

Short Sale Documents

Now that you have decided a short sale is an option there will be some requirements from you in order to move forward. One thing to remember while gathering this information - Your privacy is respected and your [real estate agent](#) as well as your mortgage lender will help you through this process.

1. Authorization to Release Information. This authorization letter is your written permission for your [real estate agent](#) to talk with the lender.
2. Handwritten hardship letter - This is a personal letter to the lender explaining why you are not able to continue making your mortgage payments. You will need to include your current situation. Make sure you are to the point, had written and not more than one page.
3. Mortgage Statement for all lenders on property
4. The Listing Agreement.
5. Last two years tax returns. If you did not keep copies of your tax returns you can contact the IRS and they will send it to you, but this can take several weeks.
6. Last two months bank statements. You can also print your banks statements online or call your bank to have them resend these to you. Be prepared there may be a small fee associated with mailing them. Ask your bank about any fees.
7. Last two pay stubs for on all borrowers. If you are self employed you will need to furnish your last years tax return.
8. Homeowner's financial statement. This is a list of all your expenses and income. This includes all savings, other real estate owned, credit cards, child support, disability, etc.

If you situation is unique there may be additional documents required such as:

Death Certificate
Divorce Decree
Incarceration Decree
Bankruptcy Letter
Proof of Disability
Insurance Claims
Court Approvals

Everyone's situation is unique and the more prepared you are the smoother the process will be. Every bank works with different guidelines and your real estate agent will help you understand what to be prepared for through the process. It is an emotional process, so the better prepared you are - the transaction will go smoother, but the key is to have a certified short sale specialist to know and understand your situation.

