

# OBSERVATIONS

from the desk of Mildred Wilkins, (FIS)...

## Mama said...

### “There’d be days like this...”

They try to warn us and still we are surprised. After all, they’re old and tired and out of the loop. How could they possibly have known? Perhaps they ‘remember’ more than we have yet to learn.



## REALTORS...“Invisible” Casualties

They are not documented in the statistics, these self-employed (independent contractors) who call themselves REALTORS. They cannot draw unemployment nor is there a plan to cover their non-existent medical insurance premiums. They don’t garner a lot of sympathy in a lot of circles either. And to add injury to insult, they are sometimes blamed for participating in creating the crisis which has engulfed them as well. On a regular basis they call or email me wanting some advice on what can be done to save their personal residence. With increasing regularity attendees in short sale classes were motivated to attend by a need to save their own home. It is a sign of the times.

## How Did We End Up Here?

I went on record as early as 2002 stating we were likely to dance dangerously close to a repeat of 1929 if we did not immediately halt the outlandish predatory lending, the crazy new construction financing and the whole speculative silliness on our coasts. After selling real estate for several years and keeping a close eye on the escalating foreclosures moving through the pipelines at Fannie Mae, I could see where we were headed.

My ex-husband and I purchased our first home in 1979 at 16% interest (with excellent credit I’ll have you know) so I had some familiarity with the housing drama of the mid-70’s and into the 80’s. But that was a *housing* crisis; this is a full-blown *economic* crisis. That was regional, this is international. I am only 58 and while I could see the tip of a nasty iceberg, I could not see, nor truly imagine, how much of the iceberg was underwater. (No pun intended). A housing problem which is restricted

to one industry, or one region or demographic group, cannot create the kind of havoc which we are experiencing as an economic tsunami. The economic crisis which is crippling our country, and the world, will not improve dramatically in the short term; so it behooves all of us to “adjust as necessary”.

## **Life’s Lessons**

The purpose of lessons is to get us prepared for the test. However, as adults, all too often we act as though we have forgotten that tests are a part of life, show up when and where you least expect them and are administered whether you are prepared or not. Welcome to the classroom for the test on “Living Large” or it might be called “Analysis of the Aftermath of an Unattended Bubble”.

## **I Was at a Crossroad**

After a particularly difficult period following my divorce in the fall of 1991, I eventually emerged from an extended fog where I had felt overwhelmed and unable to cope. I had been summarily thrown off the “middle-class, stay-at-home mom, PTO president, Girl Scout leader” train into a new life as a *divorcee*. The house had been lost to foreclosure and the beautiful Celebrity station wagon (the ultimate status symbol) had been towed away during dinner. I was left to raise two wonderful children, sans child support.

## **Early Preparation Comes in Handy**

In the wee hours of the morning I had a life altering revelation. I called Mama at 6 a.m. (she was already up) to tell her my great news. With a new sense of feeling empowered and ready to take on the world, I happily reported, “I am so glad that I was born poor and Black, in the south.” Her concerned reply was “Girl, are you alright?” I was better than alright, I was ecstatic. I had suddenly realized that I had within me the capacity to over-come things much more challenging and with a lot less maturity and preparation. I was healthy, college-educated (a testament to perseverance) with marketable skills as an interior designer and seamstress. *I could figure it out.*

## **Personal Inventory**

A long held personal commitment to never giving up took that option off the table. Going home (back to Alabama) was also not an acceptable option for me, even though I strongly encourage others to consider it. What marketable skills could produce enough income to support us in the new apartment? I dabbled with interior design; I could expand it. As an excellent seamstress with strong referrals, I sought and was

successful in getting my name added to the list of recommended seamstresses at a bridal shop and 3 home decorations shops. Mildred's Speciality Fashions had been my hobby; it now became my dominant source of income (you see there was a downturn in the economy, and folks who previously would have called DECORATING DEN now called me instead). I also decided to supplement that income with house cleaning (a day job) which allowed me to continue to be available to the children and work into the night on the design and sewing. I let all my customers know that I needed more work and requested referrals. I expanded my cake decorating hobby and created a business card for that as well.

## **Long term planning**

My income was sufficient as long as I worked 16-18 hours a day, 7 days a week. I needed to plan to cover college costs so I decided to plan for and become a REALTOR. (I know, better hours right?) January 1993 I joined the F.C. Tucker Company full-time, continued to work my evening gigs for 2 years and moved to six figures within 6 years at an average sales price of \$150,000. In Indiana. The plan worked, I evolved, my needs and my life shifted and I founded HOM in 2002 because I saw this coming.

## **Are you where you need to be?**

The most important question should not be whether or not you can survive. You CAN if you CHOOSE to do so. The deeper question is whether it is time for you to make a move...

- a. Within the real estate industry
- b. Into a fresh industry
- c. Step back and expand a hobby or long held dream

## **Silver Linings in Unexpected Places**

What looks and feels like a crisis can frequently be the catalyst which moves us to a long overdue change. Take some time and reflect on what is really important to you...family, friends, leisure time, personal development, spiritual growth or something I failed to include. Is there a chance that the upheaval in your real estate career is providing an opportunity to re-align yourself more closely with deeper values? Is this a chance to shed some undesirable aspect of your present life? Are you enjoying managing your rentals? Are you really seeing any gain from them? Could a smaller house, or even an apartment, relieve some pressure and make you life more pleasant? Have you really considered how you want the next stage of your real estate

career to go, or are you foolishly grabbing any straw you see floating—hoping it will turn into a lifejacket?

## **Methinks the REALTOR needs a doctor**

As a real estate professional it's time you had a check-up. I would recommend you be tested for:

- Financial stability (or lack thereof)
- Emotional duress and mental stability
- Viable game plan
- Analysis of both short and long term goals
- Prognosis for longevity

There are not a lot of clinics which offer the services you need but I can offer you some helpful reading which can be found at <http://homeownershipmatters.blogspot.com/> specifically these two entries:

- “Realtor at the Crossroads” on January 25, 2009
- Surviving Debt on May 6

I feel pretty confident you'll find some other entries which are helpful as well. .

You would also benefit immensely from attendance at a “Buying TIME” and “Short Sale: Not Your typical Transaction” class. Both could be scheduled locally, by your real estate board. It is no small thing that funding for these courses might be provided by NAR as part of their Foreclosure Intervention and Prevention Response program. Talk to your local board today about scheduling one, or both, of these classes.



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