
Jo Ann M. Koontz, Esq., CPA

Attorney at Law

Certified Public Accountant

Jacqueline A. Meeker, Esq.

Attorney at Law



KOONTZ & ASSOCIATES, PL

1819 Main Street, Suite 910

Sarasota, FL 34236

p 941-225-2615

f 941-951-2618

Debt Settlement/ Negotiations Checklist

- ☐ Executed Engagement Letter
- ☐ Non-refundable Retainer Fee (as outlined in your Engagement Letter)
- ☐ Client Responsibilities Page
- ☐ Executed Letter of Authorization for each account
- ☐ Executed Power of Attorney
- ☐ Completed Financial Worksheet
- ☐ Hardship Letter
- ☐ Copy of your most recent statement from creditor or lender or Association.
- ☐ Copy of any delinquency notices.

CLIENT RESPONSIBILITIES

Client shall assume reasonable responsibility for performing certain actions and activities which are essential to the success of any short sale, loan modification or debt settlement transaction. Specifically, Client agrees to **co-operate with all reasonable requests** made by Attorney or Agents of attorney, Short Sale Coordinator or Negotiator, including but not limited to the following:

- a) **Documentation Requests.** Client understands that MANY financial documents will be required in order to complete a successful short sale, loan modification or debt settlement transaction. Client takes full responsibility for the delivery of all requested financial documents within 72 hours (3 calendar days), unless action is requested sooner, of any such request.

Additionally, Client agrees to provide Pay Statements and Bank Statements on a regular basis, within 5 days of receipt and without regular requests from the Short Sale Coordinator or Negotiator.

It is imperative that all documents requested by each Lien Holder be completed and submitted to the Short Sale Coordinator or Negotiator in a timely manner, as indicated above, in order to ensure the completion of the short sale, loan modification or debt settlement process. Any delays in submission of said documents may cause your file to be closed by the Lien Holder(s), which will result in the negotiation process starting from the beginning with submission of a new and separate package.

YOU UNDERSTAND AND ACKNOWLEDGE THAT IF ANY OF THE LIEN HOLDERS CLOSE YOUR FILE DUE TO AN UNTIMELY SUBMISSION OF DOCUMENTS AS A RESULT OF THE REQUESTED INFORMATION OR DOCUMENTATION NOT BEING PROVIDED TO THE SHORT SALE COORDINATOR OR NEGOTIATOR, YOU WILL BE REQUIRED TO SUBMIT A NEW RETAINER FEE, EQUAL TO THE ORIGINAL FEE OF YOUR ENGAGEMENT LETTER, IN ORDER TO RE-OPEN THE FILE AND RESUBMIT A NEW SHORT SALE, LOAN MODIFICATION OR DEBT SETTLEMENT PACKAGE TO YOUR LIEN HOLDER(S).

- b) **Information Accuracy.** Client is responsible for providing accurate, truthful and timely information to the Short Sale Coordinator, Negotiator or Agents of attorney so as to ensure full disclosure of any pertinent facts which may influence Attorney's ability to negotiate a successful short sale, loan modification or debt settlement.
- c) **Communication with Lien Holder(s).** Attorney discloses that anything communicated to Client's Lien Holder(s) (*mortgage company*) may have a DRAMATIC impact on the success of this transaction. Client is strongly encouraged to use EXTREME caution when communicating directly with lien holder(s) and should consult with Attorney prior to any future conversation.

CLIENT UNDERSTANDS THAT FURTHER COMMUNICATION BETWEEN CLIENT AND LIEN HOLDER(S) SHALL BE AT CLIENT'S RISK AND CLIENT SHALL HOLD KOONTZ & ASSOCIATES, PL, AND EACH OF THEIR RESPECTIVE ASSIGNS, ASSOCIATES, EMPLOYEES OR AGENTS HARMLESS FOR ANY SEVERE DAMAGE

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CAUSED BY CLIENT AS A RESULT OF THESE COMMUNICATIONS.

- d) **Pursuit of Other Options.** Client understands that a short sale, loan modification and/or debt settlement is not Client's sole option and Client has chosen to proceed with this transaction as the preferred course of action for Client's own reasons. Client further understands that initiation of other processes including but not limited to loan modification, deed-in-lieu or bankruptcy may prevent a successful short sale and in some cases, cancel it altogether. **CLIENT IS ADVISED TO CAREFULLY CONSIDER ALL OPTIONS PRIOR TO ENTERING INTO THIS OR ANY SHORT SALE TRANSACTION.**
- e) **Communication Availability.** Client shall remain available by Email and Telephone throughout the term of this agreement and shall communicate with or return the communications of Attorney and/or Negotiator or Short Sale Coordinator within 24 hours of request. Upon execution, Client shall promptly provide Attorney with all contact information and for the remainder of this agreement shall be responsible for promptly updating Koontz & Associates, PL regarding any changes.

Client understands and acknowledges that travel outside of the country or out of town for an extended period of time may require the designation and preparation of a Limited Power of Attorney in order to ensure your file remains current through the process. Client agrees to notify the Negotiator or Short Sale Coordinator within 30 calendar days if any extended travel will occur while the short sale, loan modification or debt settlement is being processed. A Power of Attorney document will need to be approved by Client's Lien Holder(s) in order to be valid. Client shall be responsible for the preparation fee associated with this Power of Attorney, which is not included in the retainer amount.

ACKNOWLEDGEMENT

I have read the above "CLIENT'S RESPONSIBILITY NOTICE" in full. I have been given the opportunity and encouraged to ask any questions and I understand each of the provisions and terms as they are described.

SIGNATURE: _____ DATE: _____

PRINTED NAME: _____

SIGNATURE: _____ DATE: _____

PRINTED NAME: _____

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AUTHORIZATION TO RELEASE INFORMATION

Please accept this as my written authorization for you to release any and all information to the attorneys' office listed below. This request is for the purpose of requesting reinstatement, pay off, or any other information regarding my account listed below. Thank you in advance for your attention and cooperation in this urgent matter.

Name: _____

Social Security Number

Date of Birth

Name: _____

Social Security Number

Date of Birth

Mailing Address

Mailing – City, State, Zip

Creditor

Company Name

Account #

Koontz & Associates, PL. –
1819 Main Street, Suite 910, Sarasota, FL 34236, Phone: (941) 225-2615, Fax: (941) 295-7954.

Attorneys: Jo Ann M. Koontz, Esq., CPA
Jacqueline Meeker, Esq.

Dena Tribbett
Elizabeth Muñoz

Linda Romanowski
Laura Luera

Erika Bang

And/or each of their respective assigns, associates, employees or agents.

A facsimile copy of this document may serve with all of the rights and legalities as an original. Accordingly, I agree to indemnify and hold harmless Koontz & Associates, PL, and names as indicated above, and each of their respective assigns, associates, employees or agents from any liability or actions taken by the lender or as a result of a contemplated short sale transaction, loan modification or debt settlement.

Signature

Signature

Date (authorization valid for one year from today's date)

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SPECIFIC POWER OF ATTORNEY AND NOTICE OF ATTORNEY REPRESENTATION

We/I, _____, do hereby appoint **Jo Ann M. Koontz, Esq. and Jacqueline A. Meeker, Esq. of Koontz & Associates, PL (Tax ID # 45-3955727)**, as our true and lawful attorneys-in-fact, to perform all acts and things whatsoever necessary to be done in and about the specific and limited premises, including but not limited to.

We also authorize Dena Tribbett and Laura Luera with Koontz & Associates, PL, non-attorneys.

Specific representation in relationship to the collection of this debt pursuant to Fair Debt Collection Practices Act (FDCPA) and the Florida Consumer Collection Practices Act (FCCPA), if this is a consumer debt.

Negotiations of any and all personal and business debts with creditor and for client. This includes but not limited to Bankruptcy Negotiation, Settlement Negotiations and Repayment Plans.

Creditor	Client
Attn: Research (POA)	Account #:
	Name:
	Address:

Contact and confer with creditors on my behalf as needed, negotiation of any and all terms, options, debt instruments, settlement documents, bills of sale, tangible personal property, litigation, records, reports, statements, mailing addresses and all other incidental acts as are reasonably required to carry out and perform the specific authorities granted herein.

Receive and accept any proceeds or funds, and to approve and authorize the distribution of any such proceeds or funds to third parties.

Induce any third party to act hereunder, I hereby agree that any third party receiving a duly executed copy or facsimile of this instrument may act hereunder, and I for myself and for my heirs, executors, legal representatives and assigns, hereby agree to indemnify and hold harmless any such third party from and against any and all claims that may arise against such third party by reason of such third party having relied on the provisions of this instrument.

My attorney-in-fact agrees to accept this appointment subject to its terms, and agrees to act and perform in said fiduciary capacity consistent with my best interests, as my attorney-in-fact in its discretion deems advisable.

I hereby revoke any previous powers of attorney relating to said debts, and hereby ratify and confirm all actions of the attorney-in-fact appointed by this Power of Attorney. This Power of Attorney is not to be construed as limiting or restricting the general powers granted herein.

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This power of attorney shall not be affected by the subsequent disability or incompetence of the grantor. The powers and authority granted herein shall commence immediately, and shall be un-revocable.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this ____ day of _____, 20__.

Signed, sealed and delivered in the presence of:

Witness #1 (Signature)

Client Signature

Witness #1 (Print)

Printed Name

Witness #2 (Signature)

Client Signature

Witness #2 (Print)

Printed Name

STATE OF _____

COUNTY OF _____

I HEREBY CERTIFY THAT BEFORE ME personally appeared _____, who produced _____ as identification (or is/are personally known to the notary public) and who is/are known to me to be the individuals described in and who executed the foregoing Specific Power of Attorney and Notice of Attorney Representation, and acknowledged before me that they executed the same for the purposes therein expressed.

WITNESS my hand and official seal in the county and state last aforesaid this ____ day of _____, 20__.

(Seal)

Notary Public

Name of Notary Public: _____

My commission expires: _____

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FINANCIAL WORKSHEET

I (a). CLIENT INFORMATION

Date: _____

Name(s) _____

Address _____

Home Phone _____

Cellular Phone _____

Work Phone _____

Fax Number _____

Email Address _____

Best Times to Reach _____

Marital Status _____

Children (names and ages) _____

Referred by: _____

PLEASE FILL IN ALL INFORMATION REQUESTED ON FOLLOWING
PAGES

EACH BLANK MUST REFLECT AN ACCURATE AMOUNT, NUMBER,
FIGURE, OR DATE. PLEASE BE AS ACCURATE AS POSSIBLE.

II. HOUSEHOLD FINANCIAL INFORMATION

ASSETS	
Cash on Hand (Not in Bank)	\$
Bank Accounts	
Checking	
Savings	
Money Market Accounts	
Other	
Investments	
Stocks/Bonds/Mutual Funds	
CD's	
IRA	
401K	
Other	
Life Insurance (Whole Life Policy with Cash Surrender Value)	
Vehicle(s)	
➡ Current Fair Market Value	\$ / \$
Year	/
Make / Model	/
Date of Purchase	/
Real Estate Property Address:	
➡ (Current Fair Market Value)	\$
Real Estate Property Address:	
➡ (Current Fair Market Value)	\$
Other:	
Other:	
TOTAL ASSETS	\$

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LIABILITIES	
Real Estate Property Address:	\$
➡ (Current Outstanding Mortgage Balance)	
Real Estate Property Address:	\$
➡ (Current Outstanding Mortgage Balance)	
Vehicle(s)	
➡ Car Loan Balance	
➡ Car Loan Balance	
Credit Card	
Credit Card	
Credit Card	
Credit Card	
Medical Bill	
Medical Bill	
Other	
Other	
TOTAL LIABILITIES	\$

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INCOME BUDGET FOR HOUSEHOLD

SOURCE OF INCOME	LAST MO. ACTUAL	THIS MO. EXPECTED
Employment	\$	\$
Child Support/Alimony		
Pension		
Interest		
Public Benefits		
Dividends		
Trust Payments		
Royalties		
Rents Received		
Other (List)		
TOTAL MONTHLY INCOME	\$	\$

NOTES/ ANTICIPATED CHANGES:

X _____
Borrower's Signature Date

X _____
Borrower's Signature Date

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EXPENSE BUDGET FOR HOUSEHOLD

TYPE OF EXPENSE	Monthly Payment	Total Balance Due
Home Related Expenses	\$	\$
Mortgage or Rent		
Second Mortgage		
Third Mortgage		
Real Estate Taxes		
Insurance		
Condo Fees & Assessments		
Mobile Home Lot Rent		
Home Maintenance/ Upkeep		
Utilities		
Gas / Electric		
Oil		
Water/Sewer		
Telephone:		
Land Line		
Cell		
Cable TV		
Internet		
Other		
Food		
Eating Out		
Groceries		
Clothing		
Laundry and Cleaning		
Medical		
Current Needs		
Prescriptions		
Dental		
Insurance Co-Payments or Premiums		
Other		
Transportation		
Auto Payments		
Car Insurance		
Gas and Maintenance		
Life Insurance		
Alimony or Support Paid		
School Expenses		
Student Loan Payments		
Entertainment / Newspapers/Magazines		
Charity/Church		
Credit Card _____		
Credit Card _____		
Credit Card _____		
Other		
TOTAL MONTHLY EXPENSES	\$	

X _____
Borrower's Signature Date

X _____
Borrower's Signature Date

HARDSHIP LETTER

The central document in the Debt Settlement package that will be submitted to your creditors is the Hardship Letter. The Hardship Letter provides each client with an opportunity to state their case as to why they can no longer afford to make their payment. The Hardship Letter should be an honest, heartfelt statement written by you outlining the circumstances that have created the problem.

While it is important for the client to provide a complete picture of their hardship, it is also important to avoid a letter that is excessively long. Limit the letter to a manageable length.

What is the primary cause of your Default?

In order for the lender to better address your financial situation and hardship please answer the following questions. Upon completion of this form, please write your **HARDSHIP LETTER** identifying your financial problems and when this all started. State the events or circumstances that took place in your life that caused this hardship and why you defaulted in your mortgage payment. Here are some issues that might apply:

Please check all that apply.

- | | | |
|---|--|---|
| <input type="checkbox"/> Death of Spouse | <input type="checkbox"/> Employment Transfer | <input type="checkbox"/> Casualty Loss |
| <input type="checkbox"/> Illness of Spouse | <input type="checkbox"/> Property Problems | <input type="checkbox"/> Environmental Problems |
| <input type="checkbox"/> Hospitalization of Spouse | <input type="checkbox"/> Liens on Property | <input type="checkbox"/> Payment Adjustment |
| <input type="checkbox"/> Death of a Family Member | <input type="checkbox"/> IRS Liens | <input type="checkbox"/> Rental Problems |
| <input type="checkbox"/> Illness of a Family Member | <input type="checkbox"/> Not able to Sell Property | <input type="checkbox"/> Lender Fraud |
| <input type="checkbox"/> Hospitalization of Family Member | <input type="checkbox"/> Military Duties | <input type="checkbox"/> Too Many Mortgage Payments |
| <input type="checkbox"/> Marital Problems | <input type="checkbox"/> Business Defaulting | <input type="checkbox"/> Credit Card Debts |
| <input type="checkbox"/> Divorce | <input type="checkbox"/> Became Disabled | <input type="checkbox"/> Too Many Debts |
| <input type="checkbox"/> Reduction of Income | <input type="checkbox"/> Over Financed Property | <input type="checkbox"/> Caught up in Fraud or Scam |
| <input type="checkbox"/> Refinanced with Adjustable Rate | <input type="checkbox"/> Laid off of Work | <input type="checkbox"/> Terminated from Job |
| <input type="checkbox"/> Had Surgery and off Work | <input type="checkbox"/> Fell into deep depression | <input type="checkbox"/> Sick and not able to work |
| <input type="checkbox"/> Other: _____ | | |

Other Examples of events that contribute to financial hardship and difficulty in making payments on your loan:

<input type="checkbox"/>	My income has been reduced or lost. For example: unemployment, underemployment, reduction in job hours, reduction in pay or a decline in self-employed business earnings. <i>Provide an explanation in your letter.</i>
<input type="checkbox"/>	My household financial circumstances have changed. For example: death in family, serious or chronic illness, permanent or short-term disability, divorce, incarceration, increased family responsibilities (adoption or birth of a child, taking care of elderly relatives or other family members). <i>Provide an explanation in your letter.</i>
<input type="checkbox"/>	My expenses have increased. For example: monthly mortgage payment has increased or will increase, high medical and health-care costs, uninsured losses (such as those due to fires or natural disasters), unexpectedly high utility bills, increased property taxes. <i>Provide an explanation in your letter.</i>
<input type="checkbox"/>	My cash reserves are insufficient to maintain the payment on my mortgage loan and cover basic living expenses at the same time. Cash resources include assets such as cash, savings, money market funds, marketable stocks or bonds (excluding retirement accounts). <i>Provide an explanation in your letter.</i>
<input type="checkbox"/>	My monthly debt payments are excessive, and I am overextended with my creditors. I may have used credit cards, home equity loans or other credit to make my monthly mortgage payments. <i>Provide an explanation in your letter.</i>

***** YOU SHOULD ALSO INDICATE THAT YOU ARE DOING YOUR BEST TO AVOID FILING BANKRUPTCY*****

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SAMPLE LETTER #1

(Date)
(Lender Name)
(Lender Address)
(Lender's fax number)

RE: Hardship Letter -

Dear Creditor:

Since last *(Month)* I am experiencing financial difficulties due to *(layoff, medical problem)*.

After having my current financial situation carefully analyzed, I have concluded that it is no longer possible to comply with the original terms of the agreement. I have no choice but ask you for your help on avoiding the foreclosure of my family's home.

Due to the dropping of home prices that have affect the entire country in the last year, I currently owe more on my mortgage than my home is actually worth.

Please consider allowing me into your Short Sale Program so that we can lower the price and sell the house quickly before it goes into foreclosure. This will allow me to settle my financial obligation to you and have a chance to get back on my feet, without having to file for bankruptcy.

Please understand that financial hardships can occur and many times it's not a choice. I deeply appreciate your help in this matter. If you have any questions, or need anything further from me, you can contact my attorney, Jo Ann M. Koontz at 941-225-2615, as she is assisting me throughout this difficult process.

I am enclosing my (bank statements, late notices on your car, last year's tax returns, last 6 months of Profit and Loss statement (if self-employed), last 2 pay stubs for all working borrowers (including unemployment benefit.) Authorization to disclose personal information and anything else you can find that will show full proof of the hardship)

I, (your name), state that the information provided above is true and correct to the best of my knowledge.

Sincerely,
