

Dear Borrower(s)/Seller(s):

Our company is **L.A. Real Estate Network Inc.** We work on your behalf to negotiate the Short Sale of your property with your Lender(s). Our goal is to help make this process as easy as possible. In doing so, it is important that we work closely together during this process.

Please print and read the following package in its entirety, then complete the attached forms. Make sure to provide accurate, complete and updated information.

If you have questions about our company and services, feel free to contact us at 323-724-2420 or visit our website at [www.larenetwork.com](http://www.larenetwork.com).

Thank you,

**L.A. Real Estate Network Inc.**

This package contains the following:

- Documents for Borrower/Seller to Gather
- Authorization & Release Form (one per Lender)
- Do Not Contact by Phone (one per Lender)
- Alternatives to Foreclosure
- Affidavit of No Tax Returns, Pay Stubs, Bank Statements
- Hardship Letter Stationary
- Hardship Letter Guidelines & Samples
- Borrower(s) Financial Statement
- Foreclosure Versus Short Sale
- Foreclosure Prevention Info
- Frequently Asked Questions

## **DOCUMENTS FOR BORROWER/SELLER TO GATHER**

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**Please provide your Listing Agent with the following documents so we may begin negotiations with your Lender(s) immediately:**

- Completed & signed “Authorization & Release Form” (See form attached)
- Completed & signed “Please Do Not Contact Me by Phone” (See form attached)
- A “Hardship Letter” written in your own words, outlining the facts associated with your hardship. (See attached Hardship Letter Samples & Instructions)
- Completed & signed “Borrower(s) Financial Statement” (See form attached – Please be accurate)
- Copies of: Most recent mortgage statement(s) for all loans and liens.
- Copies of: Your TWO most recent tax returns with W-2’s. (Federal only – No State)
- Copies of: Your TWO most recent pay check stubs (for both you and your spouse/partner)
- Copies of: Your three most recent bank checking account statements
- Copies of: For all loans – All Lender’s correspondence, Letter of Intent to Foreclose, Notice of Default (NOD), Notice of Sale (NOS), HOA Delinquency Notices, and any other notices or correspondence that pertain to your property and situation
- Copy of: Your HOA bill with HOA contact information
- Copy of the key to the property (For your Listing Agent to be placed in a lock box on the property)

**Bank & Financial Institution**  
**Authorization & Release Form**  
(One Release Form per loan)

I hereby authorize \_\_\_\_\_ with **L.A. Real Estate Network Inc.** to request, obtain and verify any and all mortgage loan information, including but not limited to, payoff demand statement, arrearage, and reinstatement amounts as well as financial history. The information obtained is to be used for the purpose of facilitating a loan modification and/or short sale.

Property Address: \_\_\_\_\_

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

Loan Number: \_\_\_\_\_

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

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name

Social Security Number: \_\_\_\_\_

Date of Birth: \_\_\_\_\_

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

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name

Social Security Number: \_\_\_\_\_

Date of Birth: \_\_\_\_\_

**Bank & Financial Institution**  
**Authorization & Release Form**  
(One Release Form per loan)

I hereby authorize \_\_\_\_\_ with **L.A. Real Estate Network Inc.** to request, obtain and verify any and all mortgage loan information, including but not limited to payoff demand statement, arrearage, and reinstatement amounts as well as financial history. The information obtained is to be used for the purpose of facilitating a loan modification and/or short sale.

Property Address: \_\_\_\_\_

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

Loan Number: \_\_\_\_\_

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

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name

Social Security Number: \_\_\_\_\_

Date of Birth: \_\_\_\_\_

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

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name

Social Security Number: \_\_\_\_\_

Date of Birth: \_\_\_\_\_

**PLEASE DO NOT CONTACT ME BY PHONE**

(One Form per Loan)

First Loan #: \_\_\_\_\_

Second Loan #: \_\_\_\_\_

First Lender: \_\_\_\_\_

Second Lender: \_\_\_\_\_

Property Address: \_\_\_\_\_

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According to the Fair Lending Law, I have the right to request that you, my lender, not contact me by phone regarding my loan being in default. I do not wish to speak to any collection agents about this account. Please make any future communication with me in writing or if you must speak to someone regarding this account, please talk to **L.A. Real Estate Network Inc.**, the company who is assisting me in negotiating the short sale of my home. The information obtained by my agent is to be used for the purpose of facilitating the resolution of my foreclosure.

\_\_\_\_\_  
**Borrower**

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

Social Security Number: \_\_\_\_\_

Date of Birth: \_\_\_\_\_

\_\_\_\_\_  
**Co-Borrower**

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

Social Security Number: \_\_\_\_\_

Date of Birth: \_\_\_\_\_

**CONTACT INFORMATION**

**L.A. Real Estate Network Inc.**

323-724-2420

## Alternatives to Foreclosure

You may be facing foreclosure . . . so what are your options? Try to look at the situation more from a financial standpoint rather than an emotional standpoint. This way you can more successfully analyze which option might best suit your needs and desires to move you towards resolving your financial difficulty. One very important thing to remember: **Time is of the essence**. Take time to think through your situation and make a decision. Then, take action right away so you have enough time to complete the solution you choose.

### Nine Options When Facing Foreclosure

1. **Do Nothing** – If a homeowner does nothing, they most likely will lose their home at foreclosure auction. Loan applications generally ask if the applicant has ever been foreclosed upon. Credit reports also disclose this damaging information. Not the best option.
2. **Refinance** – Completely paying off the entire loan amount plus any default amount and fees. Usually this is accomplished through a refinance of the debt. New debt is at a normally higher interest rate and there may be a prepayment penalty because of the recent default. With this option, there should be equity in the home.
3. **Reinstatement** – Paying the entire default amount plus interest, attorney fees, late fees, taxes, missed payments and fees.
4. **Loan Modification** – Utilizing the existing mortgage company to refinance the debt or extend the terms of the loan. This may allow the homeowner to catch up at a more affordable level. To qualify, you must prove to the lender you have fixed the problem.
5. **Forbearance** – Lender may be able to arrange a repayment plan based on the homeowner's financial situation. The lender may even be able to provide a temporary payment reduction or suspension of payments. Information will be required from the lender to show that you are able to meet the new payment plan requirements.
6. **Partial Claim** – A loan from the lender for second loan to include back payments, costs and fees.
7. **Deed in Lieu of Foreclosure** – Give the property back to the bank instead of the bank foreclosing. Banks generally require the home be well maintained, all mortgage payments and taxes must be current. Most loan applications ask if this has ever happened.
8. **Bankruptcy** – This option can liquidate debt and/or allow more time. [L.A. Real Estate Network Inc.](#) can refer you to a qualified bankruptcy attorney.
  - **Chapter 7** (Liquidation) To completely settle personal debt.
  - **Chapter 13** (Wage Earner Plan) Payments are made toward a plan to pay off debts in 3-5 years.
  - **Chapter 11** (Business Reorganization) A business debt solution.
9. **Sale** – If the property has equity (money left over after all loans and monetary encumbrances are paid), the homeowner may sell the home without lender approval through a conventional home sale. In this case, the homeowner will get cash from the sale. On the other hand, a Short Sale, also known as a pre-foreclosure sale, can be negotiated with your lender by your Real Estate Professional if what is owed is MORE than the property's value.

I have read this form and understand that I have several options available to me and that there may be more than those listed above. I have been advised that I should consult an Attorney and CPA. I have chosen to use [L.A. Real Estate Network Inc.](#) to assist me in negotiating the Short Sale of my home.

(Print Name)  
Borrower \_\_\_\_\_

(Print Name)  
Borrower \_\_\_\_\_

Signature \_\_\_\_\_

Signature \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_