

St. John Realty Group

Short Sale Specialists

We would like to thank you for the opportunity to guide you through the Short Sale Process. We understand it may be a difficult and stressful situation and want you to be aware that we will be working on your behalf in order to simplify the process. **We would also like you to know that since we are entering into a Short Sale Listing Agreement and subsequent contract, the fees and costs for your participation in this sale will be paid out of the proceeds due the mortgage company(s) and or creditors.** In certain circumstances there may be a fee required for obtaining Home Owners Association (HOA) Payoff and Disclosures that must be paid by the Seller(s) in advance, this would only occur once the sale has been approved and the Buyer(s) has / have provided evidence that they are able to close the transaction.

Attached is our Short Sale Package, this package contains a list of items that we will need in order to satisfy the mortgage company(s) Short Sale Requirements. As a real estate brokerage we will also need the following forms signed and initialed: Exclusive Right to Sell Listing Agreement, Short Sale Addendum to Listing Contract, Real Estate Agency Disclosure and Election, and the Residential Input Form. Please note that many times we are still gathering information regarding the property. In the event that items such as "list price" other descriptions and features of the home are not filled in, we will forward the completed forms for your approval prior to entering the information into the Arizona Regional Multiple Listing Service (ARMLS).

Please email, fax or mail these items back to us as quickly as possible since these are the forms we will need in order to attempt to postpone the foreclosure, and minimize your credit damage. If you have any questions or concerns please contact us and we will respond to them promptly.



Christopher St. John CRB CDPE

Short Sale Specialist

Designated Broker



CERTIFIED DISTRESSED PROPERTY EXPERT®



St. John Realty Group
602-973-1602 Off 800-683-4538 Fax
6111 N 12th Ave Phoenix, AZ 85013
www.stjohnrealtygroup.com



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In order to participate in a Short Sale we will need to have you provide the following documents and complete the attached forms:

- 1. Copy of your existing Mortgage Statement(s).
- 2. Copy of your last two years federal tax returns.
- 3. Copy of two recent pay stubs for each employed borrower, OR if self-employed, a current income statement, balance sheet, statement of owner's equity, and or a 6-month profit and loss statement.
- 4. Copy of your last 2 months bank statements.
- 5. **Signed** "Hardship Letter" explaining the cause of default. This is a typed or handwritten and **signed** letter stating why you aren't able to currently make your payments and don't expect this to change within the next 12 months.
- 6. "Financial Hardship Affidavit". **(Attached)**
- 7. Completed, "Financial Analysis Form". **(Attached)**
- 8. Completed "Third Party Authorization" Form in order for us to correspond with your Mortgage Company(s), one for each lender. **(Attached)**
- 9. Completed and signed "Acknowledgment and Indemnity Document". **(Attached)**
- 10. Copy of signed and initialed "Exclusive Right to Sell Listing Agreement, Short Sale Addendum to Listing Contract, Real Estate Agency Disclosure and Election, and the Residential Input Form. **(Attached)**



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Information for Government Monitoring Purposes

The following information is requested by the federal government in order to monitor compliance with federal statutes that prohibit discrimination in housing. **You are not required to furnish this information, but are encouraged to do so. The law provides that a lender or servicer may not discriminate either on the basis of this information, or on whether you choose to furnish it.** If you furnish the information, please provide both ethnicity and race. For race, you may check more than one designation. If you do not furnish ethnicity, race, or sex, the lender or servicer is required to note the information on the basis of visual observation or surname if you have made this request for a loan modification in person.

If you do not wish to furnish the Information for Government Monitoring Purposes, please check the box below.

BORROWER <input type="checkbox"/> I do not wish to furnish this information	CO-BORROWER <input type="checkbox"/> I do not wish to furnish this information
Ethnicity: <input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Not Hispanic or Latino	Ethnicity: <input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Not Hispanic or Latino
Race: <input type="checkbox"/> American Indian or Alaska Native <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input type="checkbox"/> White	Race: <input type="checkbox"/> American Indian or Alaska Native <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input type="checkbox"/> White
Sex: <input type="checkbox"/> Female <input type="checkbox"/> Male	Sex: <input type="checkbox"/> Female <input type="checkbox"/> Male

Borrower/Co-Borrower Acknowledgement:

1. Under penalty of perjury, I/we certify, represent and agree that all of the documents and information I/we have provided in connection with the Financial Analysis Form and this Affidavit are true and correct and the event(s) identified in the Financial Analysis Form and this Affidavit has/have contributed to my/our financial hardship and the need to modify the terms of my/our mortgage loan.

2. I/we understand and acknowledge the Servicer may investigate the accuracy of my/our statements, may require me/us to provide supporting documentation, and that knowingly submitting false information may violate Federal law.

3. I/we understand the Servicer will pull a current credit report on all borrowers/co-borrowers or a joint report for a married couple.

4. I/we understand that if I/we have intentionally defaulted on my/our existing mortgage, engaged in fraud or misrepresented any fact(s) in connection with this Affidavit, or if I/we do not provide all of the required documentation, the Servicer may cancel the Agreement and may pursue foreclosure on my/our home.

5. I/we certify that I/we will obtain credit counseling if it is determined that my/our financial hardship is related to excessive debt. For purposes of the Making Home Affordable program, "excessive debt" means that my/our debt-to-income ratio after the modification would be greater than or equal to 55%.

6. I/we certify that I/we are willing to provide all requested documents and to respond to all Servicer communication in a timely manner. I/we understand that time is of the essence.

7. I/we understand that the Servicer will use this information to evaluate my/our eligibility for a loan modification or other workout, but the Servicer is not obligated to offer me/us assistance based solely on the representations in this Affidavit.

8. I/we authorize and consent to Servicer disclosing to the U.S. Department of Treasury or other government agency, Fannie Mae and/or Freddie Mac any information provided by me/us retained by Servicer in connection with the Making Home Affordable (MHA) program.

NOTICE TO BORROWERS

Be advised that you are signing these documents under penalty of perjury. Any misstatement of material fact made in the completion of these documents including but not limited to misstatement regarding your occupancy in your home, hardship circumstances, and/or income may subject you to potential criminal investigation and prosecution for the following crimes: perjury, false statements, mail fraud, and wire fraud.

The information contained in these documents is subject to examination and verification. Any potential misrepresentation may be referred to the appropriate law enforcement authority for investigation and prosecution.

Borrower Signature

Date

Co-Borrower Signature

Date

FINANCIAL ANALYSIS FORM**Mortgage Account Number (s)** _____

Name (Borrower):	Home Phone:	Work Phone:	Alternate/Cell Phone:	
Preferred Method of Contact	<input type="checkbox"/> Home Phone	<input type="checkbox"/> Work Phone	<input type="checkbox"/> Alternate/Cell	
Borrower Social Security Number				
Name (Co-borrower):	Home Phone:	Work Phone:	Alternate/Cell Phone:	
Preferred Method of Contact	<input type="checkbox"/> Home Phone	<input type="checkbox"/> Work Phone	<input type="checkbox"/> Alternate/Cell	
Co-Borrower Social Security Number				
Mailing Address:				
May we contact you via email:	Yes/No			
If yes, please provide your email address:				
Is the property occupied?	Yes/No			
If yes, is it owner occupied or tenant occupied?	Owner/Tenant			
Condition of the property?	Excellent	Good	Fair	Condemned
Have you received a notice of condemnation?	Yes/No			
Have you filed bankruptcy?	Yes/No			
Amount of funds available to contribute towards a workout?	\$			
Total number of individuals in your household:				
Do you want to keep the property?	Yes/No			
Is your home listed for sale?	Yes/No			
If yes, what is the list price?	\$			
What is your agent's (realtor) name and telephone number? If applicable	Realtor Name: Realtor Phone:			
Do you have a second mortgage?	Yes/No			
If yes, please provide contact information for your second mortgage company.	Name/phone number of second mortgage company:			

EMPLOYMENT HISTORY

	Borrower		Co-Borrower	
Currently employed?	Yes	No	Yes	No
How long?				
Present employer:				
If self-employed, name of company:				
Income *All income must have documented proof as outlined in the Fax Cover Sheet.				
Description *	Borrower	Co-Borrower	Total	
Gross Salary / Wages (monthly) **	\$	\$	\$	
Unemployment Income (monthly)	\$	\$	\$	
Child Support / Alimony (monthly)	\$	\$	\$	
Disability Income (monthly)	\$	\$	\$	
Rental Income (monthly)	\$	\$	\$	

**Gross salary/wages is your total monthly income before any tax withholding or employer deductions.

ASSETS/LIABILITIES

If you own real estate in addition to your personal residence, please attach a complete list of property addresses / name(s) of Lender / Lender's address and phone number / account numbers / monthly payment / amount owed / estimated value & rental income.

Assets

Description	Estimated Value	Amount Owed	Net Value (est. value less amount owed)
Personal Residence	\$	\$	\$
Personal Property	\$	\$	\$
Checking Accounts	\$	\$	\$
Savings Accounts	\$	\$	\$
IRA / 401(k) / Keogh Accounts	\$	\$	\$
Stocks / Bonds / CDs	\$	\$	\$
Cash Value of Life Insurance	\$	\$	\$
Other	\$	\$	\$
Totals	\$	\$	\$

Liabilities (Expenses)

Description	Monthly Payment	Balance Due	Delinquent?
First Mortgage Lender	\$	\$	Yes No
Other Mortgages / Liens / Rents	\$	\$	Yes No
Alimony / Child Support	\$	\$	Yes No
Homeowners Assoc. Dues	\$	\$	Yes No
Property Taxes (if not escrowed and included in your current mortgage payment)	\$	\$	Yes No
Homeowner's (hazard) Insurance (if not escrowed and included in your current mortgage payment)	\$	\$	Yes No
Other insurance (i.e. wind, flood) (If not escrowed and included in your current mortgage payment.)	\$	\$	Yes No
Health Insurance	\$	\$	Yes No
Medical Expenses	\$	\$	Yes No
Child Care	\$	\$	Yes No
Credit Card / Installment Loans	\$	\$	Yes No
Student Loans / Personal Loans	\$	\$	Yes No
Auto Loan(s)	\$	\$	Yes No
Auto Expenses / Gasoline / Insurance	\$	\$	Yes No
Food / Household Supplies	\$	\$	Yes No
Water / Sewer / Utilities / Phone(s) / Cable	\$	\$	Yes No
Other	\$	\$	Yes No

If additional space is needed for Liabilities (Expenses), please include an additional page.

Note: Some of the items included are not applicable to the Making Home Affordable (MHA) program. However, this form is used for various modification programs, including the MHA.

Borrower Signature
Date

Co-borrower Signature
Date

THIRD PARTY AUTHORIZATION and AGREEMENT to RELEASE

(Please complete and return if you want us to speak with your Real Estate Agent, or any other designated third party on your behalf.)

Account Number: _____

Name: _____

Property Address: _____

I/we do hereby authorize (my lender/mortgage servicer) to release or otherwise provide to

Name of _____ Company (if applicable) in his/her capacity as

Relationship (if applicable) Phone Number _____
public and non-public personal financial information contained in my loan account which may include, but is not limited to, loan balances, final payoff statement, loan payment history, payment activity, and/or property information.
We, the lender/mortgage servicer, will take reasonable steps to verify the identity of the 3rd party authorized above, but will have no responsibility or liability to verify the true identity of the requestor when he/she asks to discuss my account or seeks information about my account. Nor shall we, the lender/mortgage servicer, have any responsibility or liability for what the requestor may do with the information he/she obtains concerning my account.
I/we do hereby indemnify and forever hold harmless the lender/mortgage servicer, from all actions and causes of actions, suits, claims, attorney fees, or demands against the lender/servicer which I/we and/or my heirs may have resulting from the lender/mortgage servicer discussing my loan account and/or providing any information concerning the loan account to the above names requestor or person identifying themselves to be that requestor.

If you agree to this Authorization and the terms of the Release as stated above, please sign, date, and return with the Financial Analysis form.

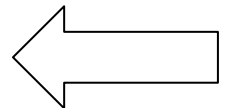
NOTE: No information concerning your account will be provided until we have received this executed document. The authorization needs to be in the name of an individual (not a company) and a form needs to be completed for each authorized individual. All parties on the Mortgage must sign.

Printed Borrower Name

Printed Borrower Name Date _____

Borrower Signature

Borrower Signature Date _____



THIRD PARTY AUTHORIZATION and AGREEMENT to RELEASE

(Please complete and return if you want us to speak with your Real Estate Agent, or any other designated third party on your behalf.)

Account Number: _____

Name: _____

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I/we do hereby authorize (my lender/mortgage servicer) to release or otherwise provide to

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I/we do hereby indemnify and forever hold harmless the lender/mortgage servicer, from all actions and causes of actions, suits, claims, attorney fees, or demands against the lender/servicer which I/we and/or my heirs may have resulting from the lender/mortgage servicer discussing my loan account and/or providing any information concerning the loan account to the above names requestor or person identifying themselves to be that requestor.

If you agree to this Authorization and the terms of the Release as stated above, please sign, date, and return with the Financial Analysis form.

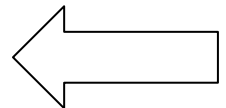
NOTE: No information concerning your account will be provided until we have received this executed document. The authorization needs to be in the name of an individual (not a company) and a form needs to be completed for each authorized individual. All parties on the Mortgage must sign.

Printed Borrower Name

Printed Borrower Name Date _____

Borrower Signature

Borrower Signature Date _____



Acknowledgment and Indemnity
(“Indemnity”)

This Acknowledgment and Indemnity (“Indemnity”) is entered into by and between St. John Realty Group, LLC, an Arizona limited liability company, operating under the trade name “St. John Realty Group” (the “Broker”) and _____ (the “Seller”) as of _____, 2010 (“Effective Date”).

WHEREAS, Broker and Seller have entered into that certain listing agreement dated as of _____, 2010 (the “Agreement”), contemplating the sale of the real property located at _____ (the “Property”); and

WHEREAS, Broker and Seller, in connection with the potential sale of the Property as set forth in the Agreement, enter into this Indemnity to provide important information to Seller. SELLER IS ADVISED TO READ THIS INDEMNITY CAREFULLY, AS IT AFFECTS LEGAL RIGHTS, AND TO OBTAIN THE ADVICE OF INDEPENDENT LEGAL COUNSEL WITH RESPECT THERETO.

NOW THEREFORE, the parties hereto agree as follows:

1. **No Guaranty.** Seller acknowledges and agrees that there have been no guarantees or promises of sale made to them by Broker. It has been explained to the Seller, and Seller agrees, that Broker can make no warranties whatsoever implied or otherwise as to time to sale, sale price, and probability of sale of any property. Seller acknowledges and agrees that Broker has made no representation or warranty in regards to the timing to effectuate a sale or the sale price for the Property. Seller acknowledges and agrees that any information provided by Broker to Seller is to assist the Seller in making an educated decision in regards to the sale of the Property. SELLER ACKNOWLEDGES THAT IN THE EVENT OF A SHORT SALE OF THE PROPERTY, SELLER UNDERSTANDS THAT THERE IS NO GUARANTY THAT: (I) THE REQUISITE CONSENTS WILL BE OBTAINED FROM ALL LIEN HOLDERS OR INSURERS FOR THE PROPERTY; (II) THAT THE LIEN HOLDER WILL NOT PURSUE A DEFICIENCY ACTION IN THE EVENT THE SALES PRICE OBTAINED DOES NOT EXCEED OR EQUAL THE AMOUNT OWED ON THE PROPERTY, AND (III) THAT THE LENDER BENEFICIARY ON MY PROPERTY WILL APPROVE A PAYMENT FOR LESS THAN THE FULL AMOUNT DUE ON THE LOAN. FURTHER, SELLER ACKNOWLEDGES THAT IN THE EVENT OF A SHORT-SALE OF THE PROPERTY, SELLER IS UNLIKELY TO RECOVER ANY PROCEEDS OR CASH FROM THE SALE.

2. **Independent Investigation and Representation.** Seller acknowledges and agrees that it has been advised that Broker is not qualified to provide, and will not provide legal and/or tax advice, and that Seller has been advised to obtain independent tax and legal advice with regards to the merits and risks associated with the sale of the Property. Seller acknowledges and agrees that it has been advised to obtain, and has had ample opportunity to obtain qualified counsel from an attorney, certified public accountant or other qualified specialist for all legal and tax advice. Seller further acknowledges that Seller obtained all such legal and tax advice from

independent counsel to the extent desired. Seller, by its signature hereto, acknowledges that it is not relying upon Broker for any such advice.

3. **Indemnity**. In consideration of the mutual considerations between the parties, Seller shall, (jointly and severally-if applicable), indemnify, defend and hold harmless Broker (and its successors, assigns, members, stockholders, directors, officers, employees, insurers, affiliates, representatives and agents, collectively, the "**Broker Parties**") from and against any liabilities, damages, losses, penalties, claims, demands, suits, costs and expenses (including costs of investigation and defense and reasonable attorneys' fees and expenses) occasioned by, relating to, or arising from:

a. the services intended to be provided by Broker the Broker Parties or claimed by reasons of acts or neglects of third parties, including property inspectors, visitors, or third party independent contractors;

b. any claim relating to legal and/or tax advice;

c. any claim of alleged errors and omissions involved in the sale of the Property;

d. any claim caused by or related to the acts of the Seller (and its successors, assigns, members, stockholders, directors, officers, employees, insurers, affiliates, representatives and agents (excluding Broker and the Broker Parties), collectively, the "**Seller Parties**").

SELLER HEREBY UNDERSTANDS AND AGREES THAT EXECUTION OF THIS INDEMNITY IS A MATERIAL INDUCEMENT TO BROKER IN PROVIDING SERVICES TO SELLER.

4. **Acknowledgment**. Seller hereto acknowledges, warrants and represents that no promise, inducement, or agreement not expressed in this Indemnity has been made to them, and that this document embodies and sets forth the entire agreement and understanding between them relating to the subject matter hereof and it merges and supercedes all prior discussions, agreements, understandings, representations, conditions, warranties, covenants, and all other communications between them on said subject matter; no oral representations, statements or inducements, apart from the foregoing written agreement, have been made.

5. **Attorney's Fees**. If any legal action or other proceeding is brought for the interpretation or enforcement of this Indemnity or any document or instrument entered into, given or made pursuant to this Indemnity or authorized hereby or because of an alleged dispute, default or misrepresentation in connection with any provision of this Indemnity or other document relating hereto, the successful or prevailing party shall be entitled to recover actual attorneys' fees, charges and other costs incurred in that action or proceeding, in addition to any other relief to which he or she may be entitled.

6. **Severability**. The provisions of this Indemnity are severable. The invalidity, in whole or in part, of any provision of this Indemnity shall not affect the validity or enforceability

of any other of its provisions. If one or more provisions hereof shall be so declared invalid or unenforceable, the remaining provisions shall remain in full force and effect and shall be construed in the broadest possible manner to effectuate the purposes hereof. The parties further agree to replace such void or unenforceable provisions of this Indemnity with valid and enforceable provisions, which will achieve, to the extent possible, the economic, business and other purposes of the void or unenforceable provisions.

7. **Counterparts.** This Indemnity may be executed in counterparts, including via facsimile, each of which shall be deemed an original and both of which together shall be deemed one and the same instrument.

8. **Governing Law.** This Indemnity shall be governed by and construed in accordance with the laws of the State of Arizona, without regard to its conflicts of laws rules.

[signature page follows]

IN WITNESS WHEREOF, Broker and Seller have signed this Indemnity as of the Effective Date on the first page hereto.

BROKER

SELLER

“St. John Realty Group LLC”

“ _____ ”

By: Christopher St. John
Its: Member

Seller _____

“St. John Realty Group LLC”

“ _____ ”

By: Luise Foley
Its: Agent

Seller _____