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Here are some ideas for getting out of a jam

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New landowners usually fall into one of two categories when they think of themselves as sellers. They're either flippers, looking to sell over the next year or two, or holders who consider selling a vague prospect that they will deal with in the distant future.

A third type of landowner is one who finds himself in circumstances where he must sell quickly. A job loss or illness, for example, makes a second-home mortgage payment impossible. Cash is running out; you see the bottom of the empty swimming pool coming fast. What do you do?

Don't panic.

You have to keep your head now more than ever. Don't let your fear overwhelm you. You have to stay close to the disaster, inside it, to have a shot at working it out with minimum long-term damage. If you start distancing yourself from it, if you pretend that it's not happening or happening to someone else, you're sunk. Fear can be mastered. If you don't gain some measure of control over it, you will end up worse off.

Don't give up.

Most tight spots of this sort have one or more exits. They may not be visible at first, but patient testing usually reveals them. They may not be great exits, but if they work just enough, they're usable. If you throw in the towel, don't expect merciful treatment at the hands of your lender and creditors. They are in the money business, not the mercy business.

Move quickly and decisively.

You need to come up with a plan early. Wait too long...and the plan will be made for you. Don't procrastinate about figuring out a plan and putting it into play.

Where to start?

Elephants, as the saying goes, are eaten one bite at a time. So take your first step, and then the next, and then the next. Once you start working yourself out of the mess, each next step will present itself. But you must start.

Give options and ask for them, too.

Lenders and creditors are very familiar with the real estate market and borrowers in the soup. Give them ideas that work for you. Ask for their suggestions beyond paying in full, bankruptcy and walking away from the debt. Indicate a willingness to hold up your end in resolving the problems.

Lenders want to minimize their headaches with problems like yours. There are things that you can do to make their lives easier. Do them.

Don't beg.

Begging doesn't work. It brings out the self-righteousness in lenders that locks them into being unhelpful.

Get wise counsel.

Talk to anyone who's been in the same fix. Talk to consumer advocates in public agencies. Talk to lenders who are not yours, somebody at a bank that does not hold your note. Talk with lawyers and professional negotiators. Read negotiating books. Go to !!  
HYPERLINK "<http://www.negotiationskills.com/>" ¶ [www.negotiationskills.com](http://www.negotiationskills.com)<sup>1</sup> .

Don't lie.

If you're heading to the bottom and you can't prevent it, lay the whole mess out in the open to your lender. Be consistently honest. If you are found to be concealing assets, you will get hammered.

Argue as a negotiator, not for argument's sake.

If you want a lender to take a deed in lieu of foreclosure, you and your CPA should work up a short memo explaining why these numbers work from the lender's point of view. That's arguing as a negotiator. Don't personalize your situation with a mortgage officer. That won't help. Sometimes, asking for your case to be taken upstairs to a manager will help. Get to the highest desk you can.

Take responsibility.

Whether or not someone else is to blame, you are the one who's going to get yourself out of the jam. Don't let who's-to-blame screw up your ability to fix it.

Don't threaten unless you mean it.

Stupid bluffs, phony bluffs and empty threats won't help. Lenders have heard them all before. Lawsuits are expensive, and often don't get to justice. Never threaten unless you're prepared to go through with it and have a very high probability of winning what you want, not just winning something.

Don't expect help.

Maybe someone you know will step in to help you. But don't count on it. Everyone's pinched. Don't be disappointed if help is not offered. It's your mess; you own it; you fix it.

Keep the longer run in view.

As much as you hurt right now, time will reduce the pain, whatever the outcome. Play for your long run interests, not what looks like the lightest hit for the next six months. If you're talking about some refinancing scheme, check things out at !!  
HYPERLINK "http://www.mortgageprofessor.com/" ¶ www.mtgprofessor.com<sup>+</sup> .