



*Disclosures on Short Sales & Vacant Homes*



RESA  **Practical Steps to Reduced Liability on Short Sales, Foreclosed & Vacant Homes**

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Presented by  
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Residential Environmental Services of America Inc. (602)-230-9500 1

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The Road to Reduced Liability with Foreclosures and Short Sales.....



Buyer Wants...  
Obvious Defects  
Missing Disclosure  
Handling the Inspections

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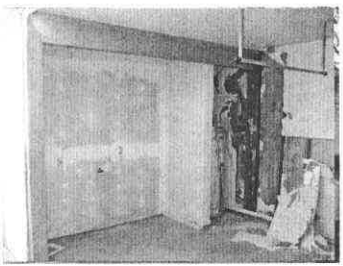
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- Three bids were obtained by the real estate agent:
  - \$2200
    - Repair: Drywall, Patch Roof, Paint, Clean Mold, Haul debris
  - \$3500
    - Repair: Roof, Drywall, Mold, Texture new drywall, Paint
  - \$4800
    - Repair: Mold Remediation, Patch Roof, Replace damaged drywall, Paint, Clean and Haul debris

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- Missing from previous bids:
  - Certifying that the mold problem is gone
  - Re-framing roof so it drains properly
  - Replace wood rotted and damaged structural framing
  - Texture walls to match existing
  - Paint walls to match existing
  - Paint ceiling

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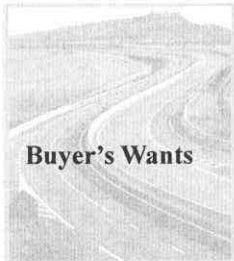
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### Buyer Wants

What your buyer want is good for you at the same time.....



Buyer's Wants

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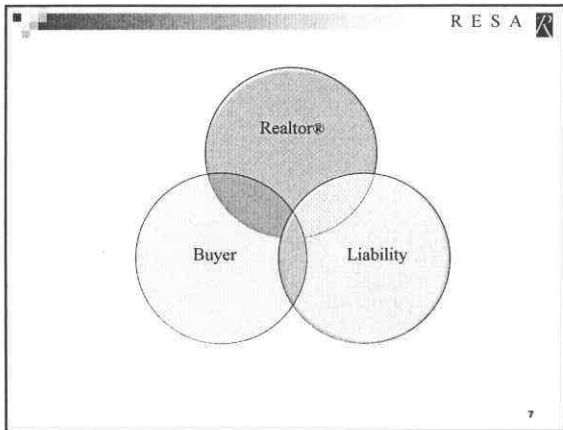
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### How to protect Liability?

"Promote & Protect Client's Interests"

**ADRE:**  
**R4-28-1101 Requires:**

1. Recommend competent consultants, counsel
2. Disclose any known material defect existing in property

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### What do Buyers want?

1. Help with process
2. Point out deficiencies

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## What Buyers Want from You 2008 NAR Homebuyer's Survey

BENEFITS PROVIDED BY REAL ESTATE AGENT DURING HOME PURCHASE PROCESS, FIRST-TIME AND REPEAT BUYERS  
(N= 10,128 BUYERS)

	All Buyers	First-Time Buyers	Repeat Buyers
Helped buyer understand the process	67%	77%	44%
Pointed out or checked for defects with property	47	51	45
Improved buyer's knowledge of search area	40	37	42
Helped better understand contract terms	34	41	30
Provided a better list of service providers	37	37	38
Shortened buyer's home search	35	37	34
Negotiated a better price	32	35	30
Provided better list of mortgage lenders	21	23	20
Marketed buyer's search area	18	17	19
Expanded buyer's search area	15	20	11
Other	7	9	9

<http://www.realtor.org/prodser.nsf/products/186-45-08?OpenDocument>  
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■ What Buyers want is what's good for you!

**R4-28-1101 Requires:**

1. Recommend competent consultants, counsel
2. Disclose any known material defect existing in property

**What Buyers Want**

1. Help with process
2. Point out deficiencies

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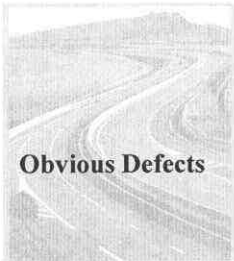
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## Risk Reduction

Pointing out reasonably obvious defects helps you and your buyer.....



**Obvious Defects**

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