

Aurora Short Sale Documents:

Hardship letter, currently dated and signed.

* Financial Worksheet (see website), signed and dated.

1 most recent month of pay stubs, alternative income verification (see website), and/or YTD Profit & Loss Sheet if self-employed

2 most recent months bank statements, all accounts, all pages, and retirement statement(s)
Statement on last page of this PDF.

Purchase and Sale Agreement

Buyer Prequalification letter

Preliminary HUD1 settlement statement

Letter of Authorization for 3rd party (if you are working with a Realtor or third party)

- You must cooperate and allow us to view the interior of your property to enable us to determine an appraised value. A second interior value maybe required if there is 30% or more decline in value from the origination value.
- Your property must be listed with a licensed real estate agent/broker at a price based on "fair market value." The sale transaction must be "arm's length," which means that all parties involved in the sale must be unrelated and unaffiliated.
- If there is a deficiency, we may require that you make a contribution toward any such deficiency from the sale of the property. This contribution may be in cash and/or a promissory note, depending on Aurora Loan Services' review of the potential sale of the property and your financial situation.
- You may not enter into an agreement with a third party to surrender the title to the property and arrange a short payoff in exchange for a fee.
- You cannot receive any proceeds from the sale of the property or an any hazard/flood insurance claim. In addition, you must waive reimbursement of any escrow; buy down funds, or pre-paid items.

If we approve a short payoff of your loan and you remit to us the agreed upon short payoff amount we will:

- o File a 1099-C Form with the IRS and send you a copy. This may be a taxable event. You should consult with the IRS or a tax professional concerning any tax impact this may have to you, if any.
- o Consider the debt to be satisfied in full.
- o Release your mortgage on the public records.
- o Report the transaction to the credit bureaus as "PAID IN FULL FOR LESS THAT THE FULL BALANCE."

*Note: [On the Financial Statement \(see website\)](#) make sure you include:

Borrower Financial Information

Assets Account No. Estimated Value

Child Support/ Alimony \$

Checking \$

Disability \$

Savings \$

Other Income \$ 401k/ESOP \$

Stocks/Bonds \$

CD's/Money Market Acct. \$

Borrower Monthly Gross \$

Borrower Net \$

Co-Borrower Monthly Gross \$

Co-Borrower net

Rental Income \$

Liabilities Expenses

Creditor Name & Acct No. Payment Balance Monthly Payment

Mortgage \$

Food \$

Liens / Judgments \$

Auto Loan \$

Telephone (residence, cell, etc.) \$

Auto Loan \$

Transportation \$

Personal Loan \$

Child Support/Alimony \$

Personal Loan \$

Child Day Care \$

Student Loans \$

Tuition \$

Credit Card \$

Auto Insurance \$

Credit Card \$

Credit Card \$

Other Cards \$

Include this with your documentation:

Do you own other real estate? Yes No

If yes, please list full address(es) of other real estate below:

1. _____
Est. Value: \$ Balance: \$ Payment: \$
2. _____
Est. Value: \$ Balance: \$ Payment: \$

Have you contacted a credit counseling agency? Yes No Agency Name: Telephone No.:

Has either borrower declared bankruptcy within the past seven (7) years?: Borrower: Yes No
Co-Borrower: Yes No

If yes, filing date: District Court location: Bankruptcy Case No.:

If yes, what Chapter was filed? 7 13 Other If Chapter 7, was a Reaffirmation Agreement filed with the Bankruptcy Court? Yes No

Has a Modification or Partial Claim been completed on this mortgage loan within the last three (3) years? Yes! No

If yes, with whom, on what date, and reason for default?

Please explain briefly your hardship or reason for being delinquent on your mortgage:

I (we) agree that the financial information provided is an accurate statement of my (our) financial status. I (we) understand and acknowledge that any action taken by the lender of my (our) mortgage loan on my (our) behalf will be made in strict reliance on the financial information provided. My (our) signature(s) below grants the holder of my (our) mortgage the authority to confirm the information I (we) have disclosed in this financial statement, to verify it is accurate by ordering a credit report, and to contact my real estate agent and/or credit counseling service representative (if applicable).

Borrower Signature: _____ Date: _____

Co-Borrower Signature: _____ Date: _____

Revised: 10/01