower and/or listing broker have three business days to submit an executed purchase offer and related documents to the servicer on a short sale, and the servicer has 10 business days to respond to an executed purchase offer.
- The servicer also will determine the minimum net proceeds for a short sale. If an offer presented to the servicer by the borrower or listing broker meets the net proceeds requirement, then the servicer must accept it.
- The program currently is available only for non-Fannie Mae- or Freddie Mac-owned loans up to \$729,750 and is scheduled to take effect April 5, 2010. However, C.A.R. expects that many lenders will choose to implement it before the deadline.

To read the full story, please click here:

[http://www.latimes.com/classified/realestate/news/la-fi-harney13-2009dec13\\_0,4531315.story](http://www.latimes.com/classified/realestate/news/la-fi-harney13-2009dec13_0,4531315.story)



## In Other News...



San Francisco Chronicle

### **Decline in home values levels off**

Home values in the Bay Area and nation continue to sink, but they're no longer plummeting, according to a real estate report.

To read the full story, please click here:

<http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2009/12/09/MND11B17B2.DTL&tsp=1>



The Wall Street Journal

### **Housing inventory declines**

The number of homes listed for sale declined in many U.S. cities in November, but more houses are likely to hit the market early in 2010.

To read the full story, please click here:

[http://online.wsj.com/article/SB10001424052748703558004574584141421276158.html?mod=WSJ\\_hpp\\_sections\\_realestate](http://online.wsj.com/article/SB10001424052748703558004574584141421276158.html?mod=WSJ_hpp_sections_realestate)



Bloomberg

### **Fed keeps "extended period" pledge, sees rebound**

The Federal Reserve repeated its pledge to keep interest rates "exceptionally low" for "an extended period" and said the economy is strengthening.

To read the full story, please click here:

<http://www.bloomberg.com/apps/news?pid=20601087&sid=aKE.YtYV3P9g&pos=1>



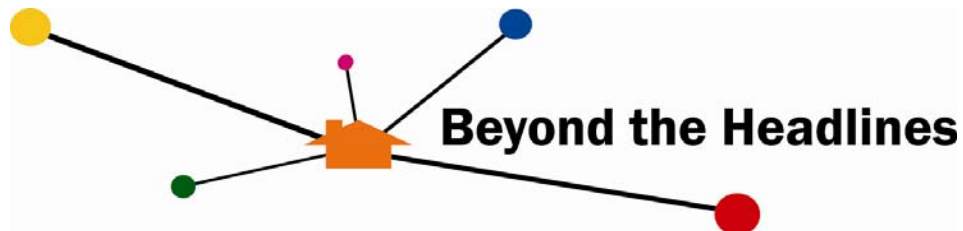
The Mercury News

### **Mortgage lenders cancel more foreclosures in November**

Under intense pressure to help more people stay in their homes, mortgage lenders canceled far more scheduled foreclosures in November than in the previous month, according to a report Tuesday.

To read the full story, please click here:

[http://www.mercurynews.com/business/ci\\_14004299](http://www.mercurynews.com/business/ci_14004299)



Los Angeles Times

#### **Few troubled mortgages being modified permanently**

Federal data released last week showed just how poorly banks are doing at turning the growing number of temporary loan modifications into permanent ones under the Obama administration's effort to curtail foreclosures.

To read the full story, please click here:

<http://www.latimes.com/business/la-fi-mortgage-mods11-2009dec11,0,5476341.story>



The Wall Street Journal

#### **How to learn your credit score**

The world of credit ratings is getting more transparent, thanks in part to a number of Web sites offering free credit score and credit-management tools. But that doesn't mean understanding your credit ranking is any easier.

To read the full story, please click here:

[http://online.wsj.com/article/SB126065440089389183.html?mod=WSJ\\_hpp\\_sections\\_personalfinance](http://online.wsj.com/article/SB126065440089389183.html?mod=WSJ_hpp_sections_personalfinance)



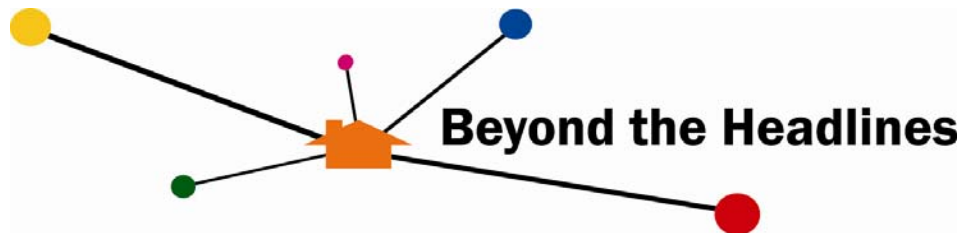
The Mercury News

#### **Bay Area real estate investors snap up properties in Sacramento, Vegas**

Bay Area real estate investors have gone on a shopping spree, snapping up homes in low-cost communities outside the region as falling home prices and low mortgage rates make the economics of buying rental property far more appealing.

To read the full story, please click here:

[http://www.mercurynews.com/business/ci\\_13972794](http://www.mercurynews.com/business/ci_13972794)



## What you should know about the market...

- A property always appears smaller when vacant, so some experts advise sellers to stage their property. Staging companies can be hired to move furniture and sometimes paint rooms, to create a more calming space. However, a professional stager does not have to be hired. Many REALTORS® can make recommendations to sellers to help them present their home in the best way possible.
- Staging, when done properly, should activate the buyer's senses when they open the door. This can be achieved by using paint to brighten up a room, positioning furniture at certain angles, or adding window treatments. A well-staged property also can help to deflect from out-of-date items, such as fixtures or flooring.