



# THE SHORT SALE SERVICE, INC.

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## Short Sale Service Order Fax to Service

TO: Luxury Home Short Sale c/o The Short Sale Service, Inc.

SEND: Fax: **(404) 446-1332**  
Email: **Luxury@TheShortSaleService.com**

RE PROPERTY: \_\_\_\_\_

FROM (SELLER): \_\_\_\_\_

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**NOW:** Use this cover sheet to send us the following items so we can begin working on a Short Sale.

- Completed Seller Property Information Sheet
- Completed Due Diligence Order
- Completed Seller Acknowledgement
- Completed Authorization to Release Lending Information

**NEXT:** We will review your Service Order and contact you to review your sales strategy. We will then send you a Checklist of items which you must send directly to your lender.

**THEN:** Get your house sold at close to its current value using a real estate agent or by finding a buyer yourself.

**ALWAYS:** If you have any questions, please do not hesitate to call us at **404-446-1312**.



**SELLER:** \_\_\_\_\_

Phone: \_\_\_\_\_

Cell Phone: \_\_\_\_\_

Fax: \_\_\_\_\_

Email: \_\_\_\_\_

I prefer to be contacted by:  Phone,  Email, or  Fax.

**PROPERTY:** \_\_\_\_\_

City: \_\_\_\_\_ County: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

**CURRENT VALUE:** \$ \_\_\_\_\_

What did you pay for the house? \_\_\_\_\_ When? \_\_\_\_\_

Have you tried to sell it?  Yes or  No. If Yes, what have you done to try to sell the house and what did you have it listed for? \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Describe Any Needed Repairs: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**RE AGENT:** \_\_\_\_\_ Phone: \_\_\_\_\_ Listed At: \$ \_\_\_\_\_

I am not using a Real Estate Agent and will sell my self.

I would like to use a Real Estate Agent and would appreciate your referral to an agent who specializes in luxury homes involving Short Sales.

**LOANS:** Foreclosure Scheduled? If yes, who and when? \_\_\_\_\_

**1ST \$** \_\_\_\_\_ **LENDER:** \_\_\_\_\_ **BEHIND:** \_\_\_\_\_

**2ND \$** \_\_\_\_\_ **LENDER:** \_\_\_\_\_ **BEHIND:** \_\_\_\_\_

**3RD \$** \_\_\_\_\_ **LENDER:** \_\_\_\_\_ **BEHIND:** \_\_\_\_\_

**Other Liens** (back taxes, homeowners, private parties, IRS, etc.): \_\_\_\_\_

RE PROPERTY: \_\_\_\_\_

\_\_\_\_\_

City County State Zip

FROM SELLER: \_\_\_\_\_

**PRELIMINARY TITLE REPORT** (must check one)

- Attached please find a Title Report (not older than 60 days) which I have obtained myself, OR
- Please obtain a Preliminary Title Report (the "PTR") for me at a cost of \$165 if and only if you agree with me that this is a Candidate Worth Pursuing. This shall serve as my request for The Short Sale Service, Inc. (the "Service") to obtain a PTR on the above Property if the Service determines my submission to be a Short Sale Candidate Worth Pursuing. I authorize The Short Sale Service to charge my credit card in the amount of \$165 for the PTR. If the Service does not accept my submission as a Short Sale Candidate Worth Pursuing, the Service will not obtain the PTR and my credit card will not be charged. I understand that if I have submitted this Order less than fourteen (14) days prior to a foreclosure, it is possible that a Lender may deny the Short Sale prior to our receipt of the PTR even though The Short Sale Service, Inc. determines this to be a Candidate Worth Pursuing.

**PRELIMINARY VALUATION REPORT** (must check one)

- Attached please find valuation of comparable properties to justify the After Repair Value of the Property (a Broker Price Opinion, a non-refinance Appraisal, or your own research of comparable sales) not more than six (6) months old, OR
- Please obtain a Preliminary Valuation Report for me at a cost of \$57. This shall serve as my request for The Short Sale Service, Inc. (the "Service") to obtain a Preliminary Valuation Report (the "PVR") on the above Property. I authorize The Short Sale Service to charge my credit card in the amount of \$57. I understand that if I have submitted this Order less than fourteen (14) days prior to a foreclosure, it is possible that a Lender may deny the Short Sale prior to our receipt of the PVR even though The Short Sale Service, Inc. determines this to be a Candidate Worth Pursuing.

It is expressly acknowledged and agreed by Seller that the PTR and/or the PVR (hereinafter the "Reports") shall be obtained for purposes of planning for a Short Sale negotiation only and the Reports shall not to be relied upon in conjunction with the acquisition of the Property. Seller will obtain a full title exam and insurance commitment prior to actually purchasing the Property through a local title insurance agency. Seller acknowledges that the Reports are offered as a courtesy to Seller and that Seller is under no obligation to order the Reports through the Service. As an alternative, Seller may obtain their own title report from a local title company or closing attorney and/or obtain their own written evidence of valuation and provide such evidence to the Service.

DISCLAIMERS: THE SHORT SALE SERVICE, INC. DISCLAIMS ALL LIABILITY AND WARRANTY AS TO THE REPORTS INCLUDING WITHOUT LIMITATION THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE SHORT SALE SERVICE, INC. DOES NOT ASSUME ANY RESPONSIBILITY FOR HOW SELLER WILL USE THE INFORMATION CONTAINED IN THE REPORTS. THE SHORT SALE SERVICE, INC. PROVIDES NO WARRANTY WITH RESPECT TO THE ACCURACY AND VALIDITY OF THE PUBLIC RECORD. UNLESS AN EXPRESSED WARRANTY APPLIES THROUGH A SEPARATE AGREEMENT, NO REPORT, DOCUMENT OR OTHER INFORMATION OBTAINED THROUGH THE SHORT SALE SERVICE, INC. IS INTENDED TO BE, NOR SHALL BE CONSIDERED A LEGAL OPINION OF TITLE, OR ANY FORM OF TITLE INSURANCE, NOR SHALL THE REPORTS BE CONSIDERED AN APPRAISAL OF REAL PROPERTY OR OTHER OPINION OF VALUE REQUIRING THE APPROVAL OR SIGNATURE OF A LICENSEE OF ANY GOVERNING AUTHORITY.

Acknowledged and agreed this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_\_\_\_

By: \_\_\_\_\_ (SELLER Signature) \_\_\_\_\_ (Date)

Credit Card #: \_\_\_\_\_ Exp Date: \_\_\_\_\_  
 Visa  MasterCard  AMEX  Discover

Billing Address: \_\_\_\_\_ Zip: \_\_\_\_\_

- I have mailed a check payable to The Short Sale Service, P.O. Box 2605, Decatur, GA 30030 and understand that my PTR or PVR Order will be processed when you receive my check.

# Seller Acknowledgement

**WHAT IS A SHORT SALE?** A “Short Sale” or “negotiated settlement” or “short pay” occurs when a Lender agrees to accept less than the amount owed to payoff a loan as an alternative to foreclosure. If the property is worth less than the amount owed on the loan, then even if the Lender forecloses and takes back the property, they know they are going to take a loss. We can often convince a Lender that they will “do better” if they take less than what is owed now rather than taking the property back by foreclosure and trying to sell it later.

**HOW LONG WILL IT TAKE?** The Short Sale negotiation process is a lengthy one. It may take several weeks or more likely several months to get an approval. Many Lenders have several layers of bureaucracy, insurers, and investors that we will have to maneuver through in order to get a Short Sale approved. So it is important to be patient during this long process.

**BUT MY HOUSE IS GOING TO FORECLOSURE, WILL I HAVE ENOUGH TIME?** Maybe, maybe not. Just starting a Short Sale will not automatically stop a foreclosure. However, many times we can convince a Lender to stop the foreclosure to let us attempt to negotiate the Short Sale. So, while there are no guarantees, it does not hurt to try.

**CAN I STAY IN THE HOUSE?** The key word in “Short Sale” is sale. The purpose of a Short Sale is to get the property sold to an unrelated third party. So you will be moving. This is not a program that can stop a foreclosure and allow you to keep the house. You may stay in the house while you are selling the property and we are working on a Short Sale, or you may decide to leave now. You should do whatever you think will help get the house sold as quickly as possible.

**HOW DO I KNOW THIS WILL WORK?** You don’t. We cannot, have not, and will not make any promises to you that this will work. Once you missed a payment, the Lender is in charge and can proceed to foreclosure if they want to. But we know they do not want to and we are very good at presenting a Short Sale alternatives to the Lender that they often want to accept rather than foreclose. We are very good at what we do, and if you find a buyer at 85% to 95% of the current value of the property there is an extremely high likelihood of this working out; however, NO PROMISES are being made as to whether or not the Lender will accept a Short Sale – they may or may not.

**WILL I GET ANY MONEY FROM THE SALE?** NO. A universal requirement of Lenders in granting a Short Sale is that the borrower will not get any proceeds from the sale of the property. The Lender is going to take a loss on your loan – they are not going to let you get any money.

**WHAT HAPPENS IF THIS DOESN’T WORK?** Your house will likely go to foreclosure. A Short Sale is something we try after you have exhausted your other options.

**WHAT IS A “RELEASE”:** A Lender may offer to “release” its security interest against the property in exchange for less than the total amount of the note. A release will allow the property to be sold without paying off the obligations of the note. However, the note is not satisfied. Advantages: This successful Short Sale will allow the property to be sold and thus avoid a foreclosure. Disadvantages: The remaining debt on the property (sometimes called a “deficiency”) still exists. You are still liable for the note – in other words – you still owe the money. Reality: It is not likely that the Lender will pursue the deficiency unless you have other significant other assets, and if you don’t try a Short Sale and the property goes to foreclosure, you are likely to have a deficiency anyway.

**WHAT IS A “SATISFACTION”:** A Lender may agree to accept less than it is owed as complete and total satisfaction of the note and release its lien against the property. Advantages: Your note and obligation to the Lender are satisfied for less than you owe. When the property is sold, the debt is paid off completely. Disadvantages: You may have some tax consequences that you should discuss with your tax advisor due to the fact that the Lender is making money you owe disappear. We will always attempt to get a full satisfaction. Please initial either:

- a. \_\_\_\_\_ If The Service cannot obtain a total satisfaction, Seller would prefer that the Property proceed to foreclosure, OR
- b. \_\_\_\_\_ Seller understands that The Service will attempt to obtain a full satisfaction and release; however, in the event that the Lender will agree to a Short Sale to avoid foreclosure, but only release its lien without satisfying the entire debt, then Seller acknowledges that this would be an improvement over Seller’s current circumstances and will accept such terms in order to avoid foreclosure.

Initial \_\_\_\_\_

**WILL THERE BE TAX CONSEQUENCES?** The Mortgage Forgiveness Debt Relief Act of 2007 provides the discharge of indebtedness up to \$2 million is not considered taxable income from Short Sales of a Seller's purchase money mortgage on his or her primary residence of at least 2 years. As always, questions regarding your individual tax situation should be directed to your tax advisor.

**WHAT IF I FILED BANKRUPTCY?** Since a bankruptcy prevents debt collection activity, and foreclosure is a collection activity, and a Short Sale is an alternative to foreclosure, lenders should not discuss a Short Sale if the property is involved in an active bankruptcy. Therefore, if you have filed a Bankruptcy, we will not be able to negotiate a Short Sale until either: the Bankruptcy is discharged or dismissed, the Trustee abandons its interest in the Property, or the Court issues an Order granting relief from the automatic stay and specifically allowing the Short Sale. Please initial either:

- a. \_\_\_\_\_ Seller has never filed Bankruptcy, OR
- b. \_\_\_\_\_ Seller has filed a Bankruptcy; (if you select "b", then you must select i, ii, or iii below) and
  - i. \_\_\_\_\_ The Bankruptcy has been discharged or dismissed (attach evidence of discharge or dismissal);
  - ii. \_\_\_\_\_ The Court has issued an Order granting Relief from Stay and specifically permitted a Short Sale of the Property (attach Order) or
  - iii. \_\_\_\_\_ The Bankruptcy Trustee has Abandoned its interest in the Property (attach evidence)

**AUTHORIZATION TO PURSUE SHORT SALE.** Seller has requested that The Short Sale Service, Inc. pursue the Short Sale Approval on Seller's behalf. No fiduciary relationship is created nor shall be created between Seller and The Short Sale Service, Inc. In the event that the Service may employ or consult with attorneys in connection with The Service, Seller hereby acknowledges and agrees that the client-attorney relationship does not exist between the Seller and any such attorney. Seller acknowledges and agrees that The Service will request a "negotiation fee" as part of the Short Sale submission package to be approved from Lender and paid at closing. Seller does not pay this fee directly and understands that it is paid net from Lender's proceeds.

**THE SERVICE IS NOT A DEBT RELIEF AGENCY.** The parties hereto acknowledge that The Service is not a debt relief agency and does not provide assistance with bankruptcy filings. The Service does not provide bankruptcy information, advice, counseling, document preparation, filing, or any other representation related to existing or prospective bankruptcy.

**THE SERVICE IS NOT A FORECLOSURE CONSULTANT.** The parties hereto acknowledge that The Service is not a foreclosure consultant nor does it or has it provided foreclosure consulting or advice to Seller. Seller has provided authorization to The Service to pursue a Short Sale after independently concluding the desirability of a Short Sale.

**OPPORTUNITY TO CONSULT WITH OTHERS.** Seller has had the opportunity to discuss this Agreement with Seller's real estate agent, attorney, CPA, friends, family, and/or other trusted advisors, and after considering all available options, Seller has elected to make these Acknowledgements.

**HOLD HARMLESS.** Seller hereby indemnifies and holds The Service, its employees, agents, shareholders, and assigns, or third party provider working by or on behalf of The Service harmless from any and all losses and damages suffered as a result of the foreclosure of the Property, the Short Sale, or otherwise associated with this Agreement for any reason whatsoever.

**HOW CAN I HELP?** The Lender will require a review of a financial package that usually includes: two months' bank statements, two months' pay stubs, two years' IRS tax returns and other information. The leading cause of delay and even denial of the Short Sale is caused by the Seller failing to deliver these items in a timely manner. To increase your success, please deliver this information to the Lender as quickly as possible.

Acknowledged this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_.

SELLER: \_\_\_\_\_ SELLER: \_\_\_\_\_

Print Name: \_\_\_\_\_ Print Name: \_\_\_\_\_

# Authorization to Release Information

**LENDER:** \_\_\_\_\_

Account Number: \_\_\_\_\_

**PROPERTY:** \_\_\_\_\_

City: \_\_\_\_\_ County: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

**BORROWER:** \_\_\_\_\_

**SS#:** \_\_\_\_\_

**BORROWER:** \_\_\_\_\_

**SS#:** \_\_\_\_\_

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Dear Lender:

This "Authorization to Release Lending Information" is my written permission to you to release my Account Statement, loan payoff, and other information including the status of any foreclosure actions relating to or regarding the referenced account and property to the party named below (Authorized Party) and/or assistants calling from his or her office.

Thank you.

Signed: \_\_\_\_\_

Print Name: \_\_\_\_\_

Date: \_\_\_\_\_

Authorized Party: \_\_\_\_\_



### **Special Stipulations to Purchase & Sale Agreement:**

- Buyer and Seller acknowledge and agree that the sale of the Property will not generate sufficient cash to pay off the mortgages on the Property and other obligations of Seller with respect to this Agreement. Therefore, this Agreement is contingent upon Seller's mortgage lender(s) agreeing to: (a) accept a reduced payoff on its mortgage(s) as full satisfaction and release and full satisfaction and release of other liens, judgments and other encumbrances on the Property (the "Short Sale"), (b) approval of the real estate commission set forth above and a Short Sale negotiation fee equal to 2% of the Purchase Price to the third party negotiation service handling the Short Sale negotiation; and (c) release of Seller from any claim, cause of action, suit or judgment for the amount of the reduction in the payoff on said mortgage(s). In the event, the mortgage lender(s) do not agree to items (a), (b), and (c) above three (3) days prior to closing, either Seller or Buyer may terminate this Agreement without penalty upon notice to the other party.
- Buyer and Seller acknowledge and agree that Seller's Lender may not provide the approval of the items set forth in Paragraph 1 in a timely manner and understand that patience will be required on both sides while the Short Sale is being negotiated with the Lender(s). In the event that the Short Sale Approval is not received in writing prior to three (3) days before closing, then this Agreement shall automatically be extended for an additional thirty (30) days and the closing dates rescheduled.