



# *Short Sales*

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Doug Echelberger, First Team Real Estate

## *Introduction*

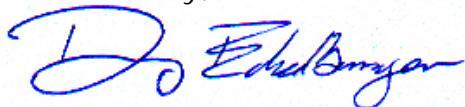
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Prospective Client,

In light of the current market, I have opened back up my Short Sale Division. During the 1990s, I co-founded a Short Sale Division within First Team Real Estate. During that time our division successfully processed over 100 short sales with almost every major Lender in California. The division was also responsible for educating many agents within our Company on listing and buying short sales. I want to reassure you that my short sale department's skill level is the highest in the industry. We will maintain the same professionalism, honesty and reliability that my reputation has been built on for the last 15 years.

Inside this packet you will find information necessary to begin the short sale process. There is also documentation included that will help you better understand what a short sale is and the foreclosure process. Please review the information in this packet and call me if you have any questions. Your state of affairs and the information that you provide will be kept absolutely confidential. Thank you for placing your trust in us to help you with this sensitive situation.

Sincerely,



Doug Echelberger

## *Short Sale*

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In real estate, a short sale refers to the sale of a property in which the sale price is insufficient to pay off all encumbrances and pay the expenses of the sale. If the Lender is convinced that the owner, for various reasons, is unable to continue making the payments, the Lender will often agree to take less than the full amount owed to allow the sale to close escrow. The incentive for the Bank to approve a short sale is to have the property sell before the loan becomes a problem account on their books.

Before a Lender approves a short sale they will make two key decisions. First, can the owner afford to continue making the payments on the property? If they can there is no reason for the Bank to take the loss. In this case, the Bank may be willing to proceed with a short sale, but will most likely ask the borrower to sign an unsecured note for the difference or the loss. Second, will approving the short sale leave the Bank in relatively the same position as they are likely to be in by going through the foreclosure process and then selling the property? If the Bank can do significantly better by foreclosing they are likely to do so.

The Seller must not receive any sale proceeds for themselves. In most cases, there is no out of pocket expense for a Seller to execute a short sale.

If there is a junior lien holder the discounts can be substantial, sometimes as high as 90% or more. Question two is the primary determinant here. If the senior Lender forecloses the junior may get nothing so they may take a deep discount to get something out of the property.

Short sale Sellers need to be careful and understand the income tax implications. The Seller may end up with taxable income equal to the amount of debt that is forgiven which is commonly referred to as "Phantom Income". Recently, the Mortgage Cancellation Relief Act of 2007 was passed by President George W. Bush. The Act was designed to waive this "Phantom Income" for the years 2007, 2008 and 2009. The Federal Government has since extended this waiver through the year 2012. Anyone considering short sale or foreclosure **must** seek the advice of competent legal and tax advisers before entering into the transaction or letting your home go to foreclosure. Be aware too that if the home goes to foreclosure, a 1099 is received for the FULL amount of the mortgage, plus late fees, legal fees, etc. Every individual situation is different so a CPA or Tax Attorney should be consulted. The Seller may also end up with adverse entries on their credit in either situation.

Short Sales are not a part of real estate basic training. An experienced Realtor is required to handle the complex transaction. A Realtor must list the home, market the home, negotiate with the Lender, negotiate with the Buyers and successfully close the sale. Lenders will pay a reasonable selling commission so Realtors have an incentive to get involved in short sale situations. The price, terms, closing costs and Broker commissions are always subject to Lender approval. The Realtor will ask for a full commission, but in almost every case total commission will be between 2-5% total.

The basic requirements for a short sale are a Listing Agreement with a Realtor and a Sales Contract from a Buyer which are submitted to the Lender along with a Hardship Letter from the Seller explaining why they cannot continue to pay the mortgage and supporting documents such as tax returns, bank statements, information and photos of the home and the Comps, or comparative home prices supporting the offer. The way mortgages are sold the mortgage holder can be located anywhere and not be aware of local real estate conditions. If the package is complete, the Lender will order a BPO, or Broker's Price Opinion, from an independent Realtor. This BPO is the key to the whole process. If it is too high, the Lender will not accept a low offer. Sometimes your Realtor can meet with the Agent doing the BPO and offer information supporting the offer, such as the average time on market of comparable homes, recent selling prices and point out any defects in the home. The sales contract should specifically state that the offer is contingent on the Lender accepting the purchase price in full and forgiving the Seller deficiency on the mortgage. The benefit of a short sale is that when Lenders agree to allow a short sale and the transaction is completed, all mortgages owed against the property are settled. If the property is let go to foreclosure, some debt may still follow the borrower even after the foreclosure sale.

The process does take time and Lenders are overloaded. 2-3 months is very common for a Lender to respond to an offer on the property, however, Lenders do have the ability to delay the foreclosure sale if there is an acceptable offer on the table.

The short sale is a detailed but fairly straightforward process that can work to benefit Buyer, Seller and even the Lender. The Buyer gets a good price on a home, the Seller gets to avoid the disruption and credit hit of a foreclosure, and the Lender avoids the delay and expense of foreclosing on a property they don't want to own and that would negatively impact their ability to make more loans.

## *Short Sale Documentation*

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The follow documents will be required from you to proceed forward with a short sale on your property. Your Lender needs to get a clear picture of why you are applying for the short sale. We are required to have all of these documents in our file before we can proceed. You may provide a single copy of the documents if you have two Lenders. If you do not have access to a copy machine, we will make copies of your documents and return the originals to you.

1. Lender Authorization Letter. (included in packet)  
*This gives our Short Sale Division the ability to talk directly with your Lender. We have included two letters in case you have two Lenders.*
2. Escrow Authorization Letter. (included in packet)  
*This gives our Escrow Company the ability to order payoff demands from your Lender, Association and any other financial, non-financial or service provider during the escrow process..*
3. Hardship Letter. (example included in packet)  
*The hardship letter is the core of the short sale packet. This letter explains the reason you are applying for a short sale. The Lender wants to know the reason you cannot pay your mortgage and have to sell your home. This is an emotional letter and should clearly explain your state of affairs. The letter must be signed and dated.*
4. Two months of your paycheck stubs.
5. 2 year's 1099s or W2s, if applicable.
6. The last 2 years' tax returns that you have filed.
7. Request for Copy of Tax Return Form 4506 completed and signed.  
(included in packet)
8. 3 months' bank statements for all of your accounts.
9. Financial Information Sheet. (included in packet)
10. Statement of Information. (included in packet)  
*This is used to provide the Title Company with your personal information to verify whether any liens or encumbrances against the property actually belong to you.*
11. Loan and Association Information Form. (included in packet)
12. DocuSign Authorization Form. (included in packet)
13. Copy of your latest mortgage statement on each loan against the property.

## *Hardship Letter Example*

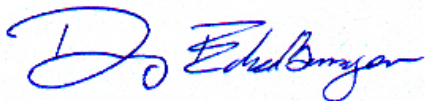
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Pursuant to your request, accompanying this letter are the documents you requested for our Short Sale package. Thank you again for your time when evaluating this information. Should you have any questions, you may contact our realtor, Doug Echelberger, directly. His telephone number is (949) 498-7711. As I have informed many WAMU representatives over the course of the last several months, this year has been beyond the most difficult one we have ever had to endure. We are grateful for our health and that we are together as a family, however this has been a year filled with enormous loss. The situation and circumstances bringing us to this point is so much more convoluted and detailed, it is difficult to summarize in just a few short paragraphs. However, I will give you the abbreviated version. In July of this year, my husband suddenly and unexpectedly lost his job. Since that time, trying to secure another job with comparable pay has proved to be next to impossible. Out of work for almost 3 months and with our savings depleted and no prospects in sight, my husband took a position earning a substantially lesser salary. While initially we may have relied on equity from the investment of our home to pull us through this financial crisis, the housing market today speaks for itself. Sadly, our home today is worth less than what we paid for it. With our expenses exceeding our newly reduced income and the company that my husband used to work for refusing to reimburse us for thousands of dollars in outstanding business expenses incurred by us personally, or honor the stock we hold, we essentially have been forced into bankruptcy. We have had to voluntarily surrender our cars, liquidate and sell off many of our assets and struggle to meet our financial obligations.

Regrettably we have been unable to do so and are dealing with the ramifications accordingly. Of all the losses we have incurred to date, the greatest one looming is that of our home, my dream home. Our hearts and souls were poured into this home with long term plans of a place where we had envisioned living and raising our children for years to come. Financially, mentally and emotionally our lives have been ripped apart and shattered. While there is a certain measure of shame and embarrassment associated with the current state of our financial affairs, we will not let our own pride hinder our sense of integrity. We are attempting to do all that is possible to mitigate our loss as well as the exposure of our lender. That being said, we are proceeding with the short sale and hope this matter will be resolved to the satisfaction of all parties. If a sale ends up not being possible under the time constraints given, we would like Washington Mutual to consider a deed in lieu of foreclosure. Please keep us apprised as to what our options are. Thank you again for your time and attention to the above.

January 1, 2007

Sincerely,



Doug Echelberger

**\*\*\*\*All hardship letters must be signed and dated\*\*\*\***

# *Lender Authorization Letter*

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Date: \_\_\_\_\_

To: \_\_\_\_\_

From: \_\_\_\_\_

RE: Short Sale

Loan #: \_\_\_\_\_

Social Security #: \_\_\_\_\_

To whom it may concern:

I hereby authorize my real estate agent Doug Echelberger, his assistant Brittany Davis, and escrow officer Tracy Scott to discuss my loan and file with you in order to proceed forward with a "Short Sale". We owe more on the home than the current value of the property and we are attempting to complete a "Short Sale". Below I have listed the contact information for my agent and escrow company. Please have all further communication go directly through my agent and contact me if you have any questions.

Sincerely,

Borrower

Co-Borrower

My agent's and escrow officer's contact information:

**Doug Echelberger**

First Team Real Estate

407 N El Camino Real

San Clemente, CA 92673

Direct: **949.498.7711 Ext. 1**

Fax: **949.369.9040**

Email: **doug@echelberger.com**

Assistant: Brittany Davis 949-498-7711 ext . 2

Email: **brittany@echelberger.com**

**Tracy Young Scott**

Coast Cities Escrow

Branch Manager/Sr. Escrow Officer

Office: **949.498.0777**

Fax: **949.498.0707**

Email: **tracyscott@coastcitiesescrow.com**

# *Lender Authorization Letter*

---

Date: \_\_\_\_\_

To: \_\_\_\_\_

From: \_\_\_\_\_

RE: Short Sale

Loan #: \_\_\_\_\_

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Sincerely,

Borrower

Co-Borrower

My agent's and escrow officer's contact information:

**Doug Echelberger**

First Team Real Estate

407 N El Camino Real

San Clemente, CA 92673

Direct: **949.498.7711 Ext. 1**

Fax: **949.369.9040**

Email: **doug@echelberger.com**

Assistant: Brittany Davis 949-498-7711 ext . 2

Email: **brittany@echelberger.com**

**Tracy Young Scott**

Coast Cities Escrow

Branch Manager/Sr. Escrow Officer

Office: **949.498.0777**

Fax: **949.498.0707**

Email: **tracyscott@coastcitiesescrow.com**

# PROPERTY & LENDER INFORMATION

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SELLERS NAME:	
PROPERTY ADDRESS:	
ARE YOUR TAXES CURRENT YES NO	LAST PAID:
HOA#1 DUES AMOUNT:	HOA#2 DUES AMOUNT:
PAID ( ) Monthly ( ) Quarterly ( ) Annually	PAID ( ) Monthly ( ) Quarterly ( ) Annually
DATE LAST PAID:	DATE LAST PAID:

FIRST TRUST DEED HOLDERS NAME:	
LOAN #	CONTACT NAME:
DATE LAST PAID:	CONTACT PHONE:

SECOND TRUST DEED HOLDERS NAME:	
LOAN #	CONTACT NAME:
DATE LAST PAID:	CONTACT PHONE:

THIRD TRUST DEED HOLDERS NAME:	
LOAN #	CONTACT NAME:
DATE LAST PAID:	CONTACT PHONE:

JUDGEMENT CREDITORS NAME:	
REF #	CONTACT NAME:
DATE LAST PAID:	CONTACT PHONE:

IRS LIEN BALANCE:	STATE LIEN BALANCE:
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OTHER LIENS/JUDGEMENTS:
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## Financial Information Sheet

<b>BORROWER &amp; PROPERTY INFORMATION:</b>					
Property Address:			Account #:		
			Is property listed for sale?		No    Yes
How long has property been on the market?			Listing Price:		
Buyer Name:			Relationship to Seller:		
Agent Name:			Agent Phone:		
Is property insured? If, yes please provide the following:					No    Yes
Insurance Company:			Policy Number:		
Agent Name:			Agent Phone:		
Borrower Name:			Phone:		
Mailing Address:					
City:		State:		Zip:	
Co-Borrower Name:			Phone:		
Mailing Address:					
City:		State:		Zip:	
Total number of persons at residence:		Number of Dependents:		Ages:	
<b>Asset Type</b>	<b>Estimated Value</b>	<b>Asset Type</b>	<b>Estimated Value</b>	<b>Asset Type</b>	<b>Estimated Value</b>
Home	\$	401K/Keogh	\$		\$
Checking Acct	\$	IRA	\$		\$
Savings Acct	\$	Stocks	\$		\$
<b>Liability</b>	<b>Monthly Payment</b>	<b>Liability</b>	<b>Monthly Payment</b>	<b>Liability</b>	<b>Monthly Payment</b>
HomEq Mortgage	\$	Auto Insurance	\$	Water/Sewer	\$
Other Mortgages	\$	Electric	\$	Health Insurance	\$
Property Insurance	\$	Gas	\$	Internet Service	\$
Property Taxes	\$	Telephone	\$	Auto Maintenance	\$
Child Support	\$	Cable/Satellite	\$	Medical Premiums	\$
Child Care	\$	<b>Credit Cards</b>		Medical Co-Pays	\$
Tuition	\$	Department Stores	\$	Food	\$
Alimony	\$	Visa, MasterCard	\$	Clothing	\$
Auto Loan(s)	\$	Other Credit Card	\$	Other	\$
Church/Club Dues	\$	Entertainment	\$	Other	\$
If you any mortgage other than HomEq, please provide the following information:					
Lien Holder 1:		Phone:(    )		Account #:                      Balance: \$	
Lien Holder 2:		Phone:(    )		Account #:                      Balance: \$	
Lien Holder 3:		Phone:(    )		Account #:                      Balance: \$	
Auto1 – Make:		Model:		Year:                              Est. Value: \$	
Auto2 – Make:		Model:		Year:                              Est. Value: \$	
Other Vehicles:		Model:		Year:                              Est. Value: \$	
Borrower Net Monthly Income		\$		Employer:                              Phone: (    )	
Co-Borrower Net Monthly Income		\$		Employer:                              Phone: (    )	
Additional/Other Income:		\$		Type: child support, alimony, pensions, interest, rental, other:                      Amount:	

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 it financial information provided. My (Our) signature(s) below grants the holder of my (our) mortgage the authority to confirm information I (we) have disclosed in this financial statement, to verify that it is accurate by ordering a credit report, and to contact my real estate agent, attorney, broker and/or credit counseling service representative. This is an attempt to collect a debt and any information obtained Will be used for that purpose.

Submitted this \_\_\_\_\_ day of \_\_\_\_\_, 20

By:  
Signature of Borrower

Date

By:  
Signature of Co-Borrower

Date:

**Incomplete information may delay the processing of your request**

## Request for Copy of Tax Return

- ▶ **Do not sign this form unless all applicable lines have been completed. Read the instructions on page 2.**
- ▶ **Request may be rejected if the form is incomplete, illegible, or any required line was blank at the time of signature.**

OMB No. 1545-0429

**Tip:** You may be able to get your tax return or return information from other sources. If you had your tax return completed by a paid preparer, they should be able to provide you a copy of the return. The IRS can provide a **Tax Return Transcript** for many returns free of charge. The transcript provides most of the line entries from the tax return and usually contains the information that a third party (such as a mortgage company) requires. See **Form 4506-T**, Request for Transcript of Tax Return, or you can call 1-800-829-1040 to order a transcript.

1a Name shown on tax return. If a joint return, enter the name shown first.	1b First social security number on tax return or employer identification number (see instructions)
2a If a joint return, enter spouse's name shown on tax return.	2b Second social security number if joint tax return
3 Current name, address (including apt., room, or suite no.), city, state, and ZIP code	
4 Previous address shown on the last return filed if different from line 3	
5 If the tax return is to be mailed to a third party (such as a mortgage company), enter the third party's name, address, and telephone number. The IRS has no control over what the third party does with the tax return.	

**Caution: DO NOT SIGN** this form if a third party requires you to complete Form 4506, and lines 6 and 7 are blank.

6 **Tax return requested.** (Form 1040, 1120, 941, etc.) and all attachments as originally submitted to the IRS, including Form(s) W-2, schedules, or amended returns. Copies of Forms 1040, 1040A, and 1040EZ are generally available for 7 years from filing before they are destroyed by law. Other returns may be available for a longer period of time. Enter only one return number. If you need more than one type of return, you must complete another Form 4506. ▶ \_\_\_\_\_

**Note.** If the copies must be certified for court or administrative proceedings, check here.

7 **Year or period requested.** Enter the ending date of the year or period, using the mm/dd/yyyy format. If you are requesting more than eight years or periods, you must attach another Form 4506.

/ /	/ /	/ /	/ /
/ /	/ /	/ /	/ /

8 <b>Fee.</b> There is a \$39 fee for each return requested. <b>Full payment must be included with your request or it will be rejected. Make your check or money order payable to "United States Treasury." Enter your SSN or EIN and "Form 4506 request" on your check or money order.</b>	<b>\$ 39.00</b>
a Cost for each return . . . . .	\$
b Number of returns requested on line 7 . . . . .	\$
c Total cost. Multiply line 8a by line 8b . . . . .	\$

9 If we cannot find the tax return, we will refund the fee. If the refund should go to the third party listed on line 5, check here

**Signature of taxpayer(s).** I declare that I am either the taxpayer whose name is shown on line 1a or 2a, or a person authorized to obtain the tax return requested. If the request applies to a joint return, **either** husband or wife must sign. If signed by a corporate officer, partner, guardian, tax matters partner, executor, receiver, administrator, trustee, or party other than the taxpayer, I certify that I have the authority to execute Form 4506 on behalf of the taxpayer.

Signature (see instructions)	Date	Telephone number of taxpayer on line 1a or 2a ( )
Title (if line 1a above is a corporation, partnership, estate, or trust)		
Spouse's signature	Date	

## General Instructions

Section references are to the Internal Revenue Code.

**Purpose of form.** Use Form 4506 to request a copy of your tax return. You can also designate a third party to receive the tax return. See line 5.

**How long will it take?** It may take up to 60 calendar days for us to process your request.

**Tip.** Use Form 4506-T, Request for Transcript of Tax Return, to request tax return transcripts, tax account information, W-2 information, 1099 information, verification of non-filing, and record of account.

**Where to file.** Attach payment and mail Form 4506 to the address below for the state you lived in, or the state your business was in, when that return was filed. There are two address charts: one for individual returns (Form 1040 series) and one for all other returns.

If you are requesting a return for more than one year and the chart below shows two different RAVS teams, send your request to the team based on the address of your most recent return.

**Note.** You can also call 1-800-829-1040 to request a transcript or get more information.

## Chart for individual returns (Form 1040 series)

If you filed an individual return and lived in:	Mail to the "Internal Revenue Service" at:
District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New York, Vermont	RAIVS Team Stop 679 Andover, MA 05501
Alabama, Delaware, Florida, Georgia, North Carolina, Rhode Island, South Carolina, Virginia	RAIVS Team P.O. Box 47-421 Stop 91 Doraville, GA 30362
Kentucky, Louisiana, Mississippi, Tennessee, Texas, a foreign country, or A.P.O. or F.P.O. address	RAIVS Team Stop 6716 AUSC Austin, TX 73301
Alaska, Arizona, California, Colorado, Hawaii, Idaho, Iowa, Kansas, Minnesota, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Utah, Washington, Wisconsin, Wyoming	RAIVS Team Stop 37106 Fresno, CA 93888
Arkansas, Connecticut, Illinois, Indiana, Michigan, Missouri, New Jersey, Ohio, Pennsylvania, West Virginia	RAIVS Team Stop 6705-S-2 Kansas City, MO 64999

## Chart for all other returns

If you lived in or your business was in:	Mail to the "Internal Revenue Service" at:
Alabama, Alaska, Arizona, Arkansas, California, Colorado, Florida, Georgia, Hawaii, Idaho, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Tennessee, Texas, Utah, Washington, Wyoming, a foreign country, or A.P.O. or F.P.O. address	RAIVS Team P.O. Box 9941 Mail Stop 6734 Ogden, UT 84409
Connecticut, Delaware, District of Columbia, Illinois, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Vermont, Virginia, West Virginia, Wisconsin	RAIVS Team P.O. Box 145500 Stop 2800 F Cincinnati, OH 45250

## Specific Instructions

**Line 1b.** Enter your employer identification number (EIN) if you are requesting a copy of a business return. Otherwise, enter the first social security number (SSN) shown on the return. For example, if you are requesting Form 1040 that includes Schedule C (Form 1040), enter your SSN.

**Signature and date.** Form 4506 must be signed and dated by the taxpayer listed on line 1a or 2a. If you completed line 5 requesting the return be sent to a third party, the IRS must receive Form 4506 within 60 days of the date signed by the taxpayer or it will be rejected.

**Individuals.** Copies of jointly filed tax returns may be furnished to either spouse. Only one signature is required. Sign Form 4506 exactly as your name appeared on the original return. If you changed your name, also sign your current name.

**Corporations.** Generally, Form 4506 can be signed by: (1) an officer having legal authority to bind the corporation, (2) any person designated by the board of directors or other governing body, or (3) any officer or employee on written request by any principal officer and attested to by the secretary or other officer.

**Partnerships.** Generally, Form 4506 can be signed by any person who was a member of the partnership during any part of the tax period requested on line 7.

**All others.** See section 6103(e) if the taxpayer has died, is insolvent, is a dissolved corporation, or if a trustee, guardian, executor, receiver, or administrator is acting for the taxpayer.

**Documentation.** For entities other than individuals, you must attach the authorization document. For example, this could be the letter from the principal officer authorizing an employee of the corporation or the Letters Testamentary authorizing an individual to act for an estate.

**Signature by a representative.** A representative can sign Form 4506 for a taxpayer only if this authority has been specifically delegated to the representative on Form 2848, line 5. Form 2848 showing the delegation must be attached to Form 4506.

**Privacy Act and Paperwork Reduction Act Notice.** We ask for the information on this form to establish your right to gain access to the requested return(s) under the Internal Revenue Code. We need this information to properly identify the return(s) and respond to your request. Sections 6103 and 6109 require you to provide this information, including your SSN or EIN, to process your request. If you do not provide this information, we may not be able to process your request. Providing false or fraudulent information may subject you to penalties.

Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and cities, states, and the District of Columbia for use in administering their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file Form 4506 will vary depending on individual circumstances. The estimated average time is: **Learning about the law or the form**, 10 min.; **Preparing the form**, 16 min.; and **Copying, assembling, and sending the form to the IRS**, 20 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making Form 4506 simpler, we would be happy to hear from you. You can write to Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. Do not send the form to this address. Instead, see *Where to file* on this page.



313 N. El Camino Real, San Clemente, CA 92672  
 Tel: (949) 498-0777 • Fax: (949) 498-0707

**LOAN AND ASSOCIATION INFORMATION**

Officer: Tracy M. Scott

**Federal Regulation 545-132D requires authorization in writing from you before a lender can release any payoff information to an escrow holder. A delay in returning this signed and completed form could delay the close of this escrow.**

In order for us to obtain statements of account from your existing lender(s), homeowners association or club, please provide us with the following information on your accounts. We must have accurate and complete information on your accounts, as some take up to 30 days to return our request. Please fill out and return this form as soon as possible.

If any loans are **Home Equity Lines of Credit**, please indicate which one(s).

**1<sup>st</sup> Lender's Name:** \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Phone No.: \_\_\_\_\_ Loan No.: \_\_\_\_\_  
 Approximate Balance \_\_\_\_\_ Last Payment Date: \_\_\_\_\_  
 Does your loan have a prepayment penalty? Yes \_\_\_\_\_ No \_\_\_\_\_ Not Sure \_\_\_\_\_  
 Type of Loan: Conv \_\_\_\_\_ FHA \_\_\_\_\_ VA \_\_\_\_\_ Cal Vet \_\_\_\_\_ **Home Equity?** \_\_\_\_\_

**2<sup>nd</sup> Lender's Name:** \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Phone No.: \_\_\_\_\_ Loan No.: \_\_\_\_\_  
 Approximate Balance \_\_\_\_\_ Last Payment Date: \_\_\_\_\_  
 Does your loan have a prepayment penalty? Yes \_\_\_\_\_ No \_\_\_\_\_ Not Sure \_\_\_\_\_  
 Type of Loan: Conv \_\_\_\_\_ FHA \_\_\_\_\_ VA \_\_\_\_\_ Cal Vet \_\_\_\_\_ **Home Equity?** \_\_\_\_\_

**HOMEOWNERS ASSOCIATION INFORMATION (if applicable)**

**1<sup>st</sup> Association Name:** \_\_\_\_\_  
 Management Company: \_\_\_\_\_  
 Address: \_\_\_\_\_ Phone No: \_\_\_\_\_  
 Association Dues: \$ \_\_\_\_\_ Monthly \_\_\_\_\_ Quarterly \_\_\_\_\_ Semi-Annual \_\_\_\_\_ Next Due: \_\_\_\_\_

**2<sup>nd</sup> Association Name:** \_\_\_\_\_  
 Management Company: \_\_\_\_\_  
 Address: \_\_\_\_\_ Phone No: \_\_\_\_\_  
 Association Dues: \$ \_\_\_\_\_ Monthly \_\_\_\_\_ Quarterly \_\_\_\_\_ Semi-Annual \_\_\_\_\_ Next Due: \_\_\_\_\_

**Please Note:** It is a requirement of the State of California that the Seller(s) of the subject property provide the Buyer(s) with copies and disclose certain information about the association and the residential unit being sold. Prior to close of escrow, as set forth in the Agreement of the parties, Seller shall provide a copy of the CC&R's, Articles of Incorporation, By-Laws, current Budget and Financials, most recent 12 months minutes for each of the Associations, and additionally information regarding violations, defects and pending litigation, if any, together with any other items listed in Civil Code Section 1368. **Escrow Holder is instructed to request, prior to close of escrow, directly from each Association any and all documents and disclosures made available by such Association that are required by law.**

**NOTICE REGARDING ASSOCIATION KEYS AND/OR MEMBERSHIP CARDS**

The management companies require that funds be paid from the Seller(s) account if no receipt is obtained from the Buyer for Homeowners Association facility keys and/or cards. Please contact your management company **PRIOR TO THE CLOSE OF ESCROW** to determine whether the keys should be handed over to the Buyer through your agent, or if they require you to return keys and/or cards directly to the management company. Your failure to do so may result in unnecessary charges to you for facility keys and/or cards, from your management company, as many STRICTLY enforce their policy regarding collecting fees for the above.

**\*\*\*LENDING INSTITUTIONS/HOMEOWNERS ASSOCIATIONS\*\*\***

YOU ARE HEREBY AUTHORIZED/INSTRUCTED TO ORDER DEMAND AND ACCOUNT STATEMENTS FROM EACH OF THE ABOVE NAMED INSTITUTIONS ON MY BEHALF AND FREEZE ALL ABOVE NAMED EQUITY LINE ACCOUNTS.

\_\_\_\_\_ Social Security Number

\_\_\_\_\_ Social Security Number

# CONFIDENTIAL INFORMATION STATEMENT

Coast Cities Escrow

In order to expedite the completion of your transaction, we are requesting that you complete the following "Statement of Information" form. We are not unnecessarily interested in your personal affairs, however, we have been asked to insure the title to real property in which you are interested and that requires a title search.

In searching your title, we may encounter judgments, bankruptcies, divorces and/or income tax liens against persons with the same or similar names to yours. Such matters cloud the title to your property, unless eliminated. The information you provide, and your spouse (if you are married) or domestic partner can promptly eliminate all matters not directly affecting you or the property being searched, avoid any delay in your transaction and provide you with the most efficient service possible.

Thank you for your cooperation in furnishing us with the necessary information and please be assured that your information is confidential and used only for the purpose, which we have stated.

<b>Party 1</b> <hr/> FIRST                      MIDDLE                      LAST <hr/> FORMER LAST NAME(S), IF ANY <hr/> BIRTHPLACE                      BIRTH DATE <hr/> SOCIAL SECURITY NUMBER                      DRIVER'S LICENSE NUMBER I <input type="checkbox"/> AM SINGLE <input type="checkbox"/> AM MARRIED <input type="checkbox"/> HAVE A DOMESTIC PARTNER NAME OF <u>CURRENT</u> SPOUSE OR DOMESTIC PARTNER (if different from Party 2) <hr/> NAME OF <u>FORMER</u> SPOUSE OR DOMESTIC PARTNER (IF NONE, WRITE "NONE") <hr/> DECEASED <input type="checkbox"/> DIVORCED <input type="checkbox"/> WHEN: _____ WHERE: _____	<b>Party 2</b> (name spouse, even if not on transaction) <hr/> FIRST                      MIDDLE                      LAST <hr/> FORMER LAST NAME(S), IF ANY <hr/> BIRTHPLACE                      BIRTH DATE <hr/> SOCIAL SECURITY NUMBER                      DRIVER'S LICENSE NUMBER I <input type="checkbox"/> AM SINGLE <input type="checkbox"/> AM MARRIED <input type="checkbox"/> HAVE A DOMESTIC PARTNER NAME OF <u>CURRENT</u> SPOUSE OR DOMESTIC PARTNER (if different from Party 1) <hr/> NAME OF <u>FORMER</u> SPOUSE OR DOMESTIC PARTNER (IF NONE, WRITE "NONE") <hr/> DECEASED <input type="checkbox"/> DIVORCED <input type="checkbox"/> WHEN: _____ WHERE: _____
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RESIDENCES LAST 10 YEARS (use reverse side if necessary to provide history for ten years)				
<b>Party One</b>	Number and Street	City, State, Zip Code	From (Date)	To (Date)
	Number and Street	City, State, Zip Code	From (Date)	To (Date)
<b>Party Two</b>	Number and Street	City, State, Zip Code	From (Date)	To (Date)
	Number and Street	City, State, Zip Code	From (Date)	To (Date)

OCCUPATIONS LAST 10 YEARS (use reverse side if necessary to provide history for ten years)				
<b>Party One</b>	Occupation	Firm Name	Address, City, State & Zip	No. Years
	Occupation	Firm Name	Address, City, State & Zip	No. Years
<b>Party Two</b>	Occupation	Firm Name	Address, City, State & Zip	No. Years
	Occupation	Firm Name	Address, City, State & Zip	No. Years

The Street Address of the Property in this Transaction is: \_\_\_\_\_

**Party One**  
 Signature: \_\_\_\_\_  
 Date: \_\_\_\_\_  
 Home Phone: \_\_\_\_\_  
 Mobile Number: \_\_\_\_\_  
 Business Phone: \_\_\_\_\_  
 Fax Number: \_\_\_\_\_  
 Email Address: \_\_\_\_\_

**Party Two**  
 Signature: \_\_\_\_\_  
 Date: \_\_\_\_\_  
 Home Phone: \_\_\_\_\_  
 Mobile Number: \_\_\_\_\_  
 Business Phone: \_\_\_\_\_  
 Fax Number: \_\_\_\_\_  
 Email Address: \_\_\_\_\_



**COAST CITIES  
ESCROW**  
You need it right. Now.

313 N. El Camino Real, San Clemente, CA 92672

Tel: (949) 498-0777 • Fax: (949) 498-0707

Date: \_\_\_\_\_

### **AUTHORIZATION TO RELEASE INFORMATION**

Escrow No: \_\_\_\_\_

RE: Property Address: \_\_\_\_\_

I hereby authorize release of all information from or to any of the following parties associated with or required for satisfactory completion of my pending real estate transaction being processed at Coast Cities Escrow:

- A. Financial service providers such as title insurance and underwritten title companies, mortgage companies and lenders as well as insurance agents and companies **associated with this escrow transaction.**
- B. Non-financial companies such as homeowners associations, attorney's, bookkeepers and accountants, federal state or local tax or governmental authorities, real estate sales agents and brokers **associated with this escrow.**
- C. Service providers including contractors, structural pest control operators and others rendering services to you or the real property or business **that is the subject of this escrow transaction.**

This form may be reproduced or photocopied to be utilized as my consent to release credit, employment, loan/creditor demands and deposit information.

A photographic or facsimile copy of this authorization may be deemed to be the equivalent of the original and may be used as a duplicate original.

\_\_\_\_\_

# *Electronic Signature Authorization*

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To whom it may concern:

I agree that the signature and initials I have selected on DocuSign will be the electronic representation of my signature and initials for all purposes when I or my agent, Doug Echelberger, use them on documents, including legally binding contracts - just the same as pen and paper signature or initials. My DocuSign signature is represented below.

Borrower DocuSign Signature: \_\_\_\_\_ Borrower DocuSign Initials: \_\_\_\_\_

Borrower: \_\_\_\_\_ Date: \_\_\_\_\_

Borrower DocuSign Signature: \_\_\_\_\_ Borrower DocuSign Initials: \_\_\_\_\_

Borrower: \_\_\_\_\_ Date: \_\_\_\_\_