

SHORT SALE – REPRESENTING THE SELLER

Guidelines and Overview for Agents

The short sale proposal submitted to the lender must be prepared and packaged professionally to assist the lender in making an informed decision. The following procedures should be adhered to when submitting an offer:

- **Submit a complete proposal to lien holder(s)**
- **Provide an orderly presentation of documents as set forth below**
- **Include the borrower name, loan number and property address in the top right hand corner of each document**
- **Negotiate the offer to obtain the best price and terms prior to submitting the documentation to the lender**

Preparing a well organized, professional package will ease the process for lien holder review and facilitate response time.

Note to Agent: This Guideline and Overview is intended to identify documents and forms that will be useful to lien holder(s) in facilitating short sale proposals. Nothing in the Guideline and Overview relieves the Agent(s) of the responsibility to maintain a complete file pursuant to the required check list of documents, disclosures and forms required by Coldwell Banker Residential Brokerage for this type of transaction.

The following identifies the documentation that should be included with every short sale proposal:

- Fax Cover – Prepare one for each lien holder (editable PDF included in this packet)
Please note, each page contained in fax contents should include the borrower's name and loan number
- Agent Letter to Lien Holder (editable Word document)
- Table of Contents (editable PDF included in this packet)
Recommended order of documentation
- Borrower Authorization (editable PDF included in this packet)
- Borrower Hardship Explanation (normally provided by lender or lender's website)
- Borrower Financial Statement (normally provided by lender or lender's website) and Supporting Financial Documentation
- HUD-1
- Synopsis of Offer to Purchase (editable PDF included in this packet)
- Real Estate Purchase Contract (REPC)
- Short Sale Addendum to Real Estate Purchase Contract
- Short Sale Disclosure
- Secondary Back Up Contract for Short Sale Addendum to Real Estate Purchase Contract
- Counter Offer(s) (if applicable)
- Buyer Credit Information
- Buyer Verification of Funds
- Listing Contract
- Price Reduction History and Supporting Documentation; such as an MLS print-out (if applicable)
- Current one page "Agent" Multiple Listing System (MLS) summary print-out
- Broker Price Opinion (BPO) (if applicable)
- Comparative Market Analysis (CMA) (if applicable)
- Market Activity Report (editable PDF included in this packet)
- Property Brochure
- Copies of Advertisement(s)
- Photographs (if applicable)
- Documentation supporting local market trends or statistics (if applicable)
- Property Inspection Report(s) (if applicable)
- Lien Holder's Response to Short Sale Proposal (Fax Cover Sheet)

FOR INTERNAL USE ONLY

PRESERVING THE AMERICAN DREAM

Useful Websites for Homeowners

For over one hundred years Coldwell Banker has been committed to assisting our clients realize their dream of homeownership. We are equally dedicated to helping existing homeowners preserve that dream.

To that end we are pleased to provide a list of useful links to government and community based nonprofit organization websites which include information on foreclosure prevention, loan modification, no cost HUD approved counseling services and other important information.

HUD Housing Counseling and Referral Hotline

800.569.4287

U.S. Department of Housing and Urban Development

<http://www.hud.gov>

U.S. Department of Housing and Urban Development Guide to Avoiding Foreclosure

<http://www.hud.gov/foreclosure/index.cfm>

*Talk to a counselor

Federal Housing Administration

<http://www.fha.gov>

Hope Now

<http://www.hopenow.com>

Internal Revenue Service

<http://www.irs.gov>

Search for: Mortgage Debt Relief Bill

Click on: Home Foreclosure Debt Cancellation

When the amount of liens and other costs of sale exceed the current market value of the property there are a number of options to consider. Those options include, loan modification, foreclosure, deed in lieu of foreclosure, short sale and bankruptcy. **Before you make a final decision as to which option is best for you, please consult with your legal and tax advisors.**

Please contact us if you have any questions or desire additional information.

**SHORT SALE
Supporting Documentation**

FAX COVER SHEET

Borrower(s): _____

Loan Number: _____

Subject Property Address: _____

City, State, Zip Code: _____

Total Pages Included (including cover sheet): _____

Date Submitted: _____

Submitted To:

Lien Holder: _____

Lien Holder Address: _____

Lien Holder City, State and Zip Code: _____

Contact: _____

Phone: _____ Fax: _____

E-mail: _____

Submitted By:

Agent: _____

Company: Coldwell Banker Residential Brokerage

Office Address: _____

Office City, State and Zip Code: _____

Direct Line: _____ Cellular Phone: _____

Fax: _____ E-mail: _____

Comments:



RESIDENTIAL BROKERAGE

Agent Name
Coldwell Banker Residential Brokerage
Office Address
Office City, UT Office Zip

Lien Holder Name
Lien Holder Address
Lien Holder City, Lien Holder State, Lien Holder Zip
Attention: Loss Mitigation Contact

Date:

Dear _____,

Enclosed please find an offer to purchase the property located at (subject property address) (Loan # XXXXXXXXXX). In addition, I have enclosed statistical market data to support this offer. This information is submitted in the spirit of cooperation with the intent to fully inform (Lien Holder(s)) as to current market conditions affecting the value of the subject property. The seller is not willing to repay or assume any continuing liability for any portion of the deficiency that may be realized as a result of this short sale transaction. The buyers are well qualified and able to close on this transaction within (days) of a written agreement from (Lien Holder(s)). Points to consider while evaluating this offer include:

- **Enter information supporting the value of accepting the short sale vs. foreclosure. For example a comparable that may have been listed as a short sale, was not approved and ultimately sold as a REO for less than the short sale would have realized**
- **Statistical information (for example foreclosures up % values down %, establish declining value % for unsold inventory**
- **Be certain your statistics are accurate and truthful, earning the trust and confidence of the lien holder is a critical component of our success in these transaction**

Real estate market conditions continue to depreciate in (subject property city). In addition, foreclosure presents numerous monetary risks to (Lien Holder(s)) including but not limited to: eviction, loss prevention/security while property remains vacant, allowable fines imposed by municipalities, maintenance, repairs, insurance, Homeowners Association dues, utilities, cost of sale, internal fees, expenses and reserves required under federal banking regulations. Based on the dynamics of the market place in and around (subject property city) the Short Sale offer currently under consideration is the best and quickest way for (Lien Holder(s)) to mitigate loss and hedge against declining values.

Thank you for your consideration,

(Agent Name)
(Phone number)
(Email Address)

SHORT SALE Table of Contents

Borrower(s): _____

Loan Number: _____

Subject Property Address: _____

City, State, Zip Code: _____

The documents checked below are included in this short sale proposal:

- Borrower Authorization
- Borrower Hardship Explanation
- Borrower Financial Statement and Supporting Financial Documentation
- HUD-1
- Synopsis of Offer to Purchase
- Real Estate Purchase Contract (REPC)
- Short Sale Addendum to Real Estate Purchase Contract
- Short Sale Disclosure
- Secondary Back Up Contract for Short Sale Addendum to Real Estate Purchase Contract
- Counter Offer(s) (if applicable)
- Buyer Credit Information
- Buyer Verification of Funds
- Listing Contract
- Short Sale Addendum to Listing Contract Agreement
- Price Reduction History and Documentation (if applicable)
- Current one page "Agent" Multiple Listing System (MLS) summary print-out
- Broker Price Opinion (BPO) (if applicable)
- Comparative Market Analysis (CMA) (if applicable)
- Market Activity Report
- Property Brochure
- Copies of Advertisement(s)
- Photographs (if applicable)
- Documentation supporting local market trends or statistics (if applicable)
- Property Inspection Report(s) (if applicable)
- Lien Holder's Response to Short Sale Proposal (Fax Cover Sheet)
- Other: _____
- Other: _____
- Other: _____
- Other: _____
- Other: _____

SHORT SALE Borrower Authorization

Borrower(s): _____

Loan Number: _____

Subject Property Address: _____

City, State, Zip Code: _____

Date: _____

Senior Lien Holder: _____

Attention: _____

Loan Number: _____

Address: _____

City, State, Zip Code: _____

Junior Lien Holder: _____

Attention: _____

Loan Number: _____

Address: _____

City, State, Zip Code: _____

As the lien holder or servicing agent of the above-referenced loan, please consider the following action:

- APPROVE A SHORT SALE** - property has been sold **subject to lien holder's approval**, however, sales proceeds are inadequate to pay off the above referenced loan in full.
- PRE-APPROVE A SHORT SALE** - property has not been sold, but projected sales proceeds may not be adequate to pay off the above-referenced loan in full.
- IF CHECKED BY THE SELLER** - Seller is not willing to repay or assume any continuing liability for any portion of the deficiency that may be realized as a result of this short sale transaction.

Supporting documents including an estimated HUD-1 are attached for your review.

You are hereby authorized to communicate directly with my real estate agent regarding approval of a short sale transaction.

Agent Contact Information:

Agent: _____

Company: Coldwell Banker Residential Brokerage

Office Address: _____

Office City, State and Zip Code: _____

Direct Line: _____ Cellular Phone: _____

Fax: _____ E-mail Address: _____

Your prompt attention is greatly appreciated. Thank you in advance for your consideration.

Sincerely,

Borrower Signature

Date

Borrower Signature

Date

Borrower Name (please print)

Borrower Name (please print)

SHORT SALE Synopsis of Offer to Purchase

Borrower(s): _____

Loan Number: _____

Subject Property Address: _____

City, State, Zip Code: _____

Date of Offer: _____

Buyer: _____ **Buyer:** _____

Seller: _____ **Seller:** _____

Earnest Money: _____ **Purchase Price:** _____

New Loan Amount: _____ **Balance of Purchase Price:** _____

Special Assessments to be Paid By: Seller Buyer Split Equally Other: _____

Fees/Costs/Payment Obligations: _____

Closing: _____ **Calendar Days After Settlement**

Possession: Upon Close _____ **Hours After Close** _____ **Days After Close**

Confirmation of Agency Disclosure:

Seller's Agent Represents: Seller Both Buyer and Seller as a Limited Agent

Seller's Brokerage Represents: Seller Both Buyer and Seller as a Limited Agent

Buyer's Agent Represents: Buyer Both Buyer and Seller as a Limited Agent

Buyer's Brokerage Represents: Buyer Both Buyer and Seller as a Limited Agent

Due Diligence:

Buyer's Obligation to Purchase: Is Conditioned Upon Buyer's Due Diligence
 Is Not Conditioned Upon Buyer's Due Diligence

Appraisal Condition:

Buyer's Obligation to Purchase: Is Conditioned Upon Property Appraisal At No Less Than The Purchase Price
 Is Not Conditioned Upon Property Appraisal At No Less Than The Purchase Price

Financing Condition:

Buyers Obligation to Purchase: Is Conditioned Upon Buyer Obtaining the Loan Referenced in Section 2(b)
 Is Not Conditioned Upon Buyer Obtaining the Loan Referenced in Section 2(b)

Additional Earnest Money Deposit: Buyer Will Deposit Additional Earnest Money
 Buyer Will Not Deposit Additional Earnest Money

Addendums Included: _____

Home Warranty Plan: Will Be Included Will Not Be Included **Not to Exceed:** _____

Ordered By: Buyer Seller **Selected By:** Buyer Seller

Paid By: Buyer Seller Other: _____

Contract Deadlines:

Seller Disclosure Date: _____

Due Diligence Date: _____

Financing and Appraisal Date: _____

Settlement Date: _____

SHORT SALE Market Activity Report

Borrower(s): _____

Loan Number: _____

Subject Property Address: _____

City, State, Zip Code: _____

The undersigned affirms that the following accurately represents market activity:

On _____ (Date), _____ (Broker) and _____ (Borrower/Seller) entered into a Residential Listing Contract for the period from _____ to _____ (Listing period) to market and sell the property known as _____ (Property) for \$ _____ (Listing price).

Description of property, area, market conditions and other considerations that influence the value, marketing and sale of property: _____

Summary of marketing activities:

Number of Showings by Broker: _____

Number of Showings by Other Brokers: _____

Date of Latest Open House: _____

Total Number of Open Houses: _____

Date of Broker/Agent Tour: _____

Brief Description of Activities: _____

Additional comments: _____

Agent Signature

Date

Agent Name (please print)

SHORT SALE
Lien Holder's Response to Short Sale Proposal

FAX COVER SHEET

Borrower(s): _____

Loan Number: _____

Subject Property Address: _____

City, State, Zip Code: _____

Total Pages Included (including cover sheet): _____

Date Submitted: _____

Submitted To:

Agent: _____

Company: Coldwell Banker Residential Brokerage

Office Address: _____

Office City, State and Zip Code: _____

Direct Line: _____ **Cellular Phone:** _____

Fax: _____ **E-mail:** _____

Submitted By:

Lien Holder: _____

Lien Holder Address: _____

Lien Holder City, State and Zip Code: _____

Contact: _____

Phone: _____ **Fax:** _____

E-mail: _____

Preliminary Approval:

The above referenced lien holder responds to borrower's proposal as follows:

Agrees in principle to borrower's proposal as submitted

Agrees in principle to borrower's proposal with the following additions or modifications:

Comments:

