



LEPIZZERA • LAPROCINA

***YOUR GUIDE
TO
SIMPLIFYING
THE
SHORT SALE***

(HOMEQ Package)

IMPORTANT : READ BEFORE PROCEEDING

Lepizzera & Laprocina Package Instructions & Policies

Thank you for choosing Lepizzera & Laprocina to negotiate your short sale. The following are detailed instructions on completing and submitting a short sale file to our office. Please read these instructions carefully and be sure to fully execute all requirements so we may ensure the very best service for you and your client.

1. Please be sure that you have the most current lender package to be completed by your seller. If you are unsure you may email submit@leplap.com with your request and one of our processors will forward you the most recent package as an email attachment.
2. Use the checklist that we have provided on the following page of this package. It is designed to help you stay organized and ensure that you collect all necessary pieces of information required.
3. In order to submit a file to us you must have at least a valid offer on the property in question with a signed and dated purchase contract.
 - The day you sign the purchase contract you should also receive the sellers:
 - detailed hardship letter (with same date and signature)
 - financial statement (with same date and signature)
 - any supporting documents requiring a date and signature
 - 60 days of bank statements as well as 30 days of paystubs
 - must be current to the day that the contract is signed
 - ***IT IS IMPERATIVE THAT ALL DATED MATERIALS CORRESPOND AND MATCH THE DATE LISTED ON THE PURCHASE CONTRACT***
 - i.e. – If the purchase contract is signed and dated for April 1st, the hardship letter, financial statement, and supporting documents must also be signed and dated April 1st. The 60 days of bank statements should be from February 1st to March 1st to April 1st and the 30 days of paystubs should be from March 1st to April 1st.
4. Once you have collected all necessary documentation requested, scan your file to PDF format and email to Submit@LepLap.com as an attachment.
 - Once your package has been received, it will be reviewed by one of our processors and you will be notified of any missing or inaccurate documentation.
 - Your timeliness in addressing these issues (if any) will determine how long it takes for us to submit your file to the lender and begin our negotiations
 - ***BE ADVISED THAT YOUR FILE WILL NOT BE SUBMITTED TO THE LENDER UNTILL ALL NECESSARY DOCUMENTATION IS RECEIVED***
5. Once we have submitted your package to the lender we will need updated paystubs and bank statements from your seller on a **MONTHLY BASIS**. All lenders require us to continually update all files on a monthly basis for the duration of our negotiation.

Please understand that these instructions and policies have been put into place to help us better serve you and your client. All information that we require is required by the lenders and our goal is to be proactive so that we may expedite every file as quickly as possible. If you have any questions or concerns please contact us directly at 401.739.7397 or at ShortSales@LepLap.com.

THANK YOU!

~ Your Lepizzera & Laprocina Negotiating Team

SHORT SALE CHECK LIST

FINANCIAL INFORMATION

- ☐ Tax Information
 - ☐ Two most recent 1040's
 - ☐ Two most recent W2's
- ☐ Two Months Most Recent Bank Statements- all pages
- ☐ 30 days Most Recent Paycheck Stubs or Commission Check Stubs
- ☐ Self Employed – Current Year to Date Profit & Loss

HARDSHIP INFORMATION

- ☐ Hardship Letter written and signed and dated by seller
- ☐ Any documentation supporting the hardship letter
 - ~ (i.e. Medical Bills, Child Support/Alimony Payments, etc.)

MORTGAGE AND OTHER RELATIVE PROPERTY INFORMATION

- ☐ 1st Mortgage Statement
- ☐ 2nd Mortgage Statement (if applicable)
- ☐ Recent Real Estate Tax Bills (if available)
- ☐ Condo Association Contact info. Are you delinquent? Yes or no
- ☐ Any recent water/ sewer Bills (if available)

LEPIZZERA & LAPROCINA DOCUMENTS TO BE COMPLETED BY SELLER

- ☐ Authorization Form
- ☐ Monthly Budget
- ☐ L & L Disclosure

QUESTIONS TO BE ASKED OF SELLER

- ☐ How many months delinquent?
- ☐ Is there a notice of default filed yet & if so when?
- ☐ Is there a bank sale date yet and if so when?

INFORMATION TO BE PROVIDED BY LISTING AGENT/BUYER'S AGENT

- ☐ Listing Agreement
- ☐ Purchase & Sale Agreement
- ☐ Commitment Letter from new Lender for the Buyer
- ☐ Comps
- ☐ Printout detailing time on the market and sales prices
- ☐ Seller Contact Information Sheet
- ☐ Realtor Contact Information Sheet

Seller Contact Sheet

■ Name: _____

■ Property Address: _____

■ Current Mailing Address: _____

■ Home Phone: _____

■ Cell Phone: _____

■ Work Phone: _____

■ E-mail Address: _____

■ How Many Mortgages On The Property? _____

~ Please List:

Lender: _____

Acct #: _____

Lender: _____

Acct #: _____

Lender: _____

Acct #: _____

Listing Agent Contact Information

- Name: _____
- Agency: _____
- Cell phone: _____
- Office Phone: _____
- E-mail Address: _____
- Is this a co-broke? YES or NO

Buyer's Agent Contact Information

- Name: _____
- Agency: _____
- Cell Phone: _____
- Office Phone: _____
- E-mail Address: _____

AUTHORIZATION

- We hereby authorize Paul Laprocina, Jr., Esq., Michael Lepizzera, Jr., Esq., Christopher DePalo, Esq., Daniel Balkun, Diana Cordeiro, Mary-Lynn DeSimone, Melissa Cabral, Paula Frias, Tina Champagne, Ryan Boughton, Jodi Lussier, Coleen Palmisano, John Geisser, and Stephanie Thivierge (all of Lepizzera and Laprocina) 117 Metro Center Boulevard, Suite 2001, Warwick, Rhode Island 02886 to obtain any and all information relating to the following mortgage(s):

(Lender)

(Account Number)

(Lender)

(Account Number)

- In reference to the property address of:

(address)

(city)

(state)

(zip)

X _____
(Signature)

(Date)

(Print name)

(Social Security Number)

X _____
(Signature)

(Date)

(Print name)

(Social Security Number)



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Short Sale Disclosure

- Thank you for choosing Lepizzera & Laprocina for the sole purpose of negotiating a short sale of your (hereinafter “Seller’s”) real property located at: _____ (hereinafter referred to as “the Property”). A “short sale” is a voluntary sale of the Property for a price that is less than the total amount of any mortgages and/or liens that currently encumber the Property.
- During this process, Lepizzera & Laprocina will negotiate with the Seller’s mortgage and/or lien holders to short sell the Property. In order to effectuate a successful short sale, all of the Seller’s mortgage and/or lien holder(s) must approve the proposed short sale that is negotiated by Lepizzera & Laprocina.
- In order to effectively negotiate the short sale, Seller must provide any relevant financial and other personal information to Lepizzera & Laprocina upon request. Upon receipt, the information will be submitted to Seller’s mortgage and/or lien holder(s). The information will permit the mortgage and/or lien holders to fully analyze the requested short sale.
- In order for Lepizzera & Laprocina to commence the negotiation process with the mortgage and/or lien holder, Seller must read, fully understand and acknowledge all provisions set forth below. The provisions set forth fully disclose the terms of the engagement and scope of services offered by Lepizzera & Laprocina. The provisions also fully disclose the limitations on Lepizzera & Laprocina’s services offered.
- Lepizzera & Laprocina is not associated with the government, and our service is not approved by the government or your lender.
- Lepizzera & Laprocina does not accept any upfront fees or payments from Seller.
- After Seller has read and fully understood each provision, Seller must initial each provision to verify that said provision has been fully read and understood. If the Seller does not fully understand the terms of the Disclosure, Seller shall consult independent counsel in Seller’s applicable jurisdiction.
- Lepizzera & Laprocina looks forward to working with you to assist in the successful sale of your Property.
- The Seller(s) understand and acknowledge that:

- _____ 1. Lepizzera & Laprocina’s scope of engagement is for the sole purpose of negotiating the proposed short sale of the subject Property. Seller acknowledges that Lepizzera & Laprocina is in no way representing or acting as legal counsel to Seller. Lepizzera & Laprocina is not offering any legal advice to Seller. Seller acknowledges that Seller has been advised to seek independent advice of counsel regarding any and all legal issues that may arise as a result of any short sale transaction.
- _____ 2. All short sales are solely subject to the approval of all of Seller’s mortgage and/or lien holders associated with the Property.
- _____ 3. Lepizzera & Laprocina does not warrant and cannot guarantee that Seller’s mortgage and/or lien holders will approve the proposed short sale. Seller’s mortgage and/or lien holder(s) are under no obligation to approve the proposed short sale. The decision to approve said short sale rests solely within the discretion of the mortgage and/or lien holder(s). Further, Lepizzera & Laprocina cannot guarantee and make no representation that it will be able stop, postpone or cancel any foreclosure proceedings initiated by any mortgage and/or lien holder(s).
- _____ 4. Seller agrees to provide any and all documents and/or information requested by Lepizzera & Laprocina for the purpose of processing and negotiating the proposed short sale. Seller further agrees that it is Seller’s affirmative obligation to immediately notify Lepizzera & Laprocina of any and all foreclosure proceedings initiated by any party. Seller is responsible to receive and open any and all notifications regarding the subject Property received by mail and/or service of process. If Seller does not reside at the subject Property or there has been a change in Seller’s mailing address, Seller must notify the mortgage and/or lien holders of the new address to ensure receipt of all notices.



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Short Sale Disclosure Continued

- _____ 5. Seller hereby acknowledges that no proceeds from the sale of the subject Property will be received by Seller. All net proceeds from the short sale of Seller's home, including any refunded insurance premiums, shall be paid to Seller's mortgage and/or lien holders.
- _____ 6. Seller acknowledges that the mortgage and/or lien holder(s) may accept Seller's proposed short sale and issue a lien release while preserving its right to pursue a judgment against Seller for any deficiencies owed as a result of the mortgage and/or lien holder(s) agreement to accept less than a full payoff. Lepizzera & Laprocina does not warrant and cannot guarantee that a deficiency resulting from the short sale will be forgiven, waived and/or cancelled by the mortgage and/or lien holder(s). Various jurisdictions may be governed by an anti-deficiency statute that prohibits mortgage and/or lien holder(s) from seeking a deficiency judgment against Seller. The scope of Lepizzera & Laprocina's service does not include negotiating settlements in the event the mortgage and/or lien holder(s) seek to recover monies from Seller stemming from a deficiency balance that may exist after closing. Seller further acknowledges that Seller has been advised to seek the advice of legal counsel in Seller's jurisdiction to determine whether an anti-deficiency statute or various applicable laws govern the recourse rights of mortgage and/or lien holder(s) which may affect the Seller's decision to proceed with a short sale.
- _____ 7. The acceptance of a payoff for less than the full amount owed to Seller's mortgage and/or lien holder(s) may be reported to the credit bureaus, which may negatively impact Seller's credit rating and serve as an impediment on Seller's ability to obtain future credit. Lepizzera & Laprocina does not negotiate with any credit bureau on behalf of Seller.
- _____ 8. The mortgage and/or lien holders may forgive a portion or all of Seller's debt, which may be considered income to Seller. Seller should consult an independent, qualified professional regarding any questions or concerns regarding any potential tax liabilities of a short sale.
- _____ 9. Seller is not obligated to pay Lepizzera & Laprocina in advance for the negotiation of Seller's payoff(s). Seller acknowledges that Seller understands that Lepizzera & Laprocina will seek compensation from the mortgage and/or lien holder(s) from the proceeds of the short sale. Lepizzera & Laprocina will not claim, demand, charge, collect or receive any compensation until after Lepizzera & Laprocina has fully performed or attempted to perform each and every service in an effort to effectuate the short sale of the Property.
- Compensation is approved by the mortgage and/or lien holder(s). Compensation is deducted from the net proceeds that the mortgage and/or lien holder(s) have agreed to accept by approving the short sale.
- _____ 10. Seller agrees and acknowledges that Lepizzera & Laprocina has made no promises, guarantees, or representations made to Seller which are contrary to the disclosures and information contained herein. Seller(s) may accept or reject any short sale approval presented to them resulting from our negotiation of the short sale.

■ Seller(s) have read, understand and acknowledge the foregoing Short Sale Disclosure and fully agree with the terms and conditions contained herein.

Name date

witness

Name date

witness

Request for Transcript of Tax Return

OMB No. 1545-1872

► **Request may be rejected if the form is incomplete or illegible.**

Tip. Use Form 4506-T to order a transcript or other return information free of charge. See the product list below. You can also call 1-800-829-1040 to order a transcript. If you need a copy of your return, use **Form 4506, Request for Copy of Tax Return**. There is a fee to get a copy of your return.

1a Name shown on tax return. If a joint return, enter the name shown first.	1b First social security number on tax return or employer identification number (see instructions)
2a If a joint return, enter spouse's name shown on tax return.	2b Second social security number if joint tax return
3 Current name, address (including apt., room, or suite no.), city, state, and ZIP code	
4 Previous address shown on the last return filed if different from line 3	
5 If the transcript or tax information is to be mailed to a third party (such as a mortgage company), enter the third party's name, address, and telephone number. The IRS has no control over what the third party does with the tax information.	
Caution. If the transcript is being mailed to a third party, ensure that you have filled in line 6 and line 9 before signing. Sign and date the form once you have filled in these lines. Completing these steps helps to protect your privacy.	
6 Transcript requested. Enter the tax form number here (1040, 1065, 1120, etc.) and check the appropriate box below. Enter only one tax form number per request. ►	
a Return Transcript , which includes most of the line items of a tax return as filed with the IRS. A tax return transcript does not reflect changes made to the account after the return is processed. Transcripts are only available for the following returns: Form 1040 series, Form 1065, Form 1120, Form 1120A, Form 1120H, Form 1120L, and Form 1120S. Return transcripts are available for the current year and returns processed during the prior 3 processing years. Most requests will be processed within 10 business days <input type="checkbox"/>	
b Account Transcript , which contains information on the financial status of the account, such as payments made on the account, penalty assessments, and adjustments made by you or the IRS after the return was filed. Return information is limited to items such as tax liability and estimated tax payments. Account transcripts are available for most returns. Most requests will be processed within 30 calendar days. . . <input type="checkbox"/>	
c Record of Account , which is a combination of line item information and later adjustments to the account. Available for current year and 3 prior tax years. Most requests will be processed within 30 calendar days <input type="checkbox"/>	
7 Verification of Nonfiling , which is proof from the IRS that you did not file a return for the year. Current year requests are only available after June 15th. There are no availability restrictions on prior year requests. Most requests will be processed within 10 business days . . <input type="checkbox"/>	
8 Form W-2, Form 1099 series, Form 1098 series, or Form 5498 series transcript. The IRS can provide a transcript that includes data from these information returns. State or local information is not included with the Form W-2 information. The IRS may be able to provide this transcript information for up to 10 years. Information for the current year is generally not available until the year after it is filed with the IRS. For example, W-2 information for 2007, filed in 2008, will not be available from the IRS until 2009. If you need W-2 information for retirement purposes, you should contact the Social Security Administration at 1-800-772-1213. Most requests will be processed within 45 days . . . <input type="checkbox"/>	
Caution. If you need a copy of Form W-2 or Form 1099, you should first contact the payer. To get a copy of the Form W-2 or Form 1099 filed with your return, you must use Form 4506 and request a copy of your return, which includes all attachments.	
9 Year or period requested. Enter the ending date of the year or period, using the mm/dd/yyyy format. If you are requesting more than four years or periods, you must attach another Form 4506-T. For requests relating to quarterly tax returns, such as Form 941, you must enter each quarter or tax period separately.	

Signature of taxpayer(s). I declare that I am either the taxpayer whose name is shown on line 1a or 2a, or a person authorized to obtain the tax information requested. If the request applies to a joint return, **either** husband or wife must sign. If signed by a corporate officer, partner, guardian, tax matters partner, executor, receiver, administrator, trustee, or party other than the taxpayer, I certify that I have the authority to execute Form 4506-T on behalf of the taxpayer. **Note.** For transcripts being sent to a third party, this form must be received within 120 days of signature date.

Sign Here	Signature (see instructions)	Date	Telephone number of taxpayer on line 1a or 2a
	Spouse's signature	Date	

General Instructions

Purpose of form. Use Form 4506-T to request tax return information. You can also designate a third party to receive the information. See line 5.

Tip. Use Form 4506, Request for Copy of Tax Return, to request copies of tax returns.

Where to file. Mail or fax Form 4506-T to the address below for the state you lived in, or the state your business was in, when that return was filed. There are two address charts: one for individual transcripts (Form 1040 series and Form W-2) and one for all other transcripts.

If you are requesting more than one transcript or other product and the chart below shows two different RAVS teams, send your request to the team based on the address of your most recent return.

Automated transcript request. You can call 1-800-829-1040 to order a transcript through the automated self-help system. Follow prompts for "questions about your tax account" to order a tax return transcript.

Chart for individual transcripts (Form 1040 series and Form W-2)

If you filed an individual return and lived in:	Mail or fax to the "Internal Revenue Service" at:
Florida, Georgia, North Carolina, South Carolina	RAIVS Team P.O. Box 47-421 Stop 91 Doraville, GA 30362 770-455-2335
Alabama, Kentucky, Louisiana, Mississippi, Tennessee, Texas, a foreign country, or A.P.O. or F.P.O. address	RAIVS Team Stop 6716 AUSC Austin, TX 73301 512-460-2272
Alaska, Arizona, California, Colorado, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Utah, Washington, Wisconsin, Wyoming	RAIVS Team Stop 37106 Fresno, CA 93888 559-456-5876
Arkansas, Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, Missouri, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Virginia, West Virginia	RAIVS Team Stop 6705 P-6 Kansas City, MO 64999 816-292-6102

Chart for all other transcripts

If you lived in or your business was in:	Mail or fax to the "Internal Revenue Service" at:
Alabama, Alaska, Arizona, Arkansas, California, Colorado, Florida, Hawaii, Idaho, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Tennessee, Texas, Utah, Washington, Wyoming, a foreign country, or A.P.O. or F.P.O. address	RAIVS Team P.O. Box 9941 Mail Stop 6734 Ogden, UT 84409 801-620-6922
Connecticut, Delaware, District of Columbia, Georgia, Illinois, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Vermont, Virginia, West Virginia, Wisconsin	RAIVS Team P.O. Box 145500 Stop 2800 F Cincinnati, OH 45250 859-669-3592

Line 1b. Enter your employer identification number (EIN) if your request relates to a business return. Otherwise, enter the first social security number (SSN) shown on the return. For example, if you are requesting Form 1040 that includes Schedule C (Form 1040), enter your SSN.

Line 6. Enter only one tax form number per request.

Signature and date. Form 4506-T must be signed and dated by the taxpayer listed on line 1a or 2a. If you completed line 5 requesting the information be sent to a third party, the IRS must receive Form 4506-T within 120 days of the date signed by the taxpayer or it will be rejected.

Individuals. Transcripts of jointly filed tax returns may be furnished to either spouse. Only one signature is required. Sign Form 4506-T exactly as your name appeared on the original return. If you changed your name, also sign your current name.

Corporations. Generally, Form 4506-T can be signed by: (1) an officer having legal authority to bind the corporation, (2) any person designated by the board of directors or other governing body, or (3) any officer or employee on written request by any principal officer and attested to by the secretary or other officer.

Partnerships. Generally, Form 4506-T can be signed by any person who was a member of the partnership during any part of the tax period requested on line 9.

All others. See Internal Revenue Code section 6103(e) if the taxpayer has died, is insolvent, is a dissolved corporation, or if a trustee, guardian, executor, receiver, or administrator is acting for the taxpayer.

Documentation. For entities other than individuals, you must attach the authorization document. For example, this could be the letter from the principal officer authorizing an employee of the corporation or the Letters Testamentary authorizing an individual to act for an estate.

Privacy Act and Paperwork Reduction Act Notice.

We ask for the information on this form to establish your right to gain access to the requested tax information under the Internal Revenue Code. We need this information to properly identify the tax information and respond to your request. You are not required to request any transcript; if you do request a transcript, sections 6103 and 6109 and their regulations require you to provide this information, including your SSN or EIN. If you do not provide this information, we may not be able to process your request. Providing false or fraudulent information may subject you to penalties.

Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and cities, states, and the District of Columbia for use in administering their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file Form 4506-T will vary depending on individual circumstances. The estimated average time is: **Learning about the law or the form**, 10 min.; **Preparing the form**, 12 min.; and **Copying, assembling, and sending the form to the IRS**, 20 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making Form 4506-T simpler, we would be happy to hear from you. You can write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. Do not send the form to this address. Instead, see *Where to file* on this page.

HomEq Servicing

Date: _____
Re Loan Number: _____
Property Address: _____

We understand that a recent hardship may be causing your inability to make your mortgage payments and to continue to reside in your home. You may have experienced reduced income or increased expenses.

HomEq's Loss Mitigation Department may be able to assist you by approving a short sale on your home.

A short sale permits the sale of your home to a third party and the release of our lien on your property prior to foreclosure action when:

- The fair market value of your property is less than the total amount due to pay off the Mortgage/Deed of Trust, and
- You cannot pay the resulting shortage.

Please complete the following financial package and fax it along with all necessary documents to (866) 577-1227.

Your eligibility for a short sale will depend on a satisfactory analysis in compliance with HomEq's internal guidelines. Please keep in mind that, after we receive your complete financial package, the standard processing time for a short sale review is (30) calendar days. While this matter is being reviewed, collection and/or foreclosure activities are not placed on hold.

**HomEq Servicing
Loss Mitigation Department**

HomEq Servicing is a debt collector. HomEq is attempting to collect a debt and any information obtained will be used for that purpose.

LOSS MITIGATION—Short Sale Guidelines and Pre-Negotiation Agreement

Account Number: _____
Secured Property Address: _____

This document contains HomEq Servicing's ("Servicer") Short Sale Guidelines and, when signed by all borrowers who are named on the account collectively Borrower, serves as a Pre-Negotiation Agreement and written consent for Servicer to commence review of a short sale request.

DEFINITIONS:

- Short sale. A short sale is the sale of a property whereby the net proceeds (sale price less the closing costs) are insufficient to pay off the outstanding mortgage or lien balance(s) at the time of closing. Borrower is obligated to pay any shortfall in full in order to release the lien on the secured property, unless the parties have agreed otherwise by written of agreement signed by Servicer.
- Hardship. A hardship is an event or series of events that are generally beyond the Borrower's control and that resulted in a reduction in income and/or increase in expenses.

PROPERTY MARKETING:

- The secured property should be formally listed with a licensed real estate agent/attorney as evidenced by a signed listing agreement.
- The listing real estate agent/attorney should have territory that includes the area in which the secured property is located.
- The listing real estate agent/attorney must hold a valid state license and be a member of the local Board of Realtors.
- The listing real estate agent/attorney should list the secured property with the local M.L.S. (Multiple Listing Service) to ensure that the secured property has fair exposure to all potential buyers/investors.
- Any sales contract/purchase agreement Sales Contract's entered into should state the purchase price may be contingent upon servicer's written approval of a short sale if there will not be sufficient funds to pay the lien on the secured property in full.
- Any sales contract entered into should allow for a minimum of thirty (30) days from the date of contract acceptance by all parties (investors/buyers and sellers) to closing date.
- Servicer is not a party to the Sales Contract or the seller in the transaction.

PROCESSING:

- If the above referenced account is in default, any and all collection activities, including foreclosure proceedings will continue until an approved short sale has closed, the account has been paid in full, or the default has otherwise been resolved.
- A delay in the foreclosure process, up to thirty (30) days, will be considered by Servicer and approved only on an exception basis. Such exception approval must be documented in writing and signed by Borrower and Servicer. Approval of a delay will require evidence that all Sales Contract conditions and contingencies have been met. In no case will a delay greater than thirty (30) days be approved.
- The processing time for a short sale review is thirty (30) calendar days from the date of receipt of the completed financial package.
- Servicer requires a valuation of the property based on an interior and exterior inspection. Servicer reserves the right to terminate review of the short sale request if the Borrower fails to provide Servicer's appraiser or realtor with such access to the property as deemed necessary by Servicer, or the designated appraiser or realtor. The cost of the valuation will be the sole responsibility of the Borrower.

LOSS MITIGATION—Short Sale Guidelines and Pre-Negotiation Agreement

Page Two

Account Number: _____

Secured Property Address: _____

- A complete financial package includes all documents Servicer has requested from the Borrower and the listing real estate agent/attorney, including, but not limited to:
- Complete financial information from Borrower.
 - A signed copy of the listing agreement with all addenda and attachments.
 - A signed copy of the Sales Contract with all addenda and attachments.
 - A written, signed hardship letter from Borrower outlining his/her financial situation and the events that caused the financial hardship.
 - Borrower's last two bank statements, checking and savings all pages.
 - Borrower's last two paycheck stubs.
 - A commitment letter from the investor/buyer's lender.
 - A Settlement Statement (HUD – 1 or Sellers Net Sheet) indicating the allocation of all the proceeds of the sale.
 - A payoff demands statement from the senior lienholders, if applicable.
 - Borrower's two most recent state and federal tax returns with all schedules.
 - Borrower's most recent summary statements for any 401k, retirement, or investment accounts.
 - Servicer reserves the right to request additional documentation as may be necessary to verify a change in Borrower's financial situation and/or hardship or the status of the secured property prior to close of the short sale. Such documentation may include re-verification of Borrower's financial status at the time of loan origination.
 - Borrower's execution of a quitclaim deed will not automatically release him/her of liability under the referenced loan. A quitclaim deed only releases an ownership interest in the property. Likewise, the attempt to execute a short sale without Servicer's consent will not automatically release Borrower from liability.
 - Servicer expressly reserves the right to not accept the transfer of title to any secured property unless it has entered into a prior written agreement to accept the transfer of title.
 - Borrower must contract all subordinate lien holders prior to closing to secure a written release of each lien in recordable form.
 - Servicer reserves the right to terminate review of a short sale request if Borrower fails to provide all requested documentation.

COMMUNICATIONS:

- Servicer's communications regarding activities and the decision status of a short sale request is limited to Borrower and/or Borrower's representative (i.e. attorney).
- Servicer's communications regarding account status, payment history, Borrower's financial status, or ability to contribute to a shortfall is restricted to Borrower and/or Borrower's representative.
- Servicer's communication with the listing real estate agent/attorney is limited to marketing activities for the subject property and the terms and conditions of the Sales Contract, unless prior written authorization has been received from the Borrower.
- Servicer's communications with any third party other than Borrower, Borrower's representative or the listing real estate agent/attorney is not permitted. The listing real estate agent/attorney is responsible for informing the selling real estate agent/attorney and investor/buyer of Servicer's processing status and decision.

LOSS MITIGATION—Short Sale Guidelines and Pre-Negotiation Agreement

Page Three

Account Number: _____

Secured Property Address: _____

SHORT SALE TERMS AND CONDITIONS:

- Servicer is not obligated to accept or approve a short sale.
- Servicer's short sale terms and conditions are based on the requirements of Servicer, investor, private mortgage insurance company and/or lienholder, if applicable.
- Servicer's communications and negotiations do not constitute short sale approval.
- Short sale approval must be in the form of a written short sale agreement signed by Servicer.
- Servicer's short sale terms and conditions must be accepted by Borrower in writing.
- If Borrower requests any changes to Servicer's terms and conditions, such changes must be requested in writing with supporting reasons and, likewise, must be approved in writing by Servicer.
- If the written short sale agreement is not accepted by all parties within the designated time frame, the written approval becomes null and void.
- Must be an ARMS length transaction.

PAYMENT HISTORY REPORTING:

Servicer will not change the historical payment record to reflect a payment history other than the actual payment history. You are hereby notified that a negative credit report reflecting on your credit record may be submitted to credit reporting agencies. This information may include the historical actual payment history and account status.

IRS REPORTING:

- Servicer will report any short sale transaction to the IRS as may be required by IRS regulations.
- It is Borrower's responsibility to consult with his/her tax advisor regarding any tax implications of a short sale transaction.

LOSS MITIGATION—Short Sale Guidelines and Pre-Negotiation Agreement

Page Four

Account Number: _____

Secured Property Address: _____

BORROWER'S ACKNOWLEDGMENT AND AGREEMENT:

I am requesting consideration of a short sale based on financial hardship. The financial statement that I will submit in connection with a proposed short sale of the secured property accurately describes my financial condition. All documentation I present is true, accurate and correct to the best of my knowledge. I agree that if it is determined that the financial information presented has been misrepresented by me, I shall be liable for any and all losses or damages suffered by the lienholder, servicer, investor, and/or private mortgage insurance company.

I UNDERSTAND AND AGREE THAT THIS DOCUMENT DOES NOT CONSTITUTE APPROVAL OF A SHORT SALE OR IN ANY WAY OBLIGATE SERVICER, ANY INVESTOR, LIEN HOLDER OR PRIVATE MORTGAGE INSURANCE COMPANY TO ACCEPT A SHORT SALE OF THE SECURED PROPERTY. NEITHER I, NOR ANY THIRD PARTY, INCLUDING, BUT NOT LIMITED TO, A POTENTIAL PURCHASER/INVESTOR OR ANY REAL ESTATE AGENT/ATTORNEY INVOLVED WITH THE LISTING OR SALE OF THE SECURED PROPERTY, MAY RELY UPON THIS DOCUMENT AS APPROVAL OF A SHORT SALE OR AN OBLIGATION UPON SERVICER, ANY INVESTOR, LIEN HOLDER OR PRIVATE MORTGAGE INSURANCE COMPANY TO APPROVE A SHORT SALE OF THE SECURED PROPERTY.

I FURTHER UNDERSTAND AND AGREE THAT THE REQUIREMENTS STATED HEREIN ARE SUBJECT TO CHANGE AT THE SOLE DISCRETION OF SERVICER.

Furthermore, I acknowledge and agree to Servicer's Short Sale Guidelines as described above.

By: _____
Signature of Borrower Date

By: _____
Signature of Borrower Date

Printed Name of Borrower

Printed Name of Borrower

HOMEQ SERVICING

Loss Mitigation Department

IMPORTANT DISCLOSURES

IMPORTANT: You are hereby notified that we may report information about your account to credit reporting agencies. Late payments, missed payments, or other defaults on your account may also be reflected on your credit report.

NORTH CAROLINA Collection Agency Permits: 4408 – North Highlands, CA (Main Office); 4406 – Raleigh, NC (Branch); 4407 – Roseville, CA (Branch); 4409 – Boone, NC (Branch); 4410 – New York City, NY (Branch)

HOMEQ SERVICING
LOSS MITIGATION DEPARTMENT
OCCUPANCY AFFIDAVIT

Account Number: _____
Secured Property Address: _____

_____ I / We **currently** occupy the above-referenced property.

_____ I / We **do not currently** occupy the above-referenced property.

The foregoing statement is true and correct.

By: _____
Signature of Borrower Date

By: _____
Signature of Borrower Date

Printed Name of Borrower

Printed Name of Borrower

HOMEQ SERVICING

LOSS MITIGATION DEPARTMENT PROPERTY ACCESS FOR APPRAISAL INFORMATION

Date: _____

Re Loan Number: _____

Secured Property Address: _____

To be completed by Borrower:

1) Borrower: _____
Home Phone # _____
Work Phone # _____
Any special instructions: _____

2) Borrower: _____
Home Phone # _____
Work Phone # _____
Any special instructions: _____

To be completed by HomeEq:

1) Type of Transaction: _____

2) Type of Appraisal: _____

() Fannie Mae 219/Freddie Mac (drive-by)

() Fannie Mae 1004/Freddie Mac 70

() Fannie Mae 1025/Freddie Mac 72

() 2 units

() 3 units

() 4 units

Order date: _____

By: _____

BORROWER & PROPERTY INFORMATION:					
Property Address:			Account #:		
How long has property been on the market?			Is property listed for sale? <input type="checkbox"/> No <input type="checkbox"/> Yes		
Buyer Name:			Listing Price:		
Agent Name:			Relationship to Seller:		
Agent Phone:			Agent Phone:		
Is property insured? If, yes please provide the following:			<input type="checkbox"/> No <input type="checkbox"/> Yes		
Insurance Company:			Policy Number:		
Agent Name:			Agent Phone:		
Borrower Name:			Phone:		
Mailing Address:					
City:		State:		Zip:	
Co-Borrower Name:			Phone:		
Mailing Address:					
City:		State:		Zip:	
Total number of persons at residence:		Number of Dependents:		Ages:	
Asset Type		Estimated Value		Asset Type	
Home		\$		401K/Keogh	
Checking Acct		\$		IRA	
Savings Acct		\$		Stocks	
Asset Type		Estimated Value		Asset Type	
HomeEq Mortgage		\$		Water/Sewer	
Other Mortgages		\$		Health Insurance	
Property Insurance		\$		Internet Service	
Property Taxes		\$		Auto Maintenance	
Child Support		\$		Medical Premiums	
Child Care		\$		Medical Co-Pays	
Tuition		\$		Food	
Alimony		\$		Clothing	
Auto Loan(s)		\$		Other	
Church/Club Dues		\$		Other	
If you any mortgage other than HomEq, please provide the following information:					
Lien Holder 1:		Phone: ()		Account #: Balance: \$	
Lien Holder 2:		Phone: ()		Account #: Balance: \$	
Lien Holder 3:		Phone: ()		Account #: Balance: \$	
Auto1 – Make:		Model:		Year: Est. Value: \$	
Auto2 – Make:		Model:		Year: Est. Value: \$	
Other Vehicles:		Model:		Year: Est. Value: \$	
Borrower Net Monthly Income		\$		Employer: Phone: ()	
Co-Borrower Net Monthly Income		\$		Employer: Phone: ()	
Additional/Other Income:		\$		Type: child support, alimony, pensions, interest, rental, other: Amount:	

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 loan on my (our) behalf will be made in strict reliance on it financial information provided. My (Our) signature(s) below grants the holder of my (our) mortgage the authority to confirm information I (we) have disclosed in this financial statement, to verify that it is accurate by ordering a credit report, and to contact my real estate agent, attorney, broker and/or credit counseling service representative. This is an attempt to collect a debt and any information obtained **Will** be used for that purpose.

Submitted this _____ day of _____, 20

By: _____ Date: _____ By: _____ Date: _____
Signature of Borrower Signature of Co-Borrower

Incomplete information may delay the processing of your request

HELP FOR AMERICA'S HOMEOWNERS.



Date: _____
Re Loan Number: _____
Property Address: _____

RE: Request for Approval of Short Sale

This is a Request for Approval of a Short Sale under Home Affordable Foreclosure Alternatives (HAFA) Program.

Read the following pages carefully and complete, sign and return the Terms and Conditions when you have an offer on the property.

If you have questions, please contact us directly between the hours of 8 AM and 5 PM PT at 1-800-795-5125.

Sincerely,

HomEq Servicing
Loss Mitigation Department

HomEq is a debt collector attempting to collect a debt and any information obtained will be used for that purpose. If this account is subject to a pending bankruptcy proceeding or if you have received a bankruptcy discharge for this account, this communication is for informational purposes only and is not an attempt to collect a debt.

Program Terms And Conditions



Loan Number: _____

Terms of Sale [All blanks to be completed by Borrower]:

1. Contract Sales Price	\$	6. Closing Date:	
2. Less Total Allowable Closing Costs	\$	7. Approved Buyer(s):	
a. Commissions	\$		
b. Settlement Escrow/Attorney Fees	\$		
c. Seller's Title and Escrow Fees	\$	8. Settlement Agent:	
d. Subordinate Lien Payoff	\$		
e. Real Property Taxes	\$		
f. Real Property Taxes	\$	9. Settlement Agent's Address:	
g. Termite Inspection/Repair	\$		
h. Borrower Relocation Assistance	\$ 3,000		
i. Other (attach explanation)	\$		
3. Net Proceeds to Servicer	\$		
4. Earnest Money Deposit	\$	10. Settlement Agent's Office Phone:	
5. Down Payment	\$	11. Settlement Agent's Office Fax:	

As required by the Short Sale Program, copies of the following documents are attached:

- ☐ Signed Request;
 - ☐ Copy of a signed listing agreement with a real estate broker, if applicable;
 - ☐ Executed copy of the sales contract and all addenda;
 - ☐ Buyer's documentation of funds or Buyer's pre-approval or commitment letter on letterhead from a lender;
 - ☐ Information about other liens secured by your home such as home-equity loans;
 - ☐ Completed and signed Hardship Affidavit form; and
- Servicer must have these documents at the time of the request or we will not be able to respond to this request. Please fax these documents to 866-577-1227.

The Borrower represents that the information provided in this Request is true and accurate and authorizes the Servicer to disclose to the U.S. Department of the Treasury or other government agency, Fannie Mae and/or Freddie Mac any information provided in connection with the Making Home Affordable program.

Borrower Signature	Date	Co-Borrower Signature	Date
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Printed Name	Printed Name
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If you would like to speak with a counselor about this program, call the Homeowner's HOPE™ Hotline 1-888-995-HOPE (4673). The Homeowner's HOPE™ Hotline offers free HUD-certified counseling services and is available 24/7 in English and Spanish. Other languages are available by appointment.

If you have questions, please contact us directly between the hours of 8 AM and 5 PM PT at 1-800-795-5125.

NOTICE TO BORROWER

Be advised that by signing this document you understand that any documents and information you submit to your servicer in connection with the Making Home Affordable Program are under penalty of perjury. Any misstatement of material fact made in the completion of these documents including but not limited to misstatement regarding your occupancy in your home, hardship circumstances, and/or income, expenses, or assets will subject you to potential criminal investigation and prosecution for the following crimes: perjury, false statements, mail fraud, and wire fraud. The information contained in these documents is subject to examination and verification. Any potential misrepresentation will be referred to the appropriate law enforcement authority for investigation and prosecution. By signing this document you certify, represent and agree that: "Under penalty of perjury, all documents and information I have provided to Lender in connection with the Making Home Affordable Program, including the documents and information regarding my eligibility for the program, are true and correct."

If you are aware of fraud, waste, abuse, mismanagement or misrepresentations affiliated with the Troubled Asset Relief Program, please contact the SIGTARP Hotline by calling 1-877-SIG-2009 (toll-free), 202-622-4559 (fax), or www.sigtar.gov. Mail can be sent Hotline Office of the Special Inspector General for Troubled Asset Relief Program, 1801 L St. NW, Washington, DC 20220.



Program Terms And Conditions



Loan Number: _____

The borrower and co-borrower, if applicable ("Borrower" or "you"), of the above loan contacted the Servicer ("Servicer" or "we") because your mortgage payments are no longer affordable and you would like to avoid foreclosure. After listing your house for sale, an offer was received. However, the sale may not be sufficient to pay off the loan. This is a Request for Approval of a Short Sale ("Request") of the subject property, the net sale proceeds from which we agree to accept as the payoff of the mortgage loan even though the proceeds are expected to be less than the full amount due.

Short Sale Program—Terms and Conditions of the Request are as follows:

1. Allowable Costs that May be Deducted from Gross Sale Price

- a. **Closing Costs.** The closing costs paid by you or on your behalf as seller must be reasonable and customary for the market. Acceptable closing costs, including the commission, which may be deducted from the gross sale proceeds, may not exceed ten percent (10%) of the list price.
- b. **Subordinate Liens.** We will allow up to six percent (6%) of the unpaid principal balance of each subordinate lien in order of priority, not to exceed a total of \$6,000, to be deducted from the gross sale proceeds to pay subordinate lien holders to release their liens. We require each subordinate lien holder to release you from personal liability for the loans in order for the sale to qualify for this program, but we do not take any responsibility for ensuring that the lien holders do not seek to enforce personal liability against you. Therefore, we recommend that you take steps to satisfy yourself that the subordinate lien holders release you from personal liability.
- c. **Real Estate Commissions.** We will allow to be paid from sale proceeds, real estate commissions as stated in the listing agreement between you and your broker, not to exceed six percent (6%) of the contract sales price, to be paid to the listing and selling brokers involved in the transaction. Neither you nor the buyer may receive a commission. Any commission that would otherwise be paid to you or the buyer must be reduced from the commission due on sale.
- d. **Borrower Relocation Assistance.** If the closing of the short sale occurs in accordance with this Agreement, you will be entitled to an incentive payment of \$3,000 to assist with relocation expenses. We will instruct the settlement agent to pay you from the sale proceeds at the same time that all other payments, including the payoff of our first mortgage, are disbursed by the settlement agent. Only one payment per household is provided for the relocation assistance, regardless of the number of borrowers.

2. **Property Maintenance and Expenses.** You are responsible for all property maintenance and expenses of your home until you convey your Property to us, including utilities, assessments, association dues, and costs for interior and exterior maintenance. Additionally, you must report any and all property damage to us and file a hazard insurance claim for covered damage. Unless insurance proceeds are used to pay for repairs or personal property losses, we may require that they be applied to reduce the mortgage debt.

3. **Parties to the Sale.** The Sales Contract must include the following clauses: "Seller and Buyer each represent that the sale is an "arm's length" transaction and the Seller and Buyer are unrelated to each other by family, marriage or commercial enterprise." "The Buyer agrees not to sell the property within 90 days of closing of this sale."

4. **Foreclosure Sale Suspension.** We may initiate or continue the foreclosure process as permitted by the mortgage documents; however, we will suspend any foreclosure sale date until the expiration date of this Request or the date of closing of an approved short sale, whichever is later, provided that you abide by its terms and conditions

5. **Satisfaction and Release of Liability.** If all of the terms and conditions of this Request are met, upon sale and settlement of the property, we will prepare and send to the settlement agent for recording, a lien release in full satisfaction of the mortgage, foregoing all rights to pursue a deficiency judgment.

6. **Mortgage Insurer or Guarantor Approval.** The terms and conditions of the purchase contract are subject to the written approval of the mortgage insurer or guarantor (if applicable).

Program Terms And Conditions



Loan Number: _____

- 7. Termination of This Request.** Unless otherwise agreed by the parties, this Request will terminate 45 days after the date the contract was signed if the sale does not close. This Request may be terminated earlier if:
- You fail to provide all the required documents listed above.
 - Your financial situation improves significantly, you qualify for a modification, you bring the account current or you pay off the mortgage in full.
 - You or your broker fails to act in good faith in closing on the sale of the property or otherwise fails to abide by the terms of this Request.
 - A significant change occurs to the property condition or value.
 - There is evidence of fraud or misrepresentation.
 - You file for bankruptcy and the Bankruptcy Court declines to approve the Request.
 - Litigation is initiated or threatened that could affect title to the property or interfere with a valid conveyance.
- 8. Settlement of a Debt.** The proposed transaction represents the Servicer's attempt to reach a settlement of the delinquent mortgage. You are choosing to enter into this transaction even though there is no guarantee that the transaction will be successful. In the event this transaction is unsuccessful, the Servicer may exercise all remedies under the mortgage, including foreclosure.

Under penalty of perjury, you certify that:

- the sale of the property is an "arm's-length" transaction, between parties who are unrelated and unaffiliated by family, marriage, or commercial enterprise;
- there are no agreements or understandings between you and the Buyer that you will remain in the property as a tenant or later obtain title or ownership of the property;
- neither you nor the Buyer will receive any funds or commissions from the sale of the property; and
- there are no agreements or offers relating to the sale or subsequent sale of the property that have not been disclosed to the Servicer.