

## **Homeowner Requirements for a Short Sale**

### **Your Lender requires the following:**

- 1. Authorization to Release Information.** This allows the Attorney/Realtor to communicate with the Lender on the homeowner's behalf. The homeowner needs to fill out and sign a separate Authorization for each loan. The Authorization needs to be signed by all parties on the mortgage.
- 2. Hardship Letter.** Explain your situation: why you are experiencing financial distress, what happened, when it started, and what you are doing to fix it.
- 3. A Financial Statement.** Your lender needs to see what your income is in relation to your expenses. Please be sure to include everything that costs you money including your mortgage. The lender is looking to see if you have positive monthly income or are unable to meet your obligations.
- 4. Two Most Recent Pay-Stubs.**
  - If you are/were self-employed and own(ed) your own business then provide a Profit & Loss statement for the present year.
  - If you have lost your job then include all documentation from employer regarding the job loss. (Pink slip, letter of termination, Severance, etc...)
- 5. Two Most Recent Bank Statements.** Be sure to include ALL pages from ALL accounts.
- 6. Two Most Recent Tax Returns.** Include all schedules and W-2s.

### **Additionally, your Short Sale Attorney also requires the following:**

- Copy of recent mortgage statement(s)
- Copy of any correspondence received regarding the property from attorneys, your mortgage lender lien holder(s), bankruptcy trustee, or probate including any foreclosure notices
- Any Stock/Bond, Ira Keogh/Retirement Fund/401K statements
- Any paperwork regarding any other liens and/or judgments
- Property tax records
- HOA information (Dues, amount behind, etc...)
- All Tax bills
- Negotiation Agreements and Disclosures