



SCOTT LYLE REALTORS

483 North Palm Canyon Drive • Palm Springs, CA 92262
760-778-6200 • 760-778-6206 fax • www.palmspringsfinesthomes.com

THESE SHORT SALE DOCUMENTS

CONSIST OF....

DETAILED FINANCIAL WORKSHEET

**(COMPLETE IN FULL & RETURN TO
BRAD WHITE BY FAX AT 760-778-6206
WITHIN 48 HOURS OF MEETING WITH SCOTT
LYLE)**

SAMPLE HARDSHIP LETTER

**(USE AS A SAMPLE IN COMPOSING YOUR
PERSONAL HARDSHIP LETTER TO YOUR
MORTGAGE LENDERS. ALSO FAX THIS TO BRAD
WHITE AT 760-778-6206 WITHIN 48 HOURS OF
MEETING WITH SCOTT LYLE. DO NOT MAIL
THIS HARDSHIP LETTER TO YOUR LENDERS!!!)**





CERTIFIED DISTRESSED
PROPERTY EXPERT™

CDPE HOMEOWNER FINANCIAL WORKSHEET

Borrower Name

Co-Borrower Name

1st Loan Number

2nd Loan Number

INCOME - TAKE HOME PAY

	DEBTOR	CO-DEBTOR	TOTAL
Primary Job			
Misc. Income Overtime			
Part Time Job (net)			
Retirement-Military			
Retirement-Civil Serv.			
Support/Alimony			
Social Security			
Room & Board/Rent			
TOTAL NET INCOME:	\$	\$	

How often is Borrower paid? Every Week Every 2 Weeks Twice A Month Once A Month
How often is Co-Borrower paid? Every Week Every 2 Weeks Twice A Month Once A Month

EXPENSES

	MONTHLY PAYMENT	BALANCE	NAME OF CREDITOR
Home Mortgage			
2nd Mortgage			
Auto loan			
Auto loan			
Creditor			
Creditor			
Creditor			
Creditor			
Creditor			
Creditor			
Creditor			
Student loan			
Alimony/Support			
Child Care			
IRS			
CH 13			
Electricity			
Heating fuel			Oil or Natural Gas
Water & Sewer			
Telephone			
Cable TV			
Auto Insurance			
Health Insurance			Paid directly (not by employer)
Life Insurance			Paid directly (not by employer)
Medical/Dental Exp.			



CERTIFIED DISTRESSED
PROPERTY EXPERT

CDPE HOMEOWNER FINANCIAL WORKSHEET

Homeowners Insurance			Only list here if not in Mortgage Payment
Real Estate Tax			Only list here if not in Mortgage Payment
Personal Property Tax			Applies only in some States
Groceries			
School Lunches			
Transportation, Parking, Tolls			
Clothing			
Dry Cleaning/Laundry			
Cell Phone			
Internet Service			
Homeowners Assn. Dues			
Recreation/Spending Money			
Charitable Donations			
Other Expenses			
TOTAL MONTHLY EXPENSES:	\$	\$	

A. Total Monthly Income: \$ _____ \$ _____
 B. Total Monthly Expenses: \$ _____ \$ _____
 C. Residual Income: \$ _____ \$ _____

Balance in 401K: _____ Cash Value of Stocks: _____
 Balance in IRA: _____ Other Valuables to be sold: _____
 Cash on Hand: _____ Other Misc. Assets: _____

I/We have described my/our financial condition in the enclosed Financial Status Report and certify that all information, as well as all Attachments, is true, accurate and correct to the best of my/our knowledge. I/we understand that submission of this information in no way obligates my lender, servicer, Veterans Affairs, FHA/ HUD, the investor, the mortgage insurers, (Agent) or (BROKERAGE) to provide assistance to me or stop the foreclosure process.

I/We hereby authorize my/our lender, servicer, Veterans Affairs, FHA/ HUD, the investor or the Mortgage Insurers to:

1. Order a credit report from any credit reporting agency;
2. Order a title search from any title agency; and/or
3. Verify the accuracy of the information contained in this Financial Status Report, including without limitation, any current or previous employment information.

I/We agree that I/we will notify the AGENT and BROKERAGE mentioned above, my lender, Veterans Affairs, FHA/ HUD, the investor, or the Mortgage Insurers immediately of any material change in the financial information that I/We have provided herein. If I/we fail to do so, or if it is determined that the financial information provided herein has been misrepresented by me, and lender, servicer, Veterans Affairs, FHA/ HUD, the investor or the mortgage insurers makes decisions which would not have been made had the true facts been known, then (1) I shall be liable for all costs (fees) incurred or damages suffered by lender, servicer, Veterans Affairs, FHA/ HUD, the investor, the mortgage insurers or AGENT and BROKERAGE above, and (2) lender, servicer, Veterans Affairs, FHA/ HUD, the investor, the mortgage insurers and/or AGENT shall have the right, in its sole discretion, to terminate any arrangement or agreement that has been extended to me based, in whole or in part, on the inaccurate or incomplete information that I/we have provided.

Borrower Signature

Date

Co-Borrower Signature

Date

Print Borrower's Name

Print Co-Borrower's Name

Form F, page 2 of 2



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LETTER OF HARDSHIP

When obtaining an approval on a short sale, you/we need to demonstrate to the bank that you are in a financial hardship and it is no longer possible to continue with your house payments. We never want you to stretch the truth; however, we do want you to be as dramatic as possible. One of the key elements of packaging a short sale to go to the bank/lender/servicer for approval is the hardship letter. Below are instructions on how to write a hardship letter.

- 1) **Tell your “story” of hardship to the lender in a personal manner.**
- 2) **The longer and more heartfelt, the better.**
- 3) **Handwritten is always best, but if your handwriting is illegible, type it out as it must be readable.**
- 4) **Don’t worry about punctuation, grammar or spelling.**
- 5) **Use first names in your letter to describe who you are writing about. It’s less formal.**
- 6) **Address your letter: “To whom it may concern.”**
- 7) **Make sure to date your letter.**
- 8) **Describe at least three reasons why you will not be able to afford to make your payments.**

Reasons people fall behind in payments:

- 1) **Loss of employment or reduction of income**
- 2) **Medical problems with unexpected expenses**
- 3) **Divorce**
- 4) **Depression (or other mental health issues)**
- 5) **Abuse**
- 6) **Accidents (auto, job, other)**
- 7) **Loss of loved ones**
- 8) **Adjustable mortgage loans – unable to afford the new elevated monthly payment after increasing adjustments**
- 9) **Crime**
- 10) **Lawsuits**
- 11) **Incarceration...etc**
- 12) **Employment relocation**

Timeline the events of your hardship as best you can. Try to include dates of events which led up to the financial hardship you are now facing. Explain in your letter any other bills that you are behind on because of the hardship. The more information you can provide about your overall situation the better.



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SAMPLE HARDSHIP LETTER

John & Jane Doe

Loan Number: 2899156788 1st mortgage
 Loan Number: 6680341001 2nd mortgage

To whom it may concern;

I have fallen behind on my mortgage payments because 60 days ago I was injured at work. I am a carpenter by trade, and I injured my arm on a job site. I am no longer able to perform my duties at work, and have been laid off. My wife Sally just gave birth to our second son 2 weeks ago. We do not have anyone to care for our two children so she cannot go back to work at this time.

I have filed for disability but I am only bringing in half of what I was making at work. In the meantime, we are living with very little income. We have not been able to save money since our loan payment has gone up so high.

Back in June, 2005 Sally and I bought our dream home and got into a two-year interest only loan with an adjustable rate. It has since adjusted upward from \$1800 per month to now \$2300 per month. With my loss of income and the adjustment of our mortgage payment, we are not able to continue paying our mortgage payment. We have fallen behind on our credit card bills, and our car payment. We cannot balance any of this anymore.

I have tried calling both of my mortgage companies to ask if they could work something out with us to keep our payment fixed. But because we got behind, we were only offered a loan modification which raised our payment even higher than \$2300. We have decided to list our home for sale, but come to find out, the home values have declined drastically. We bought our home in April, 2005 for \$385,000. It is now worth \$249,000. We cannot even sell the house to get out of our financial nightmare.

We are faced with a decision. We can let you foreclose on our family home or we can try to list the house for sale at a price where we can actually get an offer. We have opted for the short sale process. I feel that our hands are now tied and that this is our only option. I am hoping that you will approve our short sale offer and allow us to move out and start over with our lives. Neither Sally or I want to see the home go to foreclosure.

Thank you for your time.

Sincerely,

John Doe _____ Jane Doe _____