

SHORT SALE CHECKLIST FOR SELLER

Forms We Will Provide

- Authorization to Release Lending Information*
- Understanding the Short Sale Process*
- Master Agreement*
- Copy of the Sale and Purchase Contract*
- Notice of contract for sale and purchase Affidavit (original sent to 4377 Commercial Way Suite 142 Spring Hill, FL 34606)*
- Disclosure Regarding Real Estate Transaction*
- Escrow Letter*
- Affidavit*
- Limited POA (Power of Attorney)*
- GC Mitigation Retainer Form*
- Hardship guide / sample letter*

Items Collected From Seller

Seller's Homework:

- Hardship Letter - a letter about your situation*
- Financial Worksheet*
- Copies of 2 most recent Pay Stubs*
- Copies of 2 most recent Bank Statements*
- Copy of 2 most recent IRS Tax Returns*
- Copy of Property Tax Bill*
- Seller's Monthly Loan Statement from each bank*
- Copy of Driver's License*

In the Event any items are not available, we will require a hand written letter signed from the homeowner stating why it is not available.

For Example: I do not have My tax returns for 2008 because I have not filed them. Signed Homeowner

- **We do not accept incomplete files.**
- **We do not accept files that have outdated documents**

Authorization to Release Lending Information

ACCOUNT INFORMATION	
Lender: GMAC	
Account Number _____	
Property: 501 Birchbark CT	
City: Seneca	County: Oconee

PERSONAL INFORMATION	
State: SC	Zip Code: 29672

Borrower Name: Daniel Egger
Social Security Number:
Borrower Name:
Social Security Number:

Dear Lender:

This "Authorization to Release Lending Information" is my written permission to you to release my Account Statement, loan payoff, and other information regarding the referenced account and property to:

GC Mitigation Services (Authorized Party)

and/or paralegals or assistants calling from the office.

Thank you,

Signed: _____

Print Name: _____

Date: _____

Signed: _____

Print Name: _____

Date: _____

Understanding the Short Sale Process

WHAT IS A SHORT SALE?

A short pay is a negotiated settlement that the lender or lenders may accept in lieu of the total amount owed to pay off a loan as an alternative to foreclosure. Many times we can convince a Bank/Lender that they will be “better off” if they take a “Short Sale” now rather than getting the property back by foreclosure and trying to sell it later with extra additional costs and expenses.

HOW MUCH TIME DOES IT TAKE?

The “Short Pay” discount negotiation process can be a lengthy one. It could take between two and six months to get an approval. Many Lenders have several layers of “red tape” that will need to jump through in order to get an approval. So please be patient and understanding during this process, as the mitigators will be pushing as hard as they can to get the needed approvals.

HELP! MY HOUSE IS GOING TO FORECLOSURE, IS THERE ENOUGH TIME?

Sometimes, and sometimes not. Just starting the negotiations will not automatically put a stop to foreclosure. However, many times the mitigators can convince a Lender to pause the foreclosure to let them attempt to negotiate the “Short Pay”. Therefore, while there are no guarantees, it does not hurt to step up to the plate for one last swing.

WHEN DO I NEED TO MOVE?

The purpose of a “Short Sale” is to get the needed discounts from the lender(s) so that the property can be sold before the foreclosure auction. One way or the other, you will be moving. The sooner you can move, the easier it will be for the realtor to find a buyer. It is much easier to sell a vacant house!

ARE THERE ANY PROMISES OR GUARANTEES THAT THIS WILL WORK?

NO! There cannot be a promise or guarantee to save your home from foreclosure. When mortgage payments are missed, the Lender/Bank is in the driver’s seat and can proceed directly to foreclosure. However, most of the time, they do not want to and the mitigators are excellent at presenting alternatives to the Lender/Bank that they many times will accept rather than foreclose. The mitigators are excellent at what they do, but NO PROMISES are made from them to you as to whether or not the Lender will accept a “Short Pay Discount” – they may or may not.

CAN I GET ANY MONEY FROM THE SALE?

NO. In granting a “Short Pay Discount”, you the borrower will not get any proceeds from the sale of the property. If the lender is going to take a loss, they will not allow you the borrower to receive any proceeds. It is illegal for us to pay you anything and it is could be loan fraud.

IF THIS DOESN’T WORK, THEN WHAT?

You will likely lose your house to the foreclosure auction. A “Short Sale/Short Pay Discount” is something you try after you have exhausted your other options.

THE TERM “RELEASE”

A Lender may offer to “release” its lien or interest against the property in exchange for less than the total amount of the loan. A release will allow the property to be sold without paying off the total amount of the note. However, the note is not termed “satisfied”.

Advantages: This successful “Short Pay” will allow the property to be sold and therefore avoid a foreclosure. **Disadvantages:** The remaining debt on the property (sometimes called a “short fall deficiency”) still remains. You are still liable for the note – in other words – you are still on the hook for the money. The Reality: It is not likely that the Lender will pursue the short fall balance unless you are solvent with significant assets. If you don’t try a “Short Sale” and the property goes to foreclosure and is sold for less than what you owe you may have a “Short Fall” balance anyway. So what does it hurt to try?

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Understanding the Short Sale Process

THE TERM "SATISFACTION"

This is when a Lender accepts a "Short Pay" discount from what is owed as a complete and total satisfaction of what was owed on your property and releasing its lien against the property when it is sold. **Advantages:** Your mortgage and note, the total amount of your agreed obligation to the Lender is termed "Satisfied" at a discount from what is owed. When the property is sold, the debt is paid off entirely. **Disadvantages:** You may get a 1099 IRS form showing the difference between what you owed and what was accepted as a discount. These same tax consequences may exist whether you obtain a Short Sale or if the property goes to the foreclosure auction and sold at a discount there or sold later as an REO property at a discount. We do advise that you should discuss this with your tax advisor because the Lender is making money you owe disappear. Sometimes the negotiations are successful in obtaining a satisfaction. Sometimes all they can get is a release.

THIS IS HOW WE HELP

The Lender/Bank will need to review documents that will include: two months bank statements, two months pay stubs, two years IRS tax returns and other information. The usual cause of delay and even dismissal of our offer to the Lender/Bank is due to the Seller failing to provide these items at the time of our "Short Sale" paperwork signing. To help make this successful, please bring all the documents on the check list to our meeting.

Acknowledged this _____ day of _____, 20____

SELLER

BUYER

Print Name: _____

Print Name: _____

Sign Name: _____

Sign Name: _____

Print Name: _____

Print Name: _____

Sign Name: _____

Sign Name: _____

The Short Sale Master Agreement

This Master Agreement (this "Agreement") is entered into this 4th day of November, 2009 by and between Daniel Egger (the Seller) and Martin Smith LLC (the buyer) and concerns real property located at:

501 Birch Bark CT
Seneca, SC 29672

The purpose of this Agreement is to summarize what, how and why Buyer and Seller are entering into the relationship of Buyer and Seller and to avoid any confusion as to other documents that have been entered into between Buyer and Seller. This Agreement shall supersede any and all other agreements between Buyer and Seller whether verbal or written.

In consideration of Ten and no/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

- 1. The Property is Facing Foreclosure.** The Property is facing foreclosure due to circumstances that have nothing to do with Buyer.
- 2. Debt Exceeds Value.** The current debts secured by the Property are approximately equal to or exceed the value of the Property. There is little or no equity in the Property. Seller has been unable to sell the Property using traditional means.
- 3. Seller has Sold to Buyer.** Seller has entered into a legally binding Purchase and Sale Agreement committing Seller to sell the property to Buyer upon Lender's approval of a Short Sale.
- 4. Debts not satisfied.** Seller acknowledges that Buyer has not paid or satisfied any loans secured by the Property, nor any other obligation associated with the Property as of the date of this Agreement. Seller acknowledges that all loans secured by the Property will remain in Seller's name unpaid until such time as mitigation service company succeeds in obtaining a Short Sale and the buyer elects to payoff such loans and/or successfully sells the Property.
- 5. GC Mitigation Services will Attempt Short Sale.** GC Mitigation Services will use reasonable efforts to attempt to obtain a reduced payoff ("Short Sale") from Seller's Lender(s). Seller hereby acknowledges and agrees that a condition of the Short Sale by the Lender will be that Seller may not receive any money or other consideration from the Short Sale transaction.
- 6. Buyer Intends to Profit.** In the event that GC Mitigation Services is successful in obtaining a Short Sale, then Buyer intends to sell the property and profit from the difference between the Short Sale payoff amount and the amount of the sale to a third party, GC Mitigation Service or it's agents.
- 7. No Promises.** Buyer has not made any promises as to the likelihood of success in obtaining a Short Sale or in selling the Property. If Buyer is unsuccessful for any reason in obtaining a Short Sale and/the buyer and realtors in selling the Property for a profit, then the Property will likely go to foreclosure.
- 8. Seller Agrees to Cooperate.** Seller agrees to cooperate with GC Mitigation Services to provide information as may be requested by the Lender as part of the Short Sale negotiation.

The Short Sale Master Agreement

Such information may include, but is not limited to: prior years' IRS tax returns, bank statements, and other financial information

9. Release vs. Satisfaction. In the event of a successful Short Sale, the 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. Seller understands that under such a scenario, Seller may still be liable for the difference between the original note amount and the Short Sale reduced payoff (a "deficiency"). GC Mitigation Services will attempt to obtain a full satisfaction and release whereby the Lender satisfies the note and releases its lien against the property. However, sometimes a Lender will agree to a Short Sale, but only release its interest in the property allowing a sale of the property and avoiding foreclosure. Seller hereby directs GC Mitigation Services by initialing one of the following:

a. _____ If GC Mitigation cannot obtain a total satisfaction, Seller would prefer that the Property proceed to foreclosure

OR

b. _____ Seller understands that GC Mitigation 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.

10. Tax Consequences. The seller in default acknowledges that a full satisfaction approved or obtained from the lender (s) may be a taxable event or have tax consequences for the seller in default. We formally now advise the seller to seek qualified advice from both tax and legal professionals. Buyer is not an attorney or a CPA or is offering any legal or tax advice.

11. Seller is Not In Bankruptcy. Seller understands that if Seller has filed a Bankruptcy, then GC Mitigation may not negotiate for a Short Sale until either the Bankruptcy is discharged or dismissed, the Bankruptcy trustee abandons its interest in the Property, or a Court order granting Relief from Stay specifically allows a Short Sale. Seller hereby affirms (must initial either "a" or "b"):

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)

c. _____ **Seller acknowledges by initialing that if seller files for a bankruptcy during the short sale negotiations, seller may incur the existing negotiation fees from buyer's attorney at \$2,000 per lien.**

12. Buyer is Not a Debt Relief Agency. The parties hereto acknowledge that Buyer is not a debt relief agency and does not provide assistance with bankruptcy filings. Buyer does not

The Short Sale Master Agreement

provide bankruptcy information, advice, counseling, document preparation, filing, or any other representation related to existing or prospective bankruptcy.

13. **Opportunity to Review.** Seller has had the opportunity to discuss this Agreement with Seller's attorney, CPA, friends, family, and/or other trusted advisors, and after considering all available options, Seller has elected to enter into this Agreement, and empower GC Mitigation to attempt a Short Sale by working with Seller's Lender(s).

14. **Buyer may Utilize Service Provider.** Seller acknowledges and agrees that Buyer may utilize a third party service such as GC Mitigation Service provider to pursue the Short Sale. No fiduciary relationship is created nor shall be created between any such third party and Seller. In the event that such third party shall be an attorney, Seller hereby acknowledges and agrees that the client-attorney relationship does not exist between the Seller and any such attorney unless a written "Engagement Letter for Legal Services" is entered into specifically creating such relationship between Seller and such third party.

15. **Hold Harmless.** Seller hereby indemnifies and holds Buyer, and any agent or representative, or third party provider working by or on behalf of Buyer 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.

16. **Permission to Sign Other Documents.** Seller and Purchaser do hereby covenant and agree that such documents as may be necessary or otherwise appropriate to carry out the terms of this Agreement may be executed and delivered by Buyer (and/or Buyer's third party service providers) on behalf of Seller.

17. **Entire Agreement.** This Agreement contains the entire agreement of the parties hereto, and any representations, inducements, promises or agreements, oral or otherwise, between the parties not embodied herein shall be of no force or effect. The provisions of this Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, administrators, executors, personal representatives, successors and assigns.

18. **Misc.** All covenants, warranties and agreements set forth in this Agreement shall survive the Closing of the transaction contemplated hereby and shall survive the execution or delivery of any and all deeds and other documents at any time executed or delivered under, pursuant to or by reason of this Agreement. If any provision of this Agreement, or the application thereof to any person or circumstance, shall for any reason and to any extent be invalid or unenforceable, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby but rather shall be enforced to the greatest extent permitted by law.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed under seal
this _____ Day of _____, 20_____

Seller Printed name

Seller Signature

Signature

Seller Signature

Attached is copy of my valid Driver's License or State Issued ID

Contract for Sale and Purchase

The SELLER and the BUYER (named below) hereby enter into this Contract for Sale and Purchase of real estate.

The SELLER, in consideration of the BUYER paying \$10.00 (the "Deposit"), gives to the BUYER the exclusive right to purchase the property described below (the "Property"). The Deposit is non-refundable and will be forfeited in the event that BUYER fails to exercise the contract unless otherwise so stated. The BUYER shall have the right to exercise the contract for sale and purchase during a period of time

beginning at 9:00 a.m. on the 4th day of November, 2009
and lasting until 5:30 p.m. on the 4th day of November, 2010

The Contract Period may be extended for an additional period of time for the purpose of obtaining said approval(s) with the consent of both parties.

Subject to the Buyer exercising this Contract, the Seller and BUYER hereby agree that the Seller shall sell and the Buyer shall buy the property described below upon the following terms and conditions. Seller fully agrees and acknowledges that the above-described consideration given by the Buyer constitutes legal, adequate and valuable consideration for the purposes of this contract.

1. NOTICE, COMMENCEMENT DATE: The "Commencement Date" shall be the date that the last of the parties to this Contract signs and executes below. The obligations of the Parties under this Contract begin on the Commencement Date.

The date that the SELLER receives and signs this contract shall be known as the "Commencement Date." It is understood and agreed that time is of the essence as to the payment of the purchase price under this provision. If the BUYER does not exercise the terms of this contract by ending date as specified above, then the right and for sale and purchase set forth herein shall immediately terminate and the SELLER shall keep the deposit.

2. DESCRIPTION OF PARTIES:

Seller Name: Daniel Egger	Seller Home Phone:
Seller Address: 501 Birchbark Court Seneca, SC 29672	
Buyer Name: Martin Smith	Buyer Home Phone:
Buyer Address: 12932 SE Kent-Kangley Rd. Suite 209 Kent, WA 98030	

3. DESCRIPTION OF PROPERTY BEING SOLD:

Property Address (Number, Street, Apartment): 501 Birchbark Ct
Property Address (City, State, Zip): Seneca, SC 29672
Parcel Number: 1650501223

4. PURCHASE PRICE

Purchase Price:	
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Contract for Sale and Purchase

SELLER understands that this transaction is a short sale and is contingent upon the acceptance by Seller's lien holders of discounts off outstanding balances. SELLER will receive **NO proceeds from the closing of the short sale.**

Parties acknowledge that the initial purchase price may change. This is because the purchase price will be effected by many factors including but not limited to (a) negotiations with the lender contemplating the short sale, (b) brokers price opinions, (c) investors standards, (d) junior lien holders, and (e) closing costs. Inasmuch as the initial purchase price is subject to change, as a practical matter, it is burdensome to have the Seller continue to sign off on each counter offer. Therefore the Buyer shall not require Seller's signature when submitting counteroffers on the condition that Seller is not required to come in with any funds to close

5. FINANCING AND INSPECTION PERIOD: The BUYER may cancel this Contract at any time within the first 14 days (the "Financing and Inspection Period") following the Effective Date by delivering written notification to the SELLER. If such notice is delivered the Contract shall be terminated and no party will have any further obligation under this Contract. In the event that the Contract is so terminated the BUYER shall be entitled to the return of the Deposit. SELLER shall grant to the BUYER reasonable access to the property for purposes inspection and evaluation (such as environmental testing, home inspection, and BPO or appraisals, etc.)

Please Select One:

- Contingent upon financing; or
- This is a **CASH** Transaction.

6. REPRESENTATIONS AND WARRANTIES: To induce the BUYER to enter into this Agreement, the SELLER makes the following representations, warranties, and covenants.

A. The property is being sold "As Is" with regard to the physical condition of any improvements. SELLER is giving no warranties to the BUYER,

B. SELLER has good and marketable fee simple title to the Property, free and clear of all liens, property taxes, encumbrances, and restrictions, except for those restrictions appearing of record, taxes for the year of closing, encumbrances that will be cleared prior to closing, and encumbrances that will be cleared at the closing out of the SELLER's proceeds from the Purchase Price,

C. There are no condemnations or similar proceedings affecting any part of the Property and no such proceeding shall be pending on the Closing Date. To the best of the SELLER's knowledge, no such condemnations or other proceeds are threatened or planned,

D. There are no service contracts or agreements relating to the operation, maintenance, or security of the property under which the SELLER is bound and which will survive the closing,

E. SELLER understands that this transaction is a short sale and is contingent upon acceptance by Lien holders of discounts off outstanding balances. Furthermore, Seller will receive **NO funds upon closing of the short sale.**

F. SELLER hereby grants the Buyer and or their representatives all of the necessary rights to immediately list for sale, market, negotiate and enter into a contract to lease or sell immediately to a third party for a profit. The documentation in connection with the foregoing may be made available at the written request of the current lien holders involved in the transaction.

G. SELLER has sole and exclusive possession of the Property and will be able to deliver possession of the Property free of all leases, if any, on the Closing Date.

Contract for Sale and Purchase

H. SELLER grants Buyer the additional following rights:

7. CLEAR TITLE:

A. SELLER shall convey a marketable title, subject only to liens, encumbrances, exceptions, or qualifications set forth in this Contract and those which shall be discharged by SELLER at or before closing. Marketable title shall be determined according to applicable Title Standards in the applicable State. Notice of this Agreement will be filed of record in the applicable county recorders office upon signing of this Agreement.

B. If the BUYER discovers that the title is defective, the BUYER shall notify the SELLER in writing specifying the defect(s). If said defect(s) render the title unmarketable or uninsurable the SELLER will have 20 days from receipt of notice within which to remove said defect(s). The contract period shall also be extended up to 20 days for said removal. If SELLER is unsuccessful in removing them within said time, the BUYER shall have the option of either accepting the title as it then is or terminating this Agreement and thereupon the SELLER shall return any deposits that might have been made to the BUYER and both parties shall be released as to one another of all further obligations under this Agreement. The SELLER shall pay all expenses to clear title defects.

8. CLOSING:

SELLER and BUYER select Advantage Title 727-393-2900 to be the title and escrow agent for this transaction.

A. This transaction shall be closed and the deed and other closing papers delivered on or before the contract Period expiration unless extended by other provisions of this contract or by the mutual written consent of both parties.

B. At closing, the BUYER shall pay the cash portion of the purchase price by bank cashier's or certified check, or by bank wire either of which shall be issued by and drawn on a local institution. The SELLER shall furnish the deed, an absence of lien affidavit, non-foreign status affidavit, and any corrective instruments that may be required in connection with perfecting the title. BUYER shall furnish the closing statement(s) which SELLER agrees to sign.

C. In addition to paying the standard and customary closing costs, the SELLER shall pay the following closing costs: the cost of recording any corrective instruments (if needed), transfer tax, deed stamps and deed preparation:

In addition to paying the standard and customary closing costs, the BUYER shall pay the cost of:

9. CONVEYANCE: SELLER shall convey title to the Property by statutory warranty, trustee, personal representative, or guardian deed, as appropriate to the status of the SELLER, subject only to matters contained in the following and those otherwise accepted by BUYER.

10. RESTRICTIONS; EASEMENTS; LIMITATIONS: The BUYER shall take title subject to: zoning, restrictions, prohibitions, and other requirements imposed by governmental authority; restrictions and matters appearing on the plat or otherwise common to the subdivision; public utility easements of record; taxes for year of closing and

Contract for Sale and Purchase

subsequent years; assumed mortgages and purchase money mortgages, if any, and any City or County health and safety code violations.

11. SURVEY: BUYER, at BUYER's expense at any time within the contract Period may have the Property surveyed and certified by a registered State surveyor. If the survey shows any encroachment on the Property or that improvements intended to be located on the Property in fact encroach on setback lines, easements, lands of others, or violate any restrictions, Contract covenants, or applicable governmental regulations, the same shall be treated as a title defect.

12. LIENS: SELLER shall furnish to BUYER at time of closing an affidavit attesting to the absence, unless otherwise provided for herein, of any financing statements, claims of lien or potential liens known to seller and further attesting that there have been no improvements or repairs to the Property for 60 days immediately preceding the date of closing in a form satisfactory to the BUYER. If the Property has been improved, or repaired within said time, SELLER shall deliver releases or waivers of mechanic's liens, executed by all general contractors, subcontractors, suppliers, and material men, in addition to seller's lien affidavit setting forth the names of all such general contractors, subcontractors, suppliers, and material men and further reciting that in fact all bills for work to the Property which could serve as a basis for a mechanic's lien or a claim for damages have been paid or will be paid at closing.

13. SPECIAL ASSESSMENT LIENS: Certified, confirmed, and ratified special assessment liens as of the date of closing (and not as of commencement Date) are to be paid by the SELLER. Pending liens as of the date of closing shall be assumed by BUYER, provided, however, that if the improvement has been substantially completed as of commencement Date, such pending lien shall be considered as certified, confirmed, and ratified and SELLER shall, at closing, be charged an amount equal to the last estimate by the public body of assessment for the improvement.

14. PRORATIONS: Taxes and assessments (if any) shall be prorated through the day to the closing. Cash at closing shall be increased or decreased as may be required by said prorations. All prorations will be made through the day prior to occupancy if occupancy occurs before closing. Taxes shall be prorated based on the current year's tax with due allowance made for maximum allowable discount and homestead or other exemptions if allowed for said year. If closing occurs at a date when the current year's millage is not fixed, and current year's assessment is available, taxes will be prorated based upon such assessment and the prior year's millage. If the current year's assessment is not available, then taxes will be prorated on the prior year's tax; provided, however, if there are completed improvements on the Property by January 1st of the prior year, then taxes shall be prorated bases upon the prior years millage and at an equitable assessment to be agreed upon between the parties, failing which, request will be made to the County Property Appraiser for an informal assessment taking into consideration homestead exemption, if any. However, any tax prorations based on an estimate may at the request of either the BUYER or the SELLER be subsequently readjusted upon receipt of tax bill on condition that a statement to that effect is set forth in the closing statement.

15. PERSONS BOUND; NOTICE: This Contract shall bind and inure to the benefit of the parties hereto and their successors in interest and heirs at law. Whenever the context permits, singular shall include plural and one gender shall include all. Notice given by or to the attorney for any party shall be as effective as if given by or to said party.

16. PROCEEDS OF SALE; CLOSING PROCEDURE: The deed shall be recorded upon clearance of funds and evidence of title continued at BUYER's expense, to show title in BUYER, without any encumbrances or change which would render SELLER's title unmarketable from the date of the last evidence, and the proceeds of the sale shall be held in escrow by the escrow agent for a period of not longer than five (5) days from and after closing date.

17. ESCROW: Any escrow agent receiving funds or equivalent is authorized and agrees by acceptance thereof to deposit promptly and to hold same in escrow and subject to clearance thereof to disburse the same in accordance with the terms and conditions of this Contact. Failure of clearance of funds shall not excuse performance by the

Contract for Sale and Purchase

BUYER. In the event of doubt as to the escrow agent's duties or liabilities under the provisions of this Contract, the escrow agent may in the agent's sole discretion, continue to hold the subject matter of this escrow until the parties mutually agree to the disbursement thereof, or until a judgment of a court of competent jurisdiction shall determine the rights of the parties thereto, or the escrow agent may deposit the same with the clerk of the circuit court having jurisdiction of the dispute, and upon notifying all parties concerned of such action, all liability on the part of the escrow agent shall fully terminate, except to the extent of accounting for any items theretofore delivered out of escrow. In the event of any suit between BUYER and SELLER wherein the escrow agent is made a party by virtue of acting as an escrow agent hereunder, or in the event of any suit wherein the escrow agent interpleads the subject matter of this escrow, the agent shall be entitled to recover reasonable attorney's fee and costs incurred, said fees and cost to be charged and assessed as court costs in favor of the prevailing party. All parties agree that the escrow agent shall not be liable to any party or person whomsoever for misdelivery to BUYER or SELLER of items subject to this escrow.

18. OTHER AGREEMENTS: No modifications or changes in this Contract shall be valid or binding upon the parties unless in writing and executed by the party or parties to be bound thereby. Parties acknowledge that Seller may be asked by Buyer to sign a new or corrective contract for the resale of the property. Seller agrees to sign such contract should such signature be needed and requested by Buyer so long as such signature will not result in any financial gain for Seller and that such addition is for the purpose of demonstrating additional evidence as to the dissolution of all Sellers' rights and interests in the property and to permit any MLS Listing.

19. RADON: Radon is a naturally occurring radioactive gas that, when it has accumulated in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of Radon that exceed federal and state guidelines have been found in buildings. Additional information regarding radon and radon testing may be obtained from your county public health unit.

20. FAILURE OF PERFORMANCE: If the BUYER fails to perform this Contract within the time specified the deposit(s) paid by the BUYER may be retained by or for the account of the SELLER as liquidated damages, consideration for the execution of this Contract and in full settlement of any claims; whereupon BUYER and SELLER shall be relieved of all obligations under the Contract; or SELLER, at SELLER's option, may proceed at law or in equity to enforce SELLER's legal rights under this Contract. If, for any reason other than failure of SELLER to make SELLER's title marketable after diligent effort, SELLER fails, neglects or refuses to perform this Contract, the BUYER may seek specific performance or elect to receive the return of BUYER's deposit(s) without thereby waiving any action or damages resulting from SELLER's breach.

21. RISK OF LOSS: If there are improvements on the Property, and such improvements are damaged, by fire or other casualty prior to closing, and the costs of restoring the same do not exceed 3% of the purchase price of the improvements so damaged, the cost of restoration shall be an obligation of the SELLER and closing shall proceed pursuant to the terms of the Contract with cost thereof escrowed at closing. In the event that the cost of repair or restoration exceeds 3% of the purchase price of the property improvements, the BUYER shall have the option of either taking the Property as is, together with either the said 3% or any insurance proceeds payable by virtue of such loss or damage, or of canceling the Contract and receiving a return of the deposit(s) made hereunder.

22. TYPEWRITTEN OR HANDWRITTEN PROVISIONS: Typewritten or handwritten provisions inserted herein or attached hereto as addenda shall control all printed provisions of this contract in conflict therewith.

23. PROPERTY TAX DISCLOSURE SUMMARY: BUYER SHOULD NOT RELY ON THE SELLER'S CURRENT PROPERTY TAXES AS THE AMOUNT OF PROPERTY TAXES THAT THE BUYER MAY BE OBLIGATED TO PAY IN THE YEAR SUBSEQUENT TO PURCHASE. A CHANGE OF OWNERSHIP OR

Contract for Sale and Purchase

PROPERTY IMPROVEMENTS TRIGGERS REASSESSMENTS OF THE PROPERTY THAT COULD RESULT IN HIGHER PROPERTY TAXES. IF YOU HAVE ANY QUESTIONS CONCERNING VALUATION, CONTACT THE COUNTY PROPERTY APPRAISER'S OFFICE FOR INFORMATION.

24. ADDITIONAL TERMS: The parties agree that the following additional terms shall prevail (for example: appliances, acceptance of a second note by Seller; credits towards costs) – use an addendum if needed.

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25. GOVERNING LAW: In the event of any dispute, the laws of the:

State of: SC	County Of: OCONEE
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THIS IS INTENDED TO BE A LEGALLY BINDING CONTRACT. DO NOT SIGN IF THERE ARE BLANK SPACES NOT FILLED IN. IF NOT FULLY UNDERSTOOD, SEEK THE ADVICE OF AN ATTORNEY PRIOR TO SIGNING.

Seller Printed name	Date	Seller Signature
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Buyer Printed Name	Date	Buyer Signature
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NOTICE OF CONTRACT FOR SALE AND PURCHASE

RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:
Company Name: Martin Smith
Company Address (Number, Street, Suite) 4377 Commercial Way Suite 142
Company Address(City, State, Zip) Spring Hill, FL 34606

This **NOTICE OF CONTRACT FOR SALE AND PURCHASE** (the "Notice") is made, executed and delivered as of the 4th day of November, 2009, by and between

<u>Daniel Egger</u> Seller 501 Birchbark CT Seneca, SC 29672	And	<u>Martin Smith</u> Buyer 4377 Commercial Way S.H. FL 34606
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The Seller and Buyer hereby give notice that a sales and purchase contract dated Nov. 4, 2009 exists between the parties for the following real property ("Property"):

Property Address (Number, Street, Apartment): 501 Birchbark Ct
Property Address (City, State, Zip) Seneca, SC 29672
Parcel Number: 1650501223

This Contract may be executed anytime before the 4th day of November, 2010. The Sales and Purchase Contract may be terminated and this Notice Released and satisfied of record by execution and recording of a Release of Sales and Purchase Contract signed only by the Buyer.

REPRESENTATIONS AND WARRANTIES: To induce the BUYER to enter into this Agreement, the SELLER makes the following representations, warranties, and covenants.

- A. The property is being sold "As Is" with regard to the physical condition of any improvements. SELLER is giving no warranties to the BUYER.
- B. SELLER has good and marketable fee simple title to the Property, free and clear of all liens, property taxes, encumbrances, and restrictions, except for those restrictions appearing of record, taxes for the year of closing, encumbrances that will be cleared prior to closing, and encumbrances that will be cleared at the closing out of the SELLER's proceeds from the Purchase Price.
- C. There are no condemnations or similar proceedings affecting any part of the Property and no such proceeding shall be pending on the Closing Date. To the best of the SELLER's knowledge, no such condemnations or other proceeds are threatened or planned.
- D. There are no service contracts or agreements relating to the operation, maintenance, or security of the property under which the SELLER is bound and which will survive the closing.
- E. The SELLER is not subject to any commitment, obligation, or agreement, including but not limited to, any right of first refusal to purchase, granted to a third party, which would or could prevent the SELLER from completing the sale of the Property as contemplated by this Agreement.
- F. SELLER has sole and exclusive possession of the Property and will be able to deliver possession of the Property free of all leases on the Closing Date.
- G. SELLER understands that this transaction is a short sale and is contingent upon acceptance of short pay offers to current lien holders acceptable to Buyer and is contingent upon the re-listing of the property with a realtor and finding a third party buyer to purchase, fund and successfully close on that sales transaction. The Seller will receive **NO FUNDS** from either closing.

H. SELLER hereby grants the Buyer and or their representatives all of the necessary rights to list for sale, market, negotiate and enter into a contract to lease or sell the property immediately to a third

NOTICE OF CONTRACT FOR SALE AND PURCHASE

party for a profit. All documentation in connection with the foregoing may be made available at the written request of the buyer(s) Lender, Sellers, and Buyers involved in this transaction.

IN WITNESS WHEREOF, the parties have executed this NOTICE OF CONTRACT FOR SALE AND PURCHASE as of the date first above written.

See "Exhibit A" (Legal Description) Attached Hereto

Acknowledgement as to Seller

In witness whereof, we hereunto set our hand and seal, at _____

In the county of _____ this _____

day of _____, 20____

Seller

Seller

STATE OF _____, County Of _____ SS: _____

On _____, 20____, before me, a Notary Public in and for said County, personally appeared

The above named _____ who acknowledged and declared that they did sign the foregoing instrument and that the same is their free act and deed.

In testimony whereof, I have hereunto set my hand and official seal:

Notary Public

My commission expires: _____

Acknowledgement as to Buyer

In witness whereof, we hereunto set our hand and seal, at _____

In the county of _____ this _____

day of _____, 20____

Buyer

Buyer

STATE OF _____, County Of _____ SS: _____

On _____, 20____, before me, a Notary Public in and for said County, personally appeared

The above named _____ who acknowledged and declared that they did sign the foregoing instrument and that the same is their free act and deed.

In testimony whereof, I have hereunto set my hand and official seal:

Notary Public

My commission expires: _____

Disclosure Regarding Real Estate Transaction

This document serves as an explanation and disclosure regarding the property at:

501 Birchbark Street
Seneca, WA 29672

The purchase of your property was made possible because GC Mitigation Services may be able to negotiate with Lender/lenders to have them take less than what is owed as a payoff or negotiate a deed in lieu of foreclosure. Your Lender may require you as the original mortgagor to pay the difference of what was remaining owed and our settlement amount.

This document in no way suggests or states that GC Mitigation Services or the buyer have completed or promise to complete this transaction or close on the above property before the foreclosure auction. If negotiations are unsuccessful and it cannot close and consequently the property goes to sale, the sellers agree to hold harmless the buyer and his, her, their, or its agents, the negotiation firms, servants, successors, heirs, executors, administrators and all other person(s), corporations, firms, associations or partnerships of and for any and all claims, actions, causes of action, demands, rights, damages, costs, loss of service, expenses and compensation whatsoever, which the undersigned now has/have or which may hereafter accrue on account of or in any way growing out of any and all known and unknown, foreseen and unforeseen from the sale of the property.

If the lender or Jr. Lien holders refuses to honor the approved discount(s) and closing the purchase is not possible the property could go to foreclosure. If this occurs the seller agrees to hold harmless the buyer, trustees, or agents and the negotiation firm.

In the event the short sale is successful and there is no deficiency judgment the discount received may become a taxable event to you. This may or may not be disclosed or followed through by your Lender.

The buyer in no way is acting as a "Foreclosure Consultant" and has not promised you they would guarantee payments, guarantee to bring the loan current or that the property will be paid off or kept out of foreclosure.

The buyer has the ability to re-sell above property through a contractual interest or as a principle owner and is not acting in a Real Estate Broker capacity.

Disclosure Regarding Real Estate Transaction

THE UNDERSIGNED HAS READ THE FOREGOING RELEASE AND FULLY UNDERSTANDS IT.

Signed, sealed, and delivered this _____ Day of _____, 200

Witness Seller

Witness Seller

Witness Seller

State of: _____	County Of: _____
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On the _____ day of _____, 200

Personally appeared _____
Known to me to be the person(s) named herein and who executed the foregoing release and who acknowledge to me that they have read the foregoing release and understand the contents thereof and they voluntarily executed the same.

Notary Public

My commission expires: _____

Escrow Letter

PROPERTY INFORMATION	
Date	11/04/09
Property Address	501 Birchbark Street Seneca, WA 29672
Mortgage Company	GMAC
Loan Number	

To Whom It May Concern:

At the time my loan is paid off, please apply any remaining balance in my escrow account to reduce the loan amount and so reflect on your payoff letter.

Thank you for your cooperation,

Printed name

Date

Signature

Social Security Number

Printed name

Date

Signature

Social Security Number

AFFIDAVIT

State of: SC	County of: OCONEE
Social Security Number:	
In Regards to Property Address: 501 Birchbark Ct Seneca, SC 29672	

Initial	The Undersigned, Being Duly Sworn, Deposes And Says:
	1. I, <u>Daniel Egger</u> (Affiant) am the owner of the above property.
	2. I am currently in default of my loan(s), am unable to make up back payments and am unable to make future payments.
	3. I understand that GC Mitigation will attempt to negotiate a short sale with all my Lenders who have a lien (claim) on my property and that GC Mitigation has not made me any promises, guarantees or representations about their ability to successfully complete this task.
	4. I understand that my Lender(s), even after agreeing to a short sale, may require that the difference between the original balance and the negotiated balance be paid by me and hold me personally responsible to pay it back.
	5. I understand that the short sale may result in my owing taxes. Since Buyer said he is not giving me any tax advice, I should see an accountant or tax preparer to discuss these taxes.
	6. I understand that my Lender(s) may report this short sale to a credit bureau and this may negatively affect my credit score.
	7. I understand fully and completely that, if GC Mitigation is not able to negotiate discounted payoffs with the Lender(s), they may proceed with foreclosure
	8. I have not been promised any money if this short sale goes through. Whether or not the property sells, I don't expect any money at all. There are no unresolved issues and no "side agreements."
	9. I have entered into a sales agreement to sell the above property and that agreement states that I understand that it is a short sale transaction and that it won't go through if my Lender(s) doesn't agree to take less than what is owed and that I won't get any money after the property is sold.
	10. The sales agreement also states that I am giving the Buyer the rights to immediately list for sale, market, negotiate and enter into a contract to sell the property immediately to a third party and that all documentation in connection to the sale will be made available at the request of all Lenders and Buyers involved in the transactions.
	11. I understand that Buyer may make a profit from the resale or immediate resale of this property and that his only motivation is to make a profit.
	12. I understand that the Buyer is not acting on my behalf as an attorney, accountant, counselor, advisor, consultant or non-profit agency.
	13. I have the ability to read and understand this agreement.
	14. I have a full understanding about what I am doing in regards to the short sale of my home.
	15. I ACKNOWLEDGE THAT, IF BUYER IS UNABLE TO CLOSE ON THE SALE OF THE PROPERTY IN A TIMELY FASHION, THE PROPERTY MAY GO INTO FORECLOSURE AND I MAY LOSE MY PROPERTY.
	16. I understand that the Buyer, Title Company, and their agents are not acting on my behalf as lawyers or accountants, nor are they rendering legal or accounting advice. Buyer encouraged me to seek out an attorney and accountant for independent advice regarding this short sale.
	17. I agree to hold the Buyer and his agents, including, but not limited to Title Company, negotiating firm harmless and fully indemnifies them (including but not limited to attorney's fees, whether or not litigation ensues, costs and all other litigation expenses).

AFFIDAVIT

I HAVE COMPLETELY READ THIS AGREEMENT BEFORE SIGNING IT AND I AGREE TO THE TERMS AND CONDITIONS CONTAINED HEREIN.

Seller # 1 Signature

WITNESS

Seller # 2 Signature

STATE OF _____, County Of _____

SS: _____

On _____, 20____, before me,

a notary public in and for said state personally appeared _____
Personally known to me (or proved to me based upon satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged that (s)he/they executed the same in his/her/their signature on the instrument the person(s) or entity on behalf of which they acted, executed the instrument.

Witness my hand and official seal:

Notary Public

My commission expires: _____

LIMITED POWER OF ATTORNEY

State of: SC

County Of: OCONEE

KNOW ALL MEN BY THESE PRESENTS, that, I/We Daniel Egger,
reposing special trust and confidence in Martin Smith,
(Hereinafter "Agent"), have made, constituted and appointed, and by these presents do make, constitute and appoint said Agent to be my true and lawful attorney-in-fact, to act for me and in my stead, and to sell and convey the following property:

501 Birchbark Court
Seneca, SC 29672
See Attached Legal Description

or any interest in said land for such price as to my agent may seem advisable.

My agent is hereby authorized to sign, seal and deliver as my act and deed any contract, deed, or other instrument in execution of any agreement for sale made by me or my agent, in such manner that all my estate, right, title and interest in said land may be effectually and absolutely conveyed and assigned to the purchaser thereof, his, her, or its heirs, successors and assigns forever, or to such other person or entity as purchaser may name or appoint; and I hereby declare that any and all of the contracts, deeds, receipts or matters, and things which shall be by my said agent given, made or done for the aforesaid purposes shall be as good, valid and effectual as if they had been signed, sealed and delivered by me in my own proper person; and I hereby undertake at all times to ratify whatsoever my said agent shall lawfully do or cause to be done in or concerning the premises by virtue of these presents. My agent is hereby further authorized to receive the consideration or purchase price arising from the sale of such land or any interest therein, and to give good receipt therefore, which receipt shall exonerate the person paying such money to my agent from looking to the application, or being responsible for the loss or misapplication thereof. If said consideration should be paid by check or draft, my said agent is hereby authorized to endorse and cash said check or draft and collect the proceeds thereof, whether the same be made payable to me or to my agent, as my attorney-in-fact. My agent may contact lender, lien holder or government authority regarding money or other obligations owed regarding the property and may further execute any and all documents necessary to correct any deficiency in previously executed documents regarding the ownership or sale of the property. My agent is also hereby authorized to market and sell my property including but not limited to listing the property on the MLS (multiple listing service) with a realtor, real estate broker and by any other available means.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this _____ day of _____, 200_____

Witness

Seal/ Signature

Witness

Seal/ Signature

STATE OF _____, County Of _____ SS: _____
On _____, 20_____, before me, _____, a notary public
in and for said state personally appeared _____ personally known to me
(or proved to me based upon satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged that (s)he/they executed the same in his/her/their signature on the instrument the person(s) or entity on behalf of which they acted, executed the instrument.

Witness my hand and official seal:

Notary Public

My commission expires: _____

GC Mitigation Retainer Agreement

GC Mitigation, A Nevada LLC

711 S. Carson St. STE 4

Carson City, Nevada 89701-5292

GC Mitigation is a third party short pay negotiation service **NOT** retained by the buyer, realtor, broker, lender(s), FHA or any government organization. GC Mitigation is a private company retained by home owners/borrowers. GC Mitigation is a “for” profit organization. GC Mitigation specializes in the negotiations of short sales/short payoffs. GC Mitigation has had and may have former bank loss mitigators handling specific negotiations with various lenders and Wall Street Investors with security back mortgages.

I/We, Daniel Egger

Whose address 501 Birchbark Ct Seneca, SC 29672

Am retaining GC Mitigation for the services of one or more of the following by contacting and negotiating a short sale/short pay/settlement/deficiency judgments/unsecured promissory notes with all my lender(s) and any and all lien holders of which I have that are encumbering the title and deed to the above mentioned real property address so that the subject property may be un-encumbered by reaching an agreement to settle for less than what is owed to my lender(s)/lien holders.

I further agree and understand that I will not have any fee’s to pay, owing or be charged now or in the future for GC Mitigation’s services or have fee’s, owing or be charged by any other “third party” for retaining GC Mitigation for their services of negotiation.

I further agree and understand that GC Mitigation will be paid based on a successful outcome of such negotiations on the final closing document called the HUD-1 settlement statement. Funding for GC Mitigation will come from and be approved by one or more sources associated with the “short sale” negotiations such as lenders, lien holders, buyers or other third parties.

Initials

I further agree and understand that GC Mitigation may risk at its own expense their loss of fee's for retained services with me/us in the event of an unsuccessful outcome of negotiations with my lenders/lien holders.

I further agree and understand that I will be giving GC Mitigation personal and private financial documents that my lenders will require to facilitate such negotiations.

I further agree and understand that GC Mitigation has not made a promise or made any guarantees to the success of the outcome of any, part or all of the negotiations of which I have retained them for.

I further agree and understand that GC Mitigation has not and will not make me/us an offer to purchase my/our home or ever will intend to purchase my/our home. I/we have simply retained GC Mitigation to "attempt" to negotiate a short sale on our behalf and that no promises have been made to me/us as to the likelihood of the success and outcome of such negotiations.

I further agree and understand that GC Mitigation will use reasonable efforts to attempt to obtain a reduced payoff ("short sale") from my lender(s). I hereby acknowledge and agree that a condition of the Short Sale by my lender(s) will be that I cannot/may not receive any money or other considerations from the short sale transaction. I understand that if I were to receive money or other compensation or considerations this may be illegal and constitute loan fraud of which I may go to jail if found guilty of participation.

I further agree and understand that if negotiations are unsuccessful and we cannot close and consequently the property goes to sale at the foreclosure auction, I/we the sellers agree to hold harmless GC Mitigation, all realtors, all brokers, the buyer(s) and his, her, their, or its agents, servants, successors, heirs, executors, administrators and all other person(s), corporations, firms, associations or partnerships of and for any and all claims, actions, cause of action, demands, rights, damages, costs, loss of service, expenses and compensation whatsoever, which the undersigned now has/have or which may hereafter accrue on account of or in any way growing out of any and all known and unknown, foreseen and unforeseen from the attempted negotiations and sale of the property.

Initials

I further agree and understand to fully cooperate with GC Mitigation to provide information as may be requested by the lender as part of the short sale negotiation. Such information may include, but not limited to: prior years IRS tax returns, recent bank statements and other financial information.

I further agree and understand that GC Mitigation reserves the right to cancel this “Retainer Agreement” at any time with or without cause, action or any reason either verbally or in writing delivered by electronic means or by USPS mail.

I further agree and understand that GC Mitigation may utilize a third party service provider to pursue the short sale. No fiduciary relationship is created nor shall be created between any such third party and myself/ourselves. In the event that such third party shall be an attorney, I/we hereby acknowledge and agree that the client-attorney relationship does not exist between me/us and any such attorney unless a written “Engagement Letter for Legal Services” is entered into specifically creating such relationship between us and such third party.

I further agree and understand that in the event I/we are contacted by my/our lender(s)/lien holders directly or indirectly that I/we will refrain from engaging in conversation/communication and direct them to GC Mitigation stating and confirming that I/we have retained GC Mitigation to handle my/our short sale negotiations. I will also promptly communicate and inform GC Mitigation of all attempts of contact that my/our lender(s)/lien holders may try to engage me/us into.

I further agree and understand that I/we by signing this “Agreement” will be giving an “Authorization to Release Lending Information” allowing GC Mitigation to contact my/our lender(s)/lien holders and any other third parties related to the short sale negotiations.

I further agree and understand I/we have an opportunity to review and to discuss this Agreement with my/our attorney, CPA, friends, family and/or other trusted advisors, and after careful consideration of all available options, I/we have elected to enter into this Agreement, and empower GC Mitigation to attempt a short sale by working with my lender(s)/lien holders.

Signature	Date	Signature	Date
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Print Name	Print Name
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Hardship Letter Guidelines

1. A hardship letter must be a story clearly depicting how you as a family failed to make your mortgage payments. Dates are very important to establish time line, if you cannot remember the specific date at least the month and year e.g. in August of 2004 I lost my job which I have been employed at for 4 years....."
2. Also it is very important to look at all the indirect factors that also made things financially difficult to maintain your mortgage payments e.g. family commitments, other bill payments, unexpected expenses related to home.
3. The factors that effected your ability to make mortgage payments must be factors beyond your control e.g. loss of job, injury, illness, divorce, death in the family, laid off, reduction in hours, increases in unexpected expenses either medical, funeral and car break down (which you need to get to work). These are examples there are obviously many more options to give you an idea.
4. At no point should you blame the bank for your problems because this will not help our case.
5. You must not indicate that you are trying to work out a solution to keep your home; when you do this the bank then is not obligated to work out a settlement.
6. You do not want to indicate that things are much better now and have improved, this letter should not be a solution it is strictly your hardship.
7. The letter must be dated and signed by all parties on the mortgage.
8. It is a good idea to indicate that you have exhausted all avenues of trying to pay back the bank, and that you have no choice but to sell the property in order for the bank to recuperate its mortgage monies. This is a very important statement because it clearly indicates that you are trying, even at the expense of losing your home to try and rectify the situation with the bank. This also collaborates with the message that we are sending them.
9. If you plan to file Bankruptcy please make note of that as well.
10. The length of the letter should be no more than 2 pages; most hardship letters are 1 page. The letter should be more than just one paragraph. Be as thorough as possible.

The list below is a list of HUD's acceptable reasons for financial "Hardship". Please use them as a guideline when writing your hardship letter.

Death of Principal Mortgagor	Inability to Rent Property
<ul style="list-style-type: none"> ▪ Death of Mortgagor's Family Member ▪ Illness of Principal Mortgagor ▪ Illness of Mortgagor's Family Member ▪ Marital Difficulties ▪ Curtailment of Income ▪ Unemployment ▪ Excessive Obligations ▪ Abandonment of Property ▪ Distant Employment Transfer ▪ Property Problem ▪ Inability to Sell 	<ul style="list-style-type: none"> ▪ Military Service ▪ Business Failure ▪ Casualty Loss ▪ Energy-Environmental Costs ▪ Servicing Problems ▪ Payment Adjustment ▪ Payment Dispute ▪ Transfer of Ownership Pending ▪ Fraud ▪ Incarceration

Note: You must write a letter for each lender. The next page offers a sample of a Hardship Letter.

Hardship Letter Guidelines

< Seller's Name >
< Seller's New Address >

< Today's Date >

< Lender's Name >
< Lender's Address >

Dear Sir or Madam,

I am writing to ask for your help. Circumstances beyond my control recently caused my life to change. **< X years ago >** when I bought my dream home, **< my kids and I >** were happy to be living in **< where you lived >** and everything was going well. A couple of months ago.....**< give them a story of what happened....lost job, somebody got sick, mom needed you in FL, business failed, kids having problems in school...needed help...the more details the better, you need to tell your story >** .

The bottom line is I cannot continue to make the payments on my house at **< property address >** . I have tried many different things to sell my house and pay off the money I borrowed from you. I talked with some real estate agents, but they said that since I owed more than what the house is worth that they would not list it for me. I called some investors that told me they couldn't buy the house because there was no equity in it and it required work. **OR** The house has been listed for x months and all the offers received were below the payoff of my loan. I was on my way to file bankruptcy when fortunately this buyer said that you might consider a "Short Sale" or reduced payoff. Please, please, please work with this buyer. **< They/ he/ she >** is the only person who has given me any hope and any reason not to file bankruptcy.

I am a responsible person who has always paid my bills and I am afraid of what will happen if this does not work.
Your consideration is greatly appreciated.

Sincerely,

< Your Name >

Financial Statement

Property Address: 501 Birchbark Street Seneca, WA 29672	Loan Number:
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Borrower Name:	Social Security Number:
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Home Phone:	Cell Phone:	Work Phone:
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Mailing Address:

Total Number of Persons Living at Property Address:	Number of Dependents Living at Property Address:
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Co-Borrower Name:	Social Security Number:
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Home Phone:	Monthly Income (Wages):
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Have You Contacted Credit Counseling Services? Yes No

Asset Type	Estimated Value	Liability Type	Payment Per Month	Balance Due
Home	\$0.00	Alimony – Child Support		
Other Real Estate		Dependent Care/Child Care		
Checking Accounts		Rent		
Savings – Money Market		Other Mortgages		
IRA/Keough Accounts		Personal Loans – Credit Cards		
401K/ESOP Accounts		Medical Expenses		
Stocks, Bonds, CDs		HOA Fees/Dues		
Rental Property		Automobile Loans		
Auto 1, Auto 2, Boat		Tax Liens & Homeowners Insurance		
Other Investments		Utilities		
Other:		Food – Gas		
Other:		Other – Miscellaneous Expenses		

Reason for Delinquency:

I (we) agree that the financial information provided is an accurate statement of my (our) financial status. I (we) understand and acknowledge that any action taken by the lender of my (our) mortgage on my (our) behalf will be made in strict reliance on the information provided. My (our) signature(s) below grants the holder of my (our) mortgage the authority to: confirm the information I (we) have disclosed in this financial statement, verify that it is accurate by ordering a credit report, and to contact my real estate and/or credit counseling representative (if applicable).

Submitted this _____ day of _____ 20__

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_____ Signature of Borrower	_____ Signature of Co-Borrower
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Before mailing, please verify that you have signed and dated the form and attached a copy of your most recent pay stub and bank statements of your checking and/ or savings accounts. If you are self-employed, please attach a copy of your most recent Federal Income tax returns with schedules.

This Form Is To Be Mailed In If You Want to Cancel Your Agreement

10 Day Right of Cancellation

Martin Smith LLC whose address is 4377 Commercial Way Suite 142 Spring Hill, FL 34606

Is not acting as a Foreclosure-Rescue Consultant and is agreeing to buy homeowners/seller's property located at **501 Birchbark Court Seneca (City) SC (State) 29672 (zip)**

I HEREBY ELECT TO CANCEL MY AGREEMENT WITH MARTIN SMITH LLC AND DO NOT WANT TO SELL MY HOUSE. Any and all documents previously signed by me are hereby null and void.

TO CANCEL, sign this form and return it to the purchaser no later than on the 10th (tenth) business day which is November 18, 2009 , either by mailed postmarked or delivered to Martin Smith LLC at 4377 Commercial Way Suite 142 Spring Hill, FL 34606. No later than midnight of November 18, 2009. It is best to mail by both first class mail and by certified mail or overnight delivery, return receipt requested. Make sure to keep a photocopy of the signed form and your post office receipt for your records.

I (we) hereby cancel this transaction.

Seller's name

Date