

**FHA SHORT SALE DOCUMENTATION REQUIRED**

Your package cannot be reviewed until we receive all of the following items. Each item must be fully completed, signed (when necessary), with your loan number printed clearly on each page. All parties responsible on the loan must provide the following information/documentation:

- A hardship letter **signed and dated** by all borrowers on the loan, describing your financial situation and requesting a FHA Short Sale. At the beginning of the letter please be sure to include your **day and evening phone numbers and social security numbers for all borrowers**. If any of the information that we have requested below is unavailable, please use the letter to also explain why the information is unavailable.
- The signed Authorization and Acknowledgment (enclosed).
- The completed, signed and dated original copy of the FHA Short Sale Information Form.
- If you would like Bank of America to discuss your request for a short sale of the property with a third party acting on your behalf, please sign and return the original signed Authorization to Release Information Form (enclosed).
- Please send copies, not originals**, of documents that show or help describe your financial difficulties. (Examples: divorce papers, military transfer papers, termination papers from former employer, copies of medical bills, etc.).
- If self-employed, please provide copies of your most recent two years of your business tax returns, all pages.
- Copies of your most recent two months of bank statements. **Please do not send originals.**
- Copies of your most recent two months of income receipts (pay stubs). If self-employed, please provide your last two quarters of profit/loss statements.
- A Purchase contract, signed by the buyer and seller, which expressly states that the sale is contingent upon the seller obtaining Bank of America's approval. Also, please be advised that when participating in the FHA Short Sale Program, the maximum seller concession that HUD will allow is 1% only if the buyer is getting an FHA loan. You may only submit **one** purchase offer to Bank of America for review even if you receive multiple offers.
- The current listing agreement with your agent/broker containing the following language: "Seller may cancel this Agreement prior to the ending date of the listing period without advance notice to the Broker, and without payment of a commission or any other consideration if the property is conveyed to the mortgage insurer or the mortgage holder. The sale completion is subject to approval by the mortgagee."
- Current, Non-Expired copy of MLS listing. Must be current within 30 days**
- A statement of the seller's closing costs or a HUD-1 settlement statement. The figures in these statements must be accurate because Bank of America's approval will be based, in part, on the figures submitted with the package. Please note that the **maximum commission paid on a short sale is limited to 6%**. (The commission may be less in the state of Washington.)
- All other lien holders must indicate in writing their willingness to release their liens before Bank of America issues an approval letter for the short sale. In most cases, no proceeds will be given to any other lien holders to release their lien.
- We will contact you to gain access to the property to perform an FHA appraisal. Please be advised that HUD requires that all utilities must be turned on to completed the appraisal.

**Please include your loan number on every item returned to Bank of America.**

**See the next page for important information you should know about a short sale.**

## IMPORTANT SHORT SALE INFORMATION

- Any documents submitted to Bank of America will not be returned to you.
- You must actively market the property for 120 days and maintain it in an acceptable and marketable condition.
- A monetary contribution from you may be required if there other liens attached to the property.
- During our review of your request for a short sale of the property, you are not released from any obligations under the loan document and security instrument, including the obligation of making the mortgage payments.
- If the loan is past due, Bank of America will continue to report all delinquencies to all respective credit reporting agencies until the loan is brought fully current. In addition, while reviewing your request for a short sale, Bank of America may begin or continue foreclosure proceedings concerning the property, and may take such other action as is permitted by law, unless Bank of America agrees in writing to suspend or cancel such action, or unless the loan is paid off or brought current.
- **Upon closing a short sale transaction, your account will be reported to the credit reporting agencies as “paid for less than the full balance”.** To learn more about the potential impact of a short sale on your credit, visit [www.ftc.gov](http://www.ftc.gov).
- The owner of your mortgage note, the mortgage insurer (if any), and Bank of America waive their right to pursue collection of any deficiency following the completion of the short sale and your debt is considered settled. The deficiency is the difference between: (1) the remaining amount due under the mortgage note and mortgage or deed of trust (which includes late fees, charges and interest); and, (2) the current market value of the property plus any cash contribution you make or amount you agree to repay in the future.
- The amount of the deficiency will be reported to the Internal Revenue Service (IRS) on the appropriate 1099 Form or Forms. We suggest that you contact the IRS or your tax preparer to determine if you have any tax liability
- **If your request fails to meet the FHA Short Sale Program requirements, you will be responsible for all processing and property valuation fees, if any.**
- Your listing agreement with your agent/broker **must** contain the following language: “Seller may cancel this agreement prior to the ending date of the listing period without advance notice to the broker, and without payment of a commission or any other consideration if the property is conveyed to the mortgage insurer or the mortgage holder.”
- Please note that the **maximum commission paid on a short sale is limited to 6%**, but may be less in the State of Washington.
- If the terms and conditions of the short sale approval are not met, we will decline the approval of this offer and continue the foreclosure process as permitted by the mortgage documents.
- Bank of America reserves the right to revoke and/or modify the terms and conditions of this short sale approval if: 1) any information provided and used as the basis for our approval changes; or 2) we discover any evidence of fraud or misrepresentation by any parties involved in the transaction.

Account No.: \_\_\_\_\_  
Borrower Name: \_\_\_\_\_  
FHA Case #: \_\_\_\_\_  
Property Address: \_\_\_\_\_  
\_\_\_\_\_

**AUTHORIZATION AND ACKNOWLEDGMENT**

I have described my financial condition in the enclosed Financial Statement and certify that all information presented therein as well as in all attachments are true, accurate, and correct to the best of my knowledge. I understand that submission of this information does not obligate BANK OF AMERICA, the investor or the mortgage insurers to provide assistance to me.

By sending this Financial Statement to BANK OF AMERICA, I hereby authorize BANK OF AMERICA, the investor and the mortgage insurers to:

- Order a credit report from any credit agency.
- Order a title search from any title agency.
- Verify the accuracy of the information contained in this Financial Statement, including without limitation, any current or previous employment information.

I agree that I will notify BANK OF AMERICA immediately of any material change in the financial information that I have provided herein. If I fail to do so, or if it is determined that the financial information provided herein has been misrepresented by me, and BANK OF AMERICA, the investor or the mortgage insurers make decisions that would not have been made had the true facts been known, then (1) I shall be liable for all costs incurred or damages suffered by BANK OF AMERICA, the investors or the mortgage insurers, and (2) BANK OF AMERICA shall have the right, in its sole discretion, to terminate any arrangement or agreement that has been extended to me based, in whole or in part, on the inaccurate or incomplete information that I have provided.

Submitted this \_\_\_\_\_ day of \_\_\_\_\_, of 20\_\_.

Borrower:

Co-Borrower:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (please print)

\_\_\_\_\_  
Name (please print)

**AUTHORIZATION TO RELEASE INFORMATION**

Account Number: \_\_\_\_\_

I hereby authorize BANK OF AMERICA to discuss my request for a Short Sale with the individual(s) that I have identified below as my designated agent(s) (hereinafter the "Designated Agent"). Further, BANK OF AMERICA is hereby authorized to negotiate the terms of a Short Sale with my Designated Agent and to deliver documents to my Designated Agent which concern my request for a Short Sale. I understand that I will be fully responsible for reviewing any information that is sent by BANK OF AMERICA to my Designated Agent. This Authorization will remain effective until I specifically notify BANK OF AMERICA'S Workout Department in writing that this Authorization has been revoked.

My Designated Agents are:

Name: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

Name: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

Name: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

Date: \_\_/\_\_/\_\_

Borrower Signature: \_\_\_\_\_

Date: \_\_/\_\_/\_\_

Co-Borrower Signature: \_\_\_\_\_

Date: \_\_/\_\_/\_\_

Co- Borrower Signature: \_\_\_\_\_

**The Servicemembers Civil Relief Act (SCRA)**  
**Important Notice for Military Servicemembers**  
**Considering a Short Sale or Deed in Lieu of Foreclosure**

**If you or your spouse is a member of the military, please carefully review this document and notify your bank representative immediately. You may qualify for benefits and protections afforded by law.**

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The Servicemembers Civil Relief Act, 50 U.S.C. App. §§501 et seq. (the "SCRA") provides military personnel and their dependants with a wide range of legal and financial protections. SCRA benefits and protections:

- Limit the maximum rate of interest that may be charged on debt incurred by an eligible servicemember before the servicemember began military service.
- May prevent the sale, foreclosure, or seizure of real estate, except when a valid court order exists that approves the sale, foreclosure, or seizure of the real estate.
- May stop a landlord or lender from evicting a servicemember from his/her residence.

**Depending upon your military status and when your loan was originated, the SCRA may prevent the lender from foreclosing on your property.** However, we understand that despite this protection, Servicemembers may still want to be relieved of the debt obligation associated with a home loan.

If you would like to discuss foreclosure alternatives such as a short sale or a deed in lieu of foreclosure, please contact us. Any negotiation for a short sale or a deed in lieu of foreclosure is not a threat of current or future litigation or an action to foreclose on the property, and should not be considered as such.

**Our Military Assistance Team is Here to Help**

For further assistance and to obtain information about the many benefits and protections available to military servicemembers, please contact BANK OF AMERICA's Military Assistance Team at:

**(877) 430-5434**  
**BANK OF AMERICA – Military Assistance Unit**  
**1515 W. 14th Street**  
**Mail Code: AZ1.807.01.19**  
**Tempe, AZ 85281**

**For Additional Information**

There are a number of other resources you can use to gain a better understanding of your SCRA rights and protections. Use these helpful sources to get started.

- **CONSULT AN ATTORNEY.** To fully understand your rights under the law, and before waiving your rights or voluntarily surrendering property, please consult an attorney.
- **JAG / LEGAL ASSISTANCE:** Servicemembers and dependents with questions about the SCRA should contact their unit's Judge Advocate or their installation's Legal Assistance Officer. A military legal assistance office locator for all branches of the Armed Forces is available at <http://legalassistance.law.af.mil/content/locator.php>
- **MILITARY ONESOURCE:** "Military OneSource" is the U. S. Department of Defense's information resource. Go to [www.militaryonesource.com/scra](http://www.militaryonesource.com/scra) or call 1-800-342-9647 (toll free from the United States) to find out more information. Dialing instructions for areas outside the United States are provided on the website.



## FHA Short Sale Information Form

- Loan Number: \_\_\_\_\_ FHA Case #: \_\_\_\_\_
- Property Address: \_\_\_\_\_
- Mailing Address: \_\_\_\_\_

BORROWER	CO-BORROWER
Name	Name
Social Security Number	Social Security Number
Date of Birth	Date of Birth
Home Phone Number with area code	Home Phone Number with area code
Cell/Work Phone Number with area code	Cell/Work Phone Number with area code
Email Address	Email Address

PROPERTY LISTING INFORMATION
Is the property listed for sale? <input type="checkbox"/> Yes <input type="checkbox"/> No
Have you received an offer on the property? <input type="checkbox"/> Yes <input type="checkbox"/> No
Date of Offer:
Offer Amount:
Agent's Name:
Agent's Email address:
Agent's Phone #:
May we contact your agent? <input type="checkbox"/> Yes <input type="checkbox"/> No

ADDITIONAL LIENS AND/OR MORTGAGES ON THIS PROPERTY?		
Lien Holder Name	Loan Number	Contact Number
Lien Holder Name	Loan Number	Contact Number
Lien Holder Name	Loan Number	Contact Number
Lien Holder Name	Loan Number	Contact Number

\_\_\_\_\_  
Borrower's Signature Date

\_\_\_\_\_  
Co-Borrower's Signature Date





### FHA Short Sale Information Form

#### OCCUPANCY CERTIFICATION

Occupancy status of the property (check one):

- Owner Occupied     
  Tenant Occupied     
  Vacant     
  Other

If you no longer occupy the property:

Last date you lived in the property: \_\_\_\_\_

Please provide your reason for leaving the property:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Is the property being maintained?     Yes     No     
 Are the utilities currently turned on?     Yes     No

Who is maintaining the property: \_\_\_\_\_

Please provide a brief description of what is being done to maintain the property:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

If the property is occupied by a tenant, please provide the occupancy dates:

If more than one tenant has lived in the property list each one

Date Tenant Moved In: \_\_\_\_\_ Date Tenant Moved Out: \_\_\_\_\_

Date Tenant Moved In: \_\_\_\_\_ Date Tenant Moved Out: \_\_\_\_\_

Date Tenant Moved In: \_\_\_\_\_ Date Tenant Moved Out: \_\_\_\_\_

\_\_\_\_\_  
Borrower's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Co- Borrower's Signature

\_\_\_\_\_  
Date



## FHA Short Sale Information Form

NOTE: INCOME INFORMATION PROVIDED SHOULD BE NET/TAKE-HOME PAY

BORROWER NET INCOME		CO-BORROWER NET INCOME	
Employment Income	\$	Employment Income	\$
Disability	\$	Disability	\$
Rental Income	\$	Rental Income	\$
Unemployment	\$	Unemployment	\$
Child Support/Alimony	\$	Child Support/Alimony	\$
Social Security/Retirement	\$	Social Security/Retirement	\$
Other	\$	Other	\$

FAMILY EXPENSES	
Alimony/Child Support	\$
Auto Maintenance/Gas	\$
Child/Elder Care	\$
Church/Club	\$
Education	\$
Food	\$
Medical/Dental	\$
Pets	\$
Spending Money	\$
Other	\$
Other	\$

INSURANCE	
Auto Insurance	\$
Health Insurance (not deducted from salary)	\$
Life Insurance	\$
Other	\$

UTILITIES	
Cable TV	\$
Electricity	\$
Natural Gas	\$
Phone/Internet	\$
Sewer	\$
Other	\$

HOME EXPENSES	
HOA Dues	\$
Taxes/Insurance	\$
Rent	\$
Other	\$

WORK	
Dry Cleaning	\$
Parking	\$
Union Dues	\$
Other	\$

\_\_\_\_\_  
 Borrower's Signature Date

\_\_\_\_\_  
 Co-Borrower's Signature Date



## FHA Short Sale Information Form

### ACKNOWLEDGEMENT AND AGREEMENT

*I certify under penalty of perjury:*

1. All of the information in this document is truthful.
2. The Servicer will obtain a current credit report on all borrowers obligated on the Note.
3. I will timely provide all requested documents and timely respond to all Servicer questions.
4. The Servicer will use the information in this document to evaluate my eligibility for a pre-foreclosure (short) sale or deed-in-lieu of foreclosures, but the Servicer is not obligated to offer me assistance.

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Borrower's Signature

Date

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Co-Borrower's Signature

Date