

## Shortsale paperwork needed at time of listing

- Authorization to Release Information
- Hold Harmless Agreement
- Signed Hardship Letter (example attached)
- Completed Financial Statement (form attached)
- Income verification- Tax Returns, 2008, 2009 (return and schedules only)
- 3 most recent months' Bank Statements-all accounts
- 3 most recent pay stubs/any other income received [i.e. life insurance, social sec, alimony, child support]
- Copy of most recent mortgage statement/bill- all accounts
- Read and initialed/signed shortsale contract requirements (attached)

## Shortsale/HAFA PreQualification

- ◆ Is your home loan(s) owned or guaranteed by Fanny Mae or Freddy Mac? Y N  
Don't Know
- ◆ Have you applied for a Loan Modification? Y N Forebearance If yes, when? \_\_\_\_\_
- ◆ Were you: Denied Approved but payments exceed 31% of Gross Income  
Approved and payments do not exceed 31% of Gross Income but I still want to sell (please attach approval/denial letter if received)  
Loan Forebearance Terms \_\_\_\_\_
- ◆ Is the property the borrower's principal residence Y N
- ◆ Is the mortgage loan a 1st lien originated on or before January 1st, 2009 Y N
- ◆ Is the mortgage delinquent or is default reasonably foreseeable? Y N  
Last payment made            Loan#1 \_\_\_\_\_    Loan#2 \_\_\_\_\_  
Last payment plan to make    Loan#1 \_\_\_\_\_    Loan#2 \_\_\_\_\_
- ◆ Is the current unpaid principle balance equal to or less than \$729,750? Y N
- ◆ Have you spoken to your bank about doing a shortsale? Y N If yes, when? \_\_\_\_\_
- ◆ Have you inquired, at any time, about a deed in lieu of foreclosure? Y N If yes, when? \_\_\_\_\_
- ◆ Have you spoken to an attorney about filing bankruptcy? Y N
- ◆ I have have not received notices from my bank regarding foreclosure/collections (please attach all documentation)

Is there any other information that might be pertinent to our conversations with your bank in regards to your shortsale?

Lender Name  
Lender Address

Today's Date

Re: Hardship Letter/Short Sale for 123 Main Street, City, State 12345

To Whom It May Concern:

I purchased the property at 123 Main Street in March 2006. At that time, I had just started my own antique resale business, which had great promise for generating profits capable of supporting my mortgage. Unfortunately, sales were slow, which I attribute to great declines in tourism after gas prices skyrocketed. I ran out of money, and began working as a waiter to make ends meet. At the same time I was redoubling my efforts in my own business, but to no avail. After struggling for months to make my expensive mortgage payments, I had no choice but to put my house on the market. In August of 2006 I put my home up for sale by owner at an original listing price of \$210,000. The only people to look at the house ran when they saw the extensive damage to the pool and the severe water damage from a leaking roof that had long needed a replacement. I lowered the price, but still had no takers. Over the next couple of months I lowered the home price three times, finally settling at \$170,000. This price was the lowest I could list the house at and still afford real estate agent commissions to be deducted, although it leaves me with no profit. The home still has no offers. I am working with a Real Estate agent now, who is listing my house and promises to push it to get it sold quickly. I believe that using an actual agent will ensure that the home sells promptly.

I love my home, but I also understand that at this point, I cannot afford it. I am a single parent, now working as a waiter to survive. My financial situation cannot sustain a home mortgage of nearly \$2000.00 per month. I would like nothing more than to sell my home, avoid foreclosure, and salvage my credit. This is my main concern. I know that a foreclosure on my record will affect me for years to come. I would ask that you please assist me in avoiding this.

Please accept this offer as payment in full. My attorney has advised me to file bankruptcy, but I prefer to avoid further destruction of my credit. I just want to move on and start over.

I deeply appreciate your help and understanding in this matter. If you have any questions, or need anything further from me, please contact me personally.

Kindest regards,  
Home Owner Name

## **AUTHORIZATION TO RELEASE INFORMATION**

**Lender:** \_\_\_\_\_

**Attention:** \_\_\_\_\_

**Loan/ Account Number:** \_\_\_\_\_

**Property Address:** \_\_\_\_\_

I/we hereby authorize you to release to Keller Williams Realty,  
Amiee Kane and Lisa Morton or  
their agents and assigns any and all information that they may require for the  
transfer or payoff of my loan/account for the above referenced property.  
“Agents” shall include all real estate agents, attorneys and their assistants.  
Reproduction of this document in order to require reference from more than  
one source is permitted.

\_\_\_\_\_  
**Borrower Signature**

\_\_\_\_\_  
**Social Security Number**

\_\_\_\_\_  
**Date**

**Borrower’s Printed Name:** \_\_\_\_\_

\_\_\_\_\_  
**Co-Borrower Signature**

\_\_\_\_\_  
**Social Security Number**

\_\_\_\_\_  
**Date**

**Co-Borrower’s Printed Name:** \_\_\_\_\_

## Hold Harmless Agreement

The undersigned parties agree to seek independent counsel pertaining to sale of their home, land, real property in the matters of state and federal taxes and legal implications. The under signed sellers shall contact the appropriate real estate attorney and or certified public accountant to obtain qualified counsel relating to implications of selling the below mentioned real property:

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_

IN SIGNING THIS RELEASE, I (we) ACKNOWLEDGE AND REPRESENT THAT I (we) have read the forgoing Waiver of Liability and Hold Harmless Agreement, understand it and sign it voluntarily as my own free act and deed; no oral representations, statements or inducements, apart from the foregoing written agreement, have been made; I (we) am at least eighteen (18) years of age and fully competent; and I (we) execute the Release for full, adequate and complete consideration fully intending to be bound by same.

**THIS IS A RELEASE  
READ BEFORE SIGNING**

\_\_\_\_\_  
Seller

\_\_\_\_\_  
Seller

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

# FINANCIAL STATEMENT

## Borrower Information

|  |  |  |  |
|--|--|--|--|
| Account Number:  |  |  |  |
| Type of Loan:  |  |  |  |
| Mortgage Servicer:   |  |  |  |
| Address of Subject Property:   |  |  |  |
| Borrower Name:   |  |  |  |
| Borrower Social Security #:  |  |  |  |
| Borrower's Mailing Address: <b>same</b>                                  |  |  |  |
| Borrower's Phone Numbers: Home: ( ) Work:( ) Cellular: ( )               |  |  |  |
| Co-Borrower's Name:  |  |  |  |
| Borrower Social Security #:  |  |  |  |
| Co-Borrower's Mailing Address:   |  |  |  |
| Co-Borrower's Phone Numbers: Home: ( ) Work:( ) Cellular: ( )            |  |  |  |
| <b>Is this property in foreclosure?</b>                                  |  | <b>If yes, when is the foreclosure sale?</b> |  |
| Is this property your primary residence?                                 |  | <b>Yes</b>                                   |  |
| Do you plan to remain at this property?                                  |  | <b>Yes</b>                                   |  |
| Have you ever filed a bankruptcy, and if so, when?                       |  | <b>No</b>                                    |  |
| How much money do you have at this time to put towards your delinquency? |  |  |  |
| What is your monthly combined NET income?                                |  |  |  |

## Assets Information

| LIQUID ASSETS:                              | ESTIMATED VALUE: |  |          |
|---|------------------|--|----------|
| Cash on hand:                               |                  |  |          |
| Checking and Savings:                       |                  |  |          |
| Certificates of Deposit (COD's):            |                  |  |          |
| Stocks, Bonds, and Mutual Funds:            |                  |  |          |
| All Retirement Assets (401(k), IRA's, etc): |                  |  |          |
| Other:                                      |                  |  |          |
| <b>TOTAL LIQUID ASSETS:</b>                 | <b>\$</b>        |  | <b>-</b> |

  

| NON-LIQUID ASSETS:              | EST. VALUE: | BALANCE DUE | NET VALUE:  |
|---------------------------------|-------------|-------------|-------------|
| Primary Home:                   |             |             | \$ -        |
| Other Home:                     |             |             | \$ -        |
| Automobile 1:                   |             |             | \$ -        |
| Automobile 2:                   |             |             | \$ -        |
| Automobile 3:                   |             |             | \$ -        |
| Cash Value of Life Insurance:   |             |             | \$ -        |
| Boat:                           |             |             | \$ -        |
| Trailer:                        |             |             | \$ -        |
| Other: 2nd home loan            |             |             | \$ -        |
| <b>TOTAL NON-LIQUID ASSETS:</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> |

## Income Information

| DESCRIPTION (MONTHLY):             | BORROWER 1: | BORROWER 2: | Total       |
|------------------------------------|-------------|-------------|-------------|
| Net Monthly Pay - 1st person       |             |             | \$ -        |
| Net Monthly Pay - 2nd person       |             |             | \$ -        |
| Bonuses:                           |             |             | \$ -        |
| Child Support/Alimony:             |             |             | \$ -        |
| Rental Property:                   |             |             | \$ -        |
| Disability/Social Security/Retire: |             |             | \$ -        |
| Room Rental                        |             |             | \$ -        |
| Other:                             |             |             | \$ -        |
| Other:                             |             |             | \$ -        |
| <b>TOTAL MONTHLY INCOME:</b>       | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> |

## Expense Information

| CATEGORY:                           | DESCRIPTION:         | MONTHLY PAYMENT: | BALANCE DUE: |
|-------------------------------------|----------------------|------------------|--------------|
| Monthly Loan Payments               | Monthly Mortgage 1   |                  |              |
|                                     | Monthly Mortgage 2   |                  |              |
|                                     | Automobile 1         |                  |              |
|                                     | Automobile 2         |                  |              |
|                                     | Other                |                  |              |
|                                     | Other                |                  |              |
|                                     | Alimony/Support      |                  |              |
|                                     | Student Loan         |                  |              |
| Credit Card Payments                | Visa                 |                  |              |
|                                     | Mastercard           |                  |              |
|                                     | Other                |                  |              |
| Monthly Utility Payments            | Electricity          |                  |              |
|                                     | Gas                  |                  |              |
|                                     | Water                |                  |              |
|                                     | Phone                |                  |              |
|                                     | Cellular             |                  |              |
|                                     | Cable/Internet       |                  |              |
|                                     | HO Assoc.            |                  |              |
|                                     |                      |                  |              |
|                                     | Property Taxes       |                  |              |
|                                     | Trash/Sewer          |                  |              |
| Insurance (if not taken from check) | Auto Insurance       |                  |              |
|                                     | Property Insurance   |                  |              |
|                                     | Life Insurance       |                  |              |
| Car                                 | Gasoline             |                  |              |
|                                     | Maintenance          |                  |              |
| Household                           | Groceries            |                  |              |
|                                     | Work/School Lunches  |                  |              |
|                                     | Household Supplies   |                  |              |
|                                     | Child Care/Day Care  |                  |              |
|                                     | Education/Tuition    |                  |              |
|                                     | Charitable Donations |                  |              |
| Miscellaneous                       | Animal Care          |                  |              |
|                                     | Other/Medical Bills  |                  |              |
| <b>TOTAL MONTHLY EXPENSES:</b>      |                      | <b>\$ -</b>      | <b>\$ -</b>  |

**NOTES AND ADDITIONAL INFORMATION**

|                                    |           |          |
|------------------------------------|-----------|----------|
| <b>Combined Monthly Net Income</b> | <b>\$</b> | <b>-</b> |
| <b>(monthly expenses)</b>          | <b>\$</b> | <b>-</b> |
| <b>Surplus of Income</b>           | <b>\$</b> | <b>-</b> |

## Acknowledgement of Shortsale Procedures and Requirements

Ideal shortsale candidate is

- A buyer that has flexible living arrangements up to 6 months or more to wait for bank to approve shortsale.
- A buyer that has means to make own repairs to property
- A buyer that has secure financing and does not need to stick to a particular rate lock
- A buyer that has qualified for more than the contract price in case bank counteroffers with higher price
- Buyer fully understands the shortsale process and can exhibit patience until date of closing

If your buyer does not meet the above criteria, our recommendation is that your buyer not consider shortsales as an opportunity at this time.

Steps to selling a shortsale:

- Listing agent markets the property
- Receive offer/obtain binding agreement
- Send complete shortsale package to bank
- Confirm package has been uploaded to bank's system
- During the next 30-90 business days as advised by bank, BPO, appraisal and other bank specific financial reports ordered.
- Negotiator contacts us, the listing agent, and either offers a counter or gives verbal approval contingent on specific changes to the proposed HUD.
- Once changes are received, Approval is sent in writing, via fax or email
- Listing agent forwards approval to Buyer's agent as notice of bank approval

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Agent

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Buyer

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Buyer



This exhibit is part of the agreement with an offer date of \_\_\_\_\_ for the purchase and sale of that certain property known as \_\_\_\_\_, GA \_\_\_\_\_

### Shortsale Contract Requirements

1. Purchase price and closing cost contribution- Lender will be verifying value with a BPO, appraisal or both. The goal is to submit an offer that will be approved based on these values.
2. Closing attorney will be Kane, Thomas and Brown, Woodstock GA 770-591-5200
3. Buyer agrees that \$500 of the total earnest money will be delivered to and held by Keller Williams Platinum Partners and remainder of total earnest money will be held by buyer brokerage. If buyer chooses to terminate contract within 60 business days of binding agreement, the \$500 earnest money held by Keller Williams Platinum Partners becomes non refundable and retained by Keller Williams Platinum Partners.
4. Closing Date in purchase and sale should be 70-80 business days from offer date. All parties agree and acknowledge that if bank approval is received prior to closing date, buyer agrees to close within 21 days of receiving said notice.
5. Due diligence period to be 21 days or less. Avoid all additional contingency forms (i.e. appraisal, financing, etc.) allowing those to fall under due diligence. This yields a cleaner less cumbersome contract for the lender to review.
6. Buyer acknowledges that the sale of the property will not generate sufficient cash to pay off the mortgages on the property and the other obligations of seller with respect to the purchase and sale transaction. This agreement is therefore contingent upon the sellers mortgage lender (s) agreeing to (1) take a reduced pay off on its mortgage(s) in an amount sufficient such that the purchase price of the property pays off the reduced amount of the mortgage(s), any other leins, judgements and other encumbrances on the property, the real estate commission(s) owing to the broker(s) and the other expenses of the sale for which Seller is obligated under this agreement, without seller having to pay any additional sums; and (2) release seller from any claim, cause of action, suit or judgement for the amount of the reduction in the payoff on said mortgage(s). In the event the mortgage lender(s) do not agree to such reductions at least 3 days prior to closing, either seller or buyer may terminate this agreement without penalty upon notice to the other party. Seller shall proceed diligently and in good faith, using all reasonable best efforts, to provide documentation required by lender.

*The Premier Group, Keller Williams Realty Platinum Partners*

220 Heritage Walk, Ste 101, Woodstock, GA 30188

www.ThePremierGroupSells.com

Ofc: 678-494-0201 Fax 678-569-1287

7. Seller has no means to pay seller paid items such as home warranty, closing costs, home warranties, carpet cleaning, repairs, etc. Please do not include these in offer. Additionally, seller may or may not be able to pay for maintenance and upkeep of utilities. Seller is under no obligation to keep utilities on and if disconnected while under contract, buyer must pay for all utility and connection costs and is responsible for having utilities turned on and/or off.
8. Binding agreement date is defined with signatures and acceptance of contract terms by buyer and seller (not bank). All time limits will start upon binding agreement date unless otherwise specified in contract.
9. Any additional fees associated with transferring the property or property related services such as but not limited to HOA letter, termite bond transfer, initiation fees of any kind etc. will be paid by buyer unless otherwise agreed to in Purchase and Sale
10. Counteroffer forms will be avoided in the case of a Shortsale. Given that the lender's negotiator is not a licensed real estate agent and may be seeing contracts from many different states, simplicity is the key. Final contract terms will be conformed to purchase and sale agreement and must be clean and readable. Use of scanning or hand deliver is preferred method of delivery for all documents.
11. Buyer agrees to have all documents required for loan approval (including any updated papers necessary) submitted to lender within 48 hours of receipt of notice of shortsale approval from sellers' lender.
12. Timeframes vary from bank to bank. The typical timeframe for a bank to acknowledge receipt of an offer is anywhere from 24 hours to 10 days.
13. The Premier Group will diligently place follow up calls to the sellers bank on a weekly bases, updating seller, buyers agent and listing agent via email of any new notes in the system. If news of any activity is received before the scheduled weekly follow up call, all parties will be notified promptly.

\_\_\_\_\_  
Selling Agent

\_\_\_\_\_  
Listing Agent

\_\_\_\_\_  
Buyer

\_\_\_\_\_  
Seller

\_\_\_\_\_  
Buyer

\_\_\_\_\_  
Seller

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