

Short Sale Document Check List

As your short sale process of your home begins, please use the following check list to make certain you and your Real Estate Agent have all the following needed documents. Your particular lender may require additional documents – please check with your lender!

Home Seller to Provide:

- **Financial Worksheet** - completed and signed and dated by all borrowers with the last 60-days; include all income and all expenses - current house payment, car payment and insurance, car gas, health insurance, groceries, doctor bills, toiletries, telephone (land and cell), electricity, gas, garbage, cable, and any other regularly recurring expense that you are required to pay.
- **Tax info** - (W2 or 1040) most recent.
- **Hardship Letter** - explain the current circumstance that has forced you to consider the short sale of your home, such as significant increase in mortgage payments, death of spouse, illness, divorce, lack of job, and any other contributing factor to your current financial hardship. The letter must be completed and signed and dated by all borrowers within the last 60-days.
- **Proof of income** - two recent pay stubs from all borrowers or bank statements, award letter, or letters from family /friends (if assisting in payments of bills). If borrower(s) is self-employed, they will need a profit & loss statement of at least the last 3-months.
- **Authorization Letter** – The homeowner provides a statement (with the assistance of the Seller’s Real Estate Agent) authorizing their agent to communicate and receive documents directly from the Seller’s lender.
- **Copy of Trust Agreement** (if applicable), and
- **Copy of Power of Attorney** (if applicable).

Seller’s Real Estate Agent to Provide:

- **Signed Purchase Agreement or Sales Contract** – this document needs to be signed and dated by both parties. If there are changes to the original contract, then an “Addendum” must be signed and dated by both parties.
- **Seller Net Sheet or HUD-1 Sheet** – Needs to be signed and dated by Seller’s Real Estate Agent.
- **Listing Agreement** – Seller’s Real Estate Agent submits a signed and dated listing agreement that clearly states listing start and end dates as well as commission.
- **Decline of Value** – A written explanation from the Seller’s Real Estate Agent to the reason why the property has declined in value.
- **Copy of Most Recent MLS Listing Data** – A copy of the listing as it appears in the local MLS.
- **Bank Sales Addendums** – These are documents that the Seller’s lender provides and must be signed and dated by all parties. It is received by the Seller’s Real Estate Agent who then obtains all signatures from all parties and submits to bank.

Buyer’s Real Estate Agent to Provide:

- **Buyer’s Loan Pre-Qualification Letter** – Buyer must provide either a loan pre-qualification letter or a DU (desk top underwriting) from a DIRECT LENDER such as Wells Fargo, Chase, Bank of America, or any other type of direct lender. A mortgage broker can obtain a direct lender qualification or DU.