

Basic Contents of a Short Sale Package

(important: disclose to seller they may be liable for non earned income and have to pay taxes. Give them a copy of IRS for 982)

The following is a basic outline of what you want to include in a successful short sale package:

1. Cover Letter
2. Authorization to Release Information
3. Sellers Hardship Letter
4. Seller's Financial information – most banks have a form for this or use your own.
5. Supporting Financial Information:
 - a. 2 years w2's
 - b. 2 months pay stubs
 - c. 2 months bank statements
6. Supporting Hardship info – for example HOA liens, medical statements, disability statements
7. Repair Estimate for the property – if you can develop a relationship with a contractor for this it adds credibility
8. Comps for the property
9. Contract (if you already have a buyer)
10. Net Sheet (copy of a HUD-1)
11. Additional information that may be asked for:
 - a. The first mortgage holder may ask for a payoff amount from the 2nd
 - b. The second mortgage holder may ask for a payoff amount from the 1st
 - c. Initial Title Report – not necessary but can help if there are multiple judgements/liens