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MortgagePoint

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Keeping Afloat

MortgagePoint speaks with mortgage servicing execs from **BOK Financial**, **Carrington**, the **NMSA**, **PHH Mortgage Corporation**, and **Servbank** about the unusual times and unusual opportunities the industry faces midway through 2023.

TIME TO DOUBLE DOWN ON THE CONSUMER EXPERIENCE

The sales numbers may not be where lenders would like to see them yet, but people do want to buy, according to new research. Here's what homebuyers are saying and what lenders can do to win their business.

WHEN A SERVICER CAN TAKE POSSESSION OF A PROPERTY

Attorney Joseph T. McCormick details a recent Ninth Circuit opinion on when a servicer can take possession of a property under the Oregon Unlawful Trade Practices Act.

COLORADO SUPREME COURT WEIGHS IN ON BANKRUPTCY & FORECLOSURE

A recent Colorado Supreme Court decision held that a discharge in bankruptcy does not trigger the statute of limitations on a claim to foreclose based on a deed of trust.

RON & FRAUD: THERE'S MORE TO THE STORY

While a small fraction of RON transactions may involve fraudulent activity, we have advanced tools at our disposal to stay ahead of bad actors.

NRBA BROKERS ARE GOOD AT WHAT WE DO, AND BETTER AT DOING GOOD

Here's one real life example that proves it's more than just a slogan.

Those who see foreclosure as a predatory practice likely base their perceptions on stories about rogue actors in the REO industry. But the National REO Brokers Association (NRBA) doesn't see the REO process as one that begins and ends with displacing homeowners.

Far from it.

Instead, the REO process starts with an opportunity to educate and assist struggling homeowners. It's an opportunity to save the American Dream for borrowers who may have encountered life difficulties. Should foreclosure become the only option, it's also a chance to grow owner-occupancies in blighted or deserted neighborhoods, as well as to compassionately assist displaced owners in finding new homes and getting them back on the path to future homeownership.

We hear the stories about homeowners who may have been victimized by botched or nefarious default and foreclosure practices. But the public rarely gets to see the good that great REO professionals do. The go-to resource for the industry's most successful REO

brokers, NRBA is proud of the good works our members routinely do. That's why we'd like to share one of the many examples of our brokers doing what they do best: giving back to the community and helping homeowners stay in their homes.

An Amazing Story About Great Brokers Doing Good

This email recently came to us from San Diego NRBA Members and real estate brokers Sandy Miller and John Costigan, who were marketing their services.

"...We started to door knock on homes with recorded Notices of Default (NOD) a few months ago. Last Thursday, we knocked on a door in a senior, 55-plus community. The county records showed a NOD had been filed. An older woman answered the door and asked us to come inside.

When we door knock, we never mention a NOD. I usually introduce myself and my colleague, then say 'We're real estate brokers looking to offer our services to your community and we're wondering if you have any real estate

needs or questions we can help you with.'

In this case, the owner told us she had tried to contact her bank but was having trouble reaching them. She showed us the NOD filed by her mortgage servicer. She said she'd had back surgery and had been in and out of the hospital for four years.

Hearing this, we asked her if she had paid her property taxes. She thought she had, but wasn't sure. She was sitting in a wheelchair and we could tell moving was painful for her. She also had no cell phone and often couldn't get to her ringing landline before the call went to voicemail. So we offered to call the County Tax Assessor for her to verify that she had paid her taxes.

The county told her that a reverse mortgage lender had made her payments only in 2020 and 2023. She was upset to hear this. So we offered to help her find out what she needed to do to reinstate her loan.

Next, we called the lender and were told to contact the servicer directly to get the amount due to reinstate the loan. Because it was already 4:30 pm PST, it was too late to call

the servicer on the east coast. So we offered to return the following Monday to help her.

Both of us live at least an hour from where she was. But it didn't cross our minds at the time.

Going Above and Beyond

On Monday, we arrived and called the servicer. We asked to speak with a supervisor, and the homeowner gave them verbal authorization for us to join her on the call. The supervisor advised us on the amount due, and where it needed to be sent.

Because the homeowner does not drive, we offered to drive her to her local bank to obtain the certified funds and then to the Post Office to mail by Priority Mail with a tracking number.

In fact, at the bank, we discovered that the homeowner had an expired license. The bank would not issue a check for more than \$3,000. We immediately brought in the supervisor and emphasized that the homeowner was at risk of losing her home if the funds weren't mailed immediately. Fortunately, the supervisor then agreed to cut two checks for the total amount.

After all of this, the grateful homeowner asked me what we charged for this service. I told her nothing. I only asked her to refer us to her neighbors and remember us if and when the time came for her to sell. I also told her I would keep in touch and remind to make her next property tax payment."

Foreclosure Is a Tool of Last Resort

The NRBA strongly believes that foreclosure is a tool, not a predatory act. Most lenders and servicers manage their default processes with discretion and compassion. We know that most agents and brokers, especially NRBA brokers, spend as much time helping homeowners who might be past due with their payments to stay in their homes, rather than seeking their evictions. And when there's no other option but foreclosure, our members work hard to help relocate the displaced and set them on the road to becoming homeowners again.

That's why when we say "We're good at what we do, and we're better at doing good," it's more than an ad message to us. It's a way of life.

To find an NRBA broker like John and Sandy, go to nrba.com.

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— **Sandy Miller** and John Costigan, San Diego-area NRBA brokers