



Short Sale Reforms Could Speed Recovery

RE/MAX Chairman Lauds Government Action

(Denver, CO – Dec. 1, 2009) – The U.S. Treasury Department announced late yesterday new guidelines to the Short Sale process that could speed the housing market recovery, a move RE/MAX Executives have been promoting in Washington D.C. for the past year.

Short Sales, transactions that can occur when a lender accepts the sale of a home at a price below the actual amount owed on the home, have become an increasing part of the real estate business as besieged homeowners look for alternatives to foreclosure. RE/MAX Chairman and Co-founder Dave Liniger has promoted a streamlined Short Sale process since foreclosures began flooding the market and has presented specific proposals to government officials. In the last year he made many trips to Washington, D.C. to encourage policies that facilitate Short Sale transactions.

Liniger believes that a streamlined Short Sale process would help many families avoid the trauma of foreclosure and help the housing market remain on the road to recovery.

“Short Sales are absolutely critical as more and more people continue to face foreclosure and as our housing market struggles to recover,” said Liniger, who’s closing out a 28-city, cross-country speaking tour encouraging thousands of agents to become educated on the Short Sales process. “While not all of our recommended changes were implemented, the Treasury’s new guidelines go a long way in incentivizing both lenders and homeowners to work together to keep homes from falling into foreclosure.”

Until now, the Short Sale process has been cumbersome for all involved and took upwards of eight to ten months for a transaction to close. But, through the Foreclosure Alternatives Program and the new guidelines issued Monday, Short Sale transactions will increase dramatically, which means less vacant and vandalized properties in neighborhoods across the country.

The new guidelines enhance the short sale process in several ways:

- Speeds up the process - Mortgage servicers have 10 days to say yes or no to a Short Sale request, and after the transaction is complete, the borrower could be completely released from debt.

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- Provides financial incentives – Borrowers are eligible to receive a \$1,500 moving allowance if they sell their home through a Short Sale, and mortgage-servicing companies will in turn receive \$1,000 for every completed short sale transaction.
- Limits Proceeds to Second Lien Holders – Second mortgage holders can only receive up to \$3,000 of the sales proceeds to release their liens and investors who hold the first mortgages can collect up to \$1,000 for allowing such payoffs.

The program also facilitates the transfer of ownership by a borrower through a “deed in lieu of foreclosure,” another helpful alternative to assist home owners forego a foreclosure.

RE/MAX Associates are among the most versed in the industry in Short Sales and foreclosures – of all the Certified Distressed Property Experts (CDPE) in the U.S., 58% are RE/MAX agents – and RE/MAX continues to provide information to homeowners on Short sales through videos, articles and other resources available on www.remax.com and on its social networking sites.

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About REMAX

RE/MAX was founded in 1973 by Dave and Gail Liniger. From a single office in Denver, Colorado, it has grown into a global network of nearly 100,000 Sales Associates in more than 70 countries, an international presence greater than any of its competitors. Nobody in the world sells more real estate than RE/MAX.

RE/MAX has been honored as the leading real estate franchise for nine of the last 10 years in the oldest and most respected ranking, “The Franchise 500,” survey, published by *Entrepreneur* magazine.

Today, all U.S. home listings in thousands of cities and towns can be found at www.remax.com, the most visited real estate franchise web site. *“ComScore, Jan.-June 2009; Compete.com, Feb. 2008-June 2009; Hitwise, Jan.-June 2009”*

RE/MAX International is proud of its Premier Community Citizenship, which has raised over \$100 million for deserving organizations like Susan G. Komen for the Cure®, Children’s Miracle Network and The Sentinels of Freedom Foundation.

For information on RE/MAX International visit: www.remax.com or www.joinremax.com

Contact

Cory Jo Vasquez
Manager, Public Relations
RE/MAX International Inc.
(303) 796-3667
cjvasquez@remax.net