

THE REAL DEAL[®]



NHREIA

New Hampshire Real Estate
Investors Association

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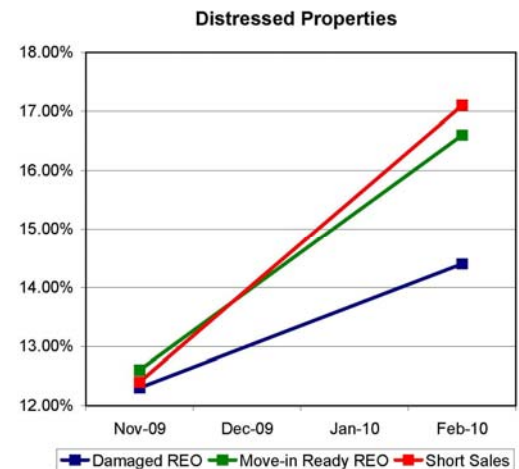
Short Sales are on the rise!



According to the latest Campbell/Inside Mortgage Finance Survey of Real Estate Market Conditions, **nearly half of home purchases are distressed properties.**

In February, distressed properties accounted for 48.1% of the home purchase transactions . . . way up from the 37.3% recorded in November.

“Short sales now account for the No. 1 category of distressed property,” said Thomas Popki, research director for Campbell Surveys. “Losses on short sales are typically lower than for REO, and both lenders and the government are pushing programs to facilitate short sales. But as more and more people default or simply want to walk away from their properties, mortgage servicers are having trouble expeditiously processing these complicated transactions.”



Campbell Surveys



Next month, NHREIA hosts short sale expert, Bert Cox.

Bert is a founder of NHREIA and has been doing short sales and selling houses fast since 2002 and investing in real estate since 1984. He has completed hundreds and hundreds of short sales (including 71 in 2009 alone) and has a success rate of 90%+.

Bert will cover the steps and process for those thinking of venturing into short sales.

You'll learn:

- How to work with distressed homeowners facing pre-foreclosure
- How to negotiate with the bank
- How to complete a short sale package
- How to capitalize on short sales in a down market
- New government regulations
- Latest findings for meeting compliance on simultaneous closings

6:30 PM, Wednesday, June 9th, 2010

Best Western Executive Court, 13500 South Willow St., Manchester

Free for members; only \$20 for guests



Message from the President

By NHREIA President John McGrath

One of the things I have always tried to do as an informed investor is to diversify my investments. One of Robert Kiyosaki Advisors, Michael Mahoney, has written an interesting book entitled, "Gold & Silver." One of the things I am constantly looking for is where to invest my positive cash flow from my real estate investment

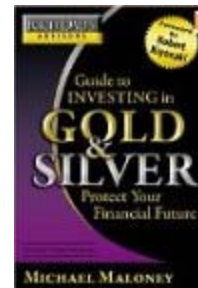
properties. Mahoney makes an interesting case to invest part of your holdings in precious metals. Whether you agree with him or not, it is an interesting read.

John McGrath
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May Book-of-the-Month!

May's NHREIA Book of the Month is *Rich Dad's Advisors: Guide to Investing In Gold and Silver: Protect Your Financial Future.*



You can order *Rich Dad's Advisors: Guide to Investing In Gold and Silver: Protect Your Financial Future* and other NHREIA favorites through the store on our website.

Want an opportunity to promote your business to NHREIA members???

Become a NHREIA Preferred Vendor!

For only \$349, you get full membership for 2 individuals; a business card-sized ad in our monthly newsletter; a link to your website included in all of our e-mails; a link on our website; a table at all monthly meetings and special events; an insert in our new member packets; and an opportunity to speak in front at one of our meetings.

To sign up, visit www.nhreaia.com and click on Join NHREIA.

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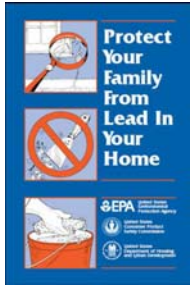
What You Need to Know About Property Disclosures

By William Bronchick, JD

When you sell a property, certain disclosures are mandated by state and federal law. Do you know what they are? Are there other disclosures that are *recommended*—even if not *required*? Let’s address those issues.

Federal Disclosures

Federal law requires disclosure of lead-based paint hazards on any property built before 1978.



This is generally done on an EPA-approved form and the buyer is given a copy of the pamphlet, “Protect Your Family From Lead in Your Home,” available at the EPA’s website: www.hud.gov/offices/lead/enforcement/disclosure.cfm.

The law requires that you give your buyers a 10-day opportunity to test the house for lead.

State Disclosures

Every state has different required disclosures, so it is best to research your own state’s law. A good place to start is www.findlaw.com. Common disclosures include radon, mold, asbestos, meth labs, whether the property is in a flood zone, and other

health and safety issues.

States like California require disclosure of “seismic hazards.” Colorado requires disclosure of the source of water. Some states require disclosure of the existence of child predators in the area (“Megan’s Law”). The bottom line: Learn your state’s disclosure requirements.



Realtor Disclosures

Typically, your real estate broker will ask you to fill out a 4-page property disclosure to give to the buyer. In most states, this is not a mandatory disclosure, rather a disclosure that the buyers demands in the purchase contract. I would recommend you fill it out either way, answering as truthfully as possible.

Common Law Disclosures

The common law rule is that you are required to disclose any known “latent” defects. That is, you must disclose anything that you know about that is not easily discoverable by a visual inspection of the property.

For example, if you opened up a wall to fix a mold problem and then sealed it up with a new dry wall, there’s no way for the buyer to know this. Such an

issue should be disclosed to your buyer.

“As-Is”

Sellers commonly mistake the “as-is” clause in the contract as a substitute for full disclosure. *It is not.* Even if you are selling the property “as-is,” you must comply with state, federal, and common law disclosures. Failure to do so could result in a lawsuit for monetary damages or rescission of the contract.

The bottom line is that disclosure is the name of the game. When in doubt, tell the truth, tell what you know or have reason to know. You will avoid many problems down the road.

William Bronchick, J.D. is an attorney and president and co-founder of the Colorado Association of Real Estate Investors. William specializes in all forms of asset protection.

New Member Benefit

National REIA has introduced a new member benefit!

Use text messaging as a marketing and sales tool!



- 1 Upload details of your property for sale.
- 2 Sign rider added to For Sale sign with text request.
- 3 Buyer tests code on sign for instant details.
- 4 Buyer gets details on their phone and seller gets the lead!

Visit www.nationalreia.com or more information.



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Join the Associated REIA's of the Northeast!



NHREIA has teamed up with 7 other REIA groups in the Northeast and created the Associated REIA's of the Northeast. You can join 8 REIAs with one membership!

In addition to NHREIA meetings, you could also attend meetings at:

BostonAREIA.com (Boston 1st Tuesday & Waltham 3rd Thursday)

CTREIA.com (Cromwell, CT 3rd Monday)

MassRealEstate.net (Peabody, MA 4th Tuesday)

MassREIA.com (Worcester, MA 3rd Wed. & Springfield 1st Thurs.)

NEREIA.org (Chelmsford, MA 1st Wednesday)

REINGUSA.com (Nashua, NH 2nd Monday)

SouthShoreREIA.com (Bourne, MA 1st Wednesday)

Associated REIAs Individual Membership: \$199/year

Associated REIAs Joint Membership: \$249/year

Join the Associated REIAs through NHREIA—we are

the only non-profit in the group! **Plus**, you get exclusive NHREIA benefits:

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10% Discount for a Real-Data subscription. Get statewide foreclosure information, schedules of upcoming auctions and sales and parcel data.

To join, visit www.nhriea.com

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And, join the **NHREIA Yahoo Group** — *It's a great place to ask questions, post deals and get referrals!*



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Meetings are held on the 2nd Wednesday of each month at 6:30 p.m. at the Best Western Executive Court, 13500 South Willow St., Manchester, NH.

NHREIA does NOT render legal, accounting or other professional advice. It is your own responsibility to seek professional advice for any specific transaction or investment from those licensed to render such advice. If you require specific legal, tax or accounting advice, seek the advice of a qualified professional. NHREIA does not endorse vendors or speakers.



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