



## SHORT SALE DISCLOSURE

In a short sale the seller's lender agrees to accept less than what is owed on the loan for a property. As such, it requires the lender's approval.

Please note that the property will continue to be on the market until the lender accepts an offer.

The following is a partial list of potential situations that could affect a short sale:

1. After the lender receives the short sale package, the lender will require at least 30 days to approve the short sale. After approval, the sale must close within 30 days.
2. The seller will receive no cash from this transaction. Any funds usually due to the seller will be paid by the lender.
3. The seller has no additional cash and will be unable to pay for any closing costs, such as the buyer's appraisal or a home warranty.
4. If the seller is unable to pay for maintaining the property and the buyer would like to turn on the utilities for any inspections, the buyer must pay for those utility costs.
5. The seller's agent will split the commission 50/50 with the buyer's agent. Please note that since the lender is taking less than what is owed to them in a short sale, the lender may negotiate a lower commission percentage.
6. The forgiven debt may be considered as taxable income by the IRS. The seller should discuss this matter with a tax accountant for possible implications in your individual case.

By signing this disclosure, you acknowledge that you have read and understood these scenarios. Any changes to the total commission rate, if any, will be announced at the time of the lender's final approval of this short sale. A change in commissions will not jeopardize the agreement between the seller and buyer and the ultimate sale of this property.

\_\_\_\_\_  
Seller's Signature

*Noel Padilla*

\_\_\_\_\_  
Date

\_\_\_\_\_  
Listing Agent's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Buyer's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Selling Agent's Signature

\_\_\_\_\_  
Date



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## 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 foregoing Waiver of Liability and Hold Harmless Agreement, understand it and sign if voluntarily as my own free act and deed; no oral representation, statements, or inducements, apart from the foregoing written agreement, have been made; I (we) execute the Release for full, adequate and complete consideration fully intending to be bound by same.

IN WITNESS WHEREOF, I (we) have hereunto set my hand and seal on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

**THIS IS A RELEASE**

**READ BEFORE SIGNING**

\_\_\_\_\_  
Seller

\_\_\_\_\_  
Seller

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date



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## PRE-SHORT SALE PROCESSING DISCLOSURE

-----  
Property Address

In consideration for processing a short sale Noel Padilla will perform the following tasks to expedite the process:

1. Prepare the 3<sup>rd</sup> party authorization and submit to the lender(s).
2. Gather all the required information from the seller to forward to the lender(s).
3. Assist seller in the preparation of the "Hardship Letter."
4. Submit the required information to the lender(s); either upon sales offer or upon receipt of paperwork, depending on the lender(s) short sale procedures.
5. Follow up with the lender(s) to assure package has been received.
6. Maintain open lines of communication with lender(s) to assure all pertinent information is provided.
7. Provide the lender(s) the latest information of the local market conditions and adjust that information as needed.
8. Prepare all necessary follow-up documentation requested by the lender(s) as it pertains to the market value of the property mentioned above.
9. Communicate with the lender(s) on a weekly basis once an offer is submitted.

Please be advised that Noel Padilla is not an attorney nor an accountant. Should you be concerned how a short sale will affect your credit and/or financial obligations, please seek professional legal and/or financial advice.

\_\_\_\_\_  
Seller

\_\_\_\_\_  
Date

\_\_\_\_\_  
Seller

\_\_\_\_\_  
Date

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

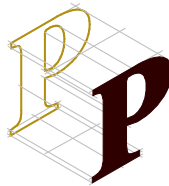
\_\_\_\_\_  
Date

\_\_\_\_\_  
Broker

\_\_\_\_\_  
Date



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**NOEL PADILLA**  
*Doing Business Right*

## HOMEOWNER AUTHORIZATION

Mortgage Company: \_\_\_\_\_

Contact Number: \_\_\_\_\_

Loan Number: \_\_\_\_\_

Borrowers Name: \_\_\_\_\_

Co-Borrowers Name: \_\_\_\_\_

To whom it may concern:

This letter is to serve as authorization for **Noel Padilla of Surreal Properties, LLC.**, my Realtor, whose contact number is 786-525-9729 to speak with you on my behalf in reference to the above mentioned mortgage for the property located at:

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

Should you need to reach me, please contact me at the following phone number: \_\_\_\_\_

Thank you for your consideration.

Regards,

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

\_\_\_\_\_  
Date

Social Security Number: \_\_\_\_\_

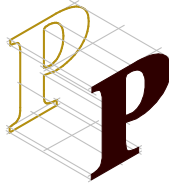
\_\_\_\_\_  
Co-Borrower Signature

\_\_\_\_\_  
Date

Social Security Number: \_\_\_\_\_



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**NOEL PADILLA**

*Doing Business Right*

## HOMEOWNER AUTHORIZATION

2<sup>nd</sup> Mortgage Company: \_\_\_\_\_

Contact Number: \_\_\_\_\_

Loan Number: \_\_\_\_\_

Borrowers Name: \_\_\_\_\_

Co-Borrowers Name: \_\_\_\_\_

To whom it may concern:

This letter is to serve as authorization for **Noel Padilla of Surreal Properties, LLC.**, my Realtor, whose contact number is 786-525-9729 to speak with you on my behalf in reference to the above mentioned mortgage for the property located at:

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

Should you need to reach me, please contact me at the following phone number: \_\_\_\_\_

Thank you for your consideration.

Regards,

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

\_\_\_\_\_  
Date

Social Security Number: \_\_\_\_\_

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

\_\_\_\_\_  
Date

Social Security Number: \_\_\_\_\_



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## SHORT SALE DOCUMENTATION

Please note that your lender(s) may require additional documents that are not listed here. Once we receive their specific requirements we will modify your package to meet those requirements. The below items are usually, but not exclusively, required by most lenders.

1. Third party authorization, also known as the "Homeowners Authorization", to speak with lender(s) or mortgage companies on your behalf. (Included within this package).
2. A "Hardship Letter" explaining your current situation and your inability to make payments either now or in the near future directly related to the situation stated. We may assist you in the formulation of this letter. Please provide a summary of your circumstances so we may assist you in the formulation of this letter, if necessary. ( A sample letter is included with this package).
3. Most lenders require at least TWO months worth of your most current bank statements for each account under your name.
4. The two most recent copies of your tax returns.
5. Copies of the last two or three months of pay stubs.
6. A financial statement outlining you income and liabilities. (Included within this package)
7. A copy of your existing Hazard Insurance Policy and Flood Insurance Policy, if applicable.
8. A copy of the most recent property tax bill.
9. A signed "Hold Harmless" letter. (Included within this package)
10. A signed "Short Sale Disclosure" letter. (Included within this package)
11. An "Owner Information Sheet," detailing all the necessary information needed to complete the short sale process.
12. A copy of Owners Title Insurance
13. A copy of your latest mortgage/equity line statements.

Information can be submitted by fax to 888-335-8389

Or via email to [Noel@NoelPadilla.com](mailto:Noel@NoelPadilla.com)



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## OWNER INFORMATION SHEET

Owner Name: \_\_\_\_\_

Social Security No.: \_\_\_\_\_

Co-Owner Name: \_\_\_\_\_

Social Security No.: \_\_\_\_\_

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

\_\_\_\_\_

Phone Number: \_\_\_\_\_ Email: \_\_\_\_\_

HOA/Condo Association Contact: \_\_\_\_\_

Are you currently past due on your HOA/Condo payments? \_\_\_\_ If yes, approx. how much? \_\_\_\_

First Mortgage Co. Name: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Loan Number: \_\_\_\_\_

Second Mortgage Co. Name: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Loan Number: \_\_\_\_\_

Other Lien Holders: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Other Information: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_





## HARDSHIP LETTER EXAMPLE

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 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 Realtor 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 \$2,000.00 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



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## HOMEOWNER FINANCIAL WORKSHEET

BORROWER'S NAME \_\_\_\_\_

CO-BORROWER'S NAME \_\_\_\_\_

1st LOAN NUMBER \_\_\_\_\_

2nd LOAN NUMBER \_\_\_\_\_

INCOME-TAKE HOME PAY	BORROWER	CO-BORROWER	TOTAL
PRIMARY JOB			
PART-TIME JOB (NET)			
RETIREMENT-MILITARY			
RETIREMENT-CIVIL SVC.			
SUPPORT/ALIMONY			
SOCIAL SECURITY			
RENT			
<b>TOTAL NET INCOME</b>	\$ _____	\$ _____	\$ _____

HOW OFTER IS THE BORROWER PAID?      EVERY WEEK \_\_\_\_\_ EVERY TWO WEEKS \_\_\_\_\_ TWICE A MONTH \_\_\_\_\_ ONCE A MONTH \_\_\_\_\_

HOW OFTEN IS THE CO-BORROWER PAID?      EVERY WEEK \_\_\_\_\_ EVERY TWO WEEKS \_\_\_\_\_ TWICE A MONTH \_\_\_\_\_ ONCE A MONTH \_\_\_\_\_

EXPENSES	NAME OF CREDITOR	MONTHLY PAYMENT	BALANCE
MORTGAGE			
2nd MORTGAGE			
AUTO LOAN			
AUTO LOAN			
AUTO INSURANCE			
CREDIT CARD			
CREDIT CARD			
CREDIT CARD			
CREDIT CARD			
CREDIT CARD			
CREDIT CARD			
CREDIT CARD			
STUDENT LOAN			
ALIMONY/SUPPORT			
CHILD CARE			
IRS			
CHAPTER 13			
ELECTRICITY			
WATER			
TELEPHONE			
CELL PHONE			
CABLE/SATELLITE			
HEALTH INSURANCE	(PAID DIRECTLY)		
LIFE INSURANCE	(PAID DIRECTLY)		



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**HOMEOWNER FINANCIAL WORKSHEET CONT.**

EXPENSES	NAME OF CREDITOR	MONTHLY PAYMENT	BALANCE
MEDICAL EXPENSES			
HOMEOWNERS INS.	(IF NOT INCLUDED IN MORTGAGE PAYMENTS)		
REAL ESTATE TAXES	(IF NOT INCLUDED IN MORTGAGE PAYMENTS)		
GROCERIES			
SCHOOL LUNCHES			
TRANSPORTATION	(GAS, TOLLS,PARKING)		
CLOTHING			
DRY CLEAN/LAUNDRY			
INTERNET SERVICE			
HOA/CONDO DUES			
RECREATION			
CHARITY DONATIONS			
	<b>TOTAL MONTHLY EXPENSES:</b>	\$	\$

A. TOTAL MONTHLY INCOME	\$	\$
B. TOTAL MONTHLY EXPENSES	\$	\$
C. RESIDUAL INCOME	\$	\$

BALANCE IN 401K	\$	CASH VALUE OF STOCKS	\$
BALANCE IN IRA	\$	OTHER VALUABLES TO BE SOLD	\$
CASH ON HAND	\$		

I/we have described my/our financial condition in the enclosed Financial Status Report and certify that all information, as well as all attachments are true, accurate and correct to the best of my/our knowledge. I/we understand that submission of this information in no way obligates my lender, servicer, Veterans Affairs, FHA/HUD, the investor, the mortgage insurers, my Realtor Noel Padilla or Surreal Properties to provide assistance to me or stop the foreclosure process.

I/we hereby authorize my/our lender, servicer, Veterans Affairs, FHA/HUD, the investor or the mortgage insurers to:

1. Order a credit report from any credit reporting agency.
2. Order a title search from any title agency.
3. Verify the accuracy of the information contained in this Financial Status Report, including without limitation, any current or previous employment information.

I/we agree that I/we will notify the AGENT and BROKERAGE mentioned above, my lender, Veterans Affairs, FHA/HUD, the investor, or the mortgage insurer immediately of any material change in the financial information that I/we have provided herein. If I/we fail to do so, or if it is determined that the financial information provided herein has been misrepresented by me, and the lender, servicer, Veteran Affairs, FHA/HUD, the investor or the mortgage insurer makes decisions which would not have been made had the true facts been known, then (1) I shall be liable for all costs (fees) incurred or damages suffered by the lender, servicer, Veteran Affairs, FHA/HUD, the investor or the mortgage insurer and/or Noel Padilla and Surreal Properties and (2) lender, servicer, Veteran Affairs, FHA/HUD, the investor and mortgage insurer and/or Noel Padilla shall have the right, in it's sole discretion, to terminate any arrangement or agreement that has been extended to me based, in whole or in part, on the inaccurate or incomplete information that I/we have provided.

Borrower Signature: \_\_\_\_\_ Co-Borrower Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_ Printed Name: \_\_\_\_\_

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