



McFerran, Burns & Stovall, P.S.
ATTORNEYS AT LAW

3906 S. 74th St., Tacoma, Washington 98409
Tel: 253.284.3838 ♦ Toll-Free 1-800.236.4948 ♦ Fax: 253.284.3841
(Also offices located in Seattle and Kent)
www.mbs-shortsales.com

SHORT SALE
LOSS MITIGATION GROUP
SELLER'S
SHORT SALE
APPLICATION
PACKAGE

[REVISED AS OF AUGUST 25, 2011]

Call us at (253) 284-3838

For document submission: docs@mbs-shortsales.com or Fax: (253) 284-3841



McFerran, Burns & Stovall, P.S.
ATTORNEYS AT LAW

3906 S. 74th St., Tacoma, Washington 98409
Tel: 253.284.3833 ♦ Toll-Free 1-800.236.4948 ♦ Fax: 253.284.3841
(Also offices located in Seattle and Kent)
www.mbs-shortsales.com

SHORT SALE LOSS MITIGATION GROUP

**BORROWER'S AUTHORIZATION TO RELEASE INFORMATION TO
SHORT SALE LOSS MITIGATION GROUP**

FIRST POSITION LENDER

Lender: _____ Loan Number: _____
Borrower: _____ Co-Borrower: _____
Social Security No. _____ Social Security No. _____
Property Address: _____
City: _____, State: _____ Zip: _____

The undersigned by their signature below hereby authorize McFerran, Burns & Stovall, P.S., a Washington State law firm and _____ to obtain any and all information associated with the above-referenced loan, including all information on amounts due and owing, its current status and any and all information available from lender's trustee and associates with pertaining to any actual or impending action in foreclosure that may affect the above-named parties or the property herein described.

The undersigned also authorize that this document may be reproduced or submitted by fax or other electronic media to lender or its trustee and will be deemed as if it were an original providing lender or trustee full authority to release all information.

Dated this _____ day of _____, 20____.

BORROWER

CO-BORROWER



3906 S. 74th St., Tacoma, Washington 98409
Tel: 253.284.3833 ♦ Toll-Free 1-800.236.4948 ♦ Fax: 253.284.3841
(Also offices located in Seattle and Kent)
www.mbs-shortsales.com

SHORT SALE LOSS MITIGATION GROUP

**BORROWER'S AUTHORIZATION TO RELEASE INFORMATION TO
SHORT SALE LOSS MITIGATION GROUP**

SECOND POSITION LENDER

Lender: _____ Loan Number: _____
Borrower: _____ Co-Borrower: _____
Social Security No. _____ Social Security No. _____
Property Address: _____
City: _____, State: _____ Zip: _____

The undersigned by their signature below hereby authorize McFerran, Burns & Stovall, P.S., a Washington State law firm and _____ to obtain any and all information associated with the above-referenced loan, including all information on amounts due and owing, its current status and any and all information available from lender's trustee and associates with pertaining to any actual or impending action in foreclosure that may affect the above-named parties or the property herein described.

The undersigned also authorize that this document may be reproduced or submitted by fax or other electronic media to lender or its trustee and will be deemed as if it were an original providing lender or trustee full authority to release all information.

Dated this _____ day of _____, 20____.

BORROWER

CO-BORROWER

For document submission: docs@mbs-shortsales.com or Fax: (253) 284-3841



McFerran, Burns & Stovall, P.S.
ATTORNEYS AT LAW

3906 S. 74th St., Tacoma, Washington 98409
Tel: 253.284.3838 ♦ Toll-Free 1-800.236.4948 ♦ Fax: 253.284.3841
(Also offices located in Seattle and Kent)
www.mbs-shortsales.com

SHORT SALE LOSS MITIGATION GROUP

BORROWER'S UNIVERSAL SHORT SALE APPLICATION AND HARDSHIP STATEMENT

Borrower: _____ Co-Borrower: _____

Address: _____ City/State/Zip: _____

Lender: _____

Loan No.: _____ Date: _____ / _____ /201

Number of People Living in Household: _____

The undersigned borrowers, by their signatures below, hereby advise the above-named lender that they have contracted for the services of McFerran, Burns & Stovall, P.S. and Short Sale Loss Mitigation Group ("Our Negotiator") to represent them in matters associated with obtaining an adjustment to the current amounts due lender in order to complete an actual or anticipated Purchase and Sale transaction to a third party purchaser.

The undersigned borrowers understand that our negotiator will provide the lender with all documents and information including property valuation information, required by the lender to facilitate the short sale.

Further, the undersigned borrowers attach to this Application, the original Authorization for Release of Information provided in order to provide our negotiator full authority to act on our behalf in this matter.

Undersigned declare to lender that they do not wish to complete a loan modification and wish to negotiate a short sale of the subject property.

The undersigned borrowers are presently in default or imminently in default under the current mortgage loan secured by the above-addressed property. We believe that the present balance of the loan exceeds the value of the subject property after taking into consideration the attendant costs of closing a transaction to a third party purchaser. We do not wish to complete a loan modification; and if one is in process by this writing, we wish to cancel that loan modification application.

The undersigned borrowers incorporate by reference any and all supporting documentation that will be supplied to lender by our negotiator to assist them in evaluating our request that they adjust the amount owing to allow the above property to be sold in our marketplace.

The undersigned borrowers by their signatures below provide the lender named herein permission to communicate directly with our negotiator on our behalf in these negotiations. Contact information for our negotiator is as follows:

McFerran, Burns & Stovall, P.S.
Short Sale Loss Mitigation Group
3906 South 74th Street
Tacoma, WA 98409
Tel: 253.284.3833 or 800.236.4948

Dated this _____ day of _____, 20_____.

BORROWER

CO-BORROWER

For document submission: docs@mbs-shortsales.com or Fax: (253) 284-3841



3906 S. 74th St., Tacoma, Washington 98409
Tel: 253.284.3838 ♦ Toll-Free 1-800.236.4948 ♦ Fax: 253.284.3841
(Also offices located in Seattle and Kent)
www.mbs-shortsales.com

POINTERS ON WRITING AN APPROPRIATE HARDSHIP LETTER

We leave a lot of room on our form for clients to write a detailed hardship letter. In our practice this is the most important part of the whole process. The lender wants to know from you, in your own words, what occurred that has caused you to get behind in your payments and what has occurred that will continue to keep from getting caught up with your payments to the lender.

Please be honest and candid. If there are supporting materials such as divorce decrees or lay-off notices or bankruptcy information, please feel free to staple them along to the personal hardship statement. That can greatly enhance the strength of your statements.

Please be respectful as we are asking for the lender or lenders to take a serious loss in order to get the property re-sold. Please print or write clearly or just type on your computer and we can attach your signed statement along with our negotiation package to the lender.

Remember: The more detailed your description of your hardship, the better. However, keep it as short as possible. Assume you are forwarding a resume to a potential employer and who will have limited time to read.

Call us at (253) 284-3838



McFerran, Burns & Stovall, P.S.
ATTORNEYS AT LAW

3906 S. 74th St., Tacoma, Washington 98409
Tel: 253.284.3838 ♦ Toll-Free 1-800.236.4948 ♦ Fax: 253.284.3841
(Also offices located in Seattle and Kent)
www.mbs-shortsales.com

SHORT SALE LOSS MITIGATION GROUP

CERTIFIED BORROWER'S/SELLER'S FINANCIAL STATEMENT

Borrower Name: _____ Social Security No. _____
 Property Address: _____ City/State/Zip: _____
 Co-Borrower's Name: _____ Social Security No. _____
 Phone No.: (____) _____ Email: _____
 Number of People in Household: _____ Number of Rental Properties: _____
 Lender: _____ Loan No: _____

BORROWER

CO-BORROWER

Salary/Wages (after taxes)	\$ _____	Salary/Wages (after taxes)	\$ _____
Commissions (after taxes)	\$ _____	Commissions (after taxes)	\$ _____
Disability	\$ _____	Disability	\$ _____
Child Support Received	\$ _____	Child Support Received	\$ _____
Alimony Income Received	\$ _____	Alimony Income Received	\$ _____
Other income	\$ _____	Other income	\$ _____
Rental Income	\$ _____	Rental Income	\$ _____
TOTAL MONTHLY INCOME	\$ _____	TOTAL MONTHLY INCOME	\$ _____

For document submission: docs@mbs-shortsales.com or Fax: (253) 284-3841

BORROWER AND CO-BORROWER EXPENSES

Home mortgage (P,I,T,I)	\$ _____	(principal, interest, taxes, insurance)
Real estate taxes (if not above)	\$ _____	(amortized for year)
Homeowner's insurance	\$ _____	(amortized for year)
Homeowner's Association dues	\$ _____	
Monthly utility costs	\$ _____	
Second mortgage	\$ _____	
Monthly average maintenance	\$ _____	
Vehicle loan/lease #1	\$ _____	
Vehicle loan/lease #2	\$ _____	
Residence landline phone	\$ _____	
Cell phone (monthly)	\$ _____	
Cable/Satellite dish	\$ _____	
Vehicle insurance #1/#2	\$ _____	
School Tuition	\$ _____	
Alimony/Separate Maintenance	\$ _____	
Medical/Dental Insurance Premium	\$ _____	
Uninsured medical costs	\$ _____	
Vehicle Fuel #1/#2	\$ _____	
Dependant Care Expenses	\$ _____	
Credit Card #1	\$ _____	(Statement minimum amount)
Credit Card #2	\$ _____	(Statement minimum amount)
Credit Card #3	\$ _____	(Statement minimum amount)
Credit Card #4	\$ _____	(Statement minimum amount)
Credit Card #5	\$ _____	(Statement minimum amount)
Groceries	\$ _____	

Dry cleaning/laundry	\$ _____	
Entertainment	\$ _____	
Vacations	\$ _____	(Amortized monthly)
Rental Property Mortgage	\$ _____	
Personal Rent Amount	\$ _____	
Work Expenses (Parking, union, etc.)	\$ _____	
Group Utilities (gas, electricity, sewer, water, call, internet, cable)	\$ _____	
Group Vehicle Expenses (gas, lease, insurance, maintenance)	\$ _____	
TOTAL MONTHLY EXPENSES	\$ _____	

STATEMENT OF LIQUID ASSETS AND LIABILITIES

ASSETS

LIABILITIES

Cash on hand and in banks	\$ _____	Consumer debt total	\$ _____
Certificates of Deposit	\$ _____	Investment debt total	\$ _____
Stocks/Bonds	\$ _____	Vehicle Loans	\$ _____
Mutual Funds	\$ _____		
Cash value life insurance	\$ _____		
Cash available retirement	\$ _____		
TOTAL ASSETS	\$ _____	TOTAL LIABILITIES	\$ _____

LIQUID NET WORTH **\$ _____**

(Subtract total liabilities from total assets and enter results) (If negative so indicate)

**ATTACHMENTS TO CERTIFIED
BORROWER'S/SELLER'S FINANCIAL STATEMENT**

- Attachment #1** Borrower's Most Recent Federal Income Tax Return with all pages copied
- Attachment #2** Borrower's Previous Year Federal Income Tax Return with all pages copied
- Attachment #3** Borrower's Two (2) Most Recent Paystubs from Employer (copies) Please continue to forward monthly to our office all during negotiations.
- Attachment #4** Co-Borrower's Two (2) Most Recent Paystubs from Employer (copies) Please continue to forward monthly to our office all during negotiations.
- Attachment #5** Borrower's Two (2) most Recent bank Checking/Savings Account Statements (copies) (All pages must be copied even if nothing is printed on a page.)
- Attachment #6** Co-Borrower's Two (2) most Recent bank Checking/Savings Account Statements (copies) (All pages must be copied even if nothing is printed on a page.) Please continue to forward monthly to our office all during negotiations.
- Attachment #7** Borrower's and Co-Borrower's most recent statement of account from all lenders affecting the sale property. This is typically a monthly or periodic statement that gives us account number and principal amounts owing.
- Attachment #8** IRS Form 4506-T. Please fill in the form enclosed in this package and sign as appropriate. The lender will fill in the information in Sections # 5, 6 and 9.

CERTIFICATE BY BORROWER/CO-BORROWER

The undersigned Borrower and Co-Borrower (if applicable) by their signatures herein certify that all information contained within the financial statement as well as all the information contained in any attachments hereto are true and current to the best of our knowledge.

Dated this _____ day of _____, 20_____.

BORROWER (signature)

CO-BORROWER (Signature)

(Print Name)

(Print Name)



3906 S. 74th St., Tacoma, Washington 98409
Tel: 253.284.3838 ♦ Toll-Free 1-800.236.4948 ♦ Fax: 253.284.3841
(Also offices located in Seattle and Kent)
www.mbs-shortsales.com

SHORT SALE LOSS MITIGATION GROUP
SELLER'S UNDERSTANDING OF NATURE
AND EXTENT OF SHORT SALE SERVICES

We, the undersigned, after having read the various materials from McFerran, Burns & Stovall, P.S. Loss Mitigation Group, by our signatures below, acknowledge our understanding that the law firm has been retained to represent the transaction in order to negotiate the best possible settlement arrangement that may be obtained for the seller based upon seller's situation and the particular transaction being negotiated. That may mean that the seller is not fully relieved of liability for residual sums due the Lender. Law firm cannot guarantee outcome of any transaction, but will utilize its resources in an attempt to obtain the best possible outcome for the seller.

We, the undersigned, further agree that during the term of our short sale that we will continue to pay in a timely manner the utility bills for the subject property and, as applicable, any and all Home Owners Association fees affecting our property.

Further, we understand from speaking with the attorney at this firm that our filing for bankruptcy protection at the time of our short sale transaction will effectively eliminate and preclude our consultants ability to negotiate a short sale on our behalf. We agree to consult with attorneys at this law firm BEFORE we exercise such right until the short sale closes. Law firm acknowledges seller's constitutional right to seek bankruptcy protection and does not in any fashion wish to interfere with that right.

Date this _____ day of _____, 20____.

X _____ X _____
By: _____ By: _____
(Print Name) (Print Name)



McFerran, Burns & Stovall, P.S.
ATTORNEYS AT LAW

3906 S. 74th St., Tacoma, Washington 98409
Tel: 253.284.3838 ♦ Toll-Free 1-800.236.4948 ♦ Fax: 253.284.3841
(Also offices located in Seattle and Kent)
www.mbs-shortsales.com

SHORT SALE LOSS MITIGATION GROUP

BORROWER'S AUTHORIZATION TO RELEASE INFORMATION TO SHORT SALE LOSS MITIGATION GROUP

TIPS FOR FILLING OUT I.R.S. FORM 4506-T

Your lenders require that you fill out the I.R.S. Form 4506-T attached and return it to our office to go along with our package of documents to complete the submission.

You need only fill out lines 1a, 2a (if applicable) 3, 4 (if applicable), and sign and date the form at the bottom. Your lender will fill in the other portions of the form as applicable.

Form **4506-T**

(Rev. January 2008)
Department of the Treasury
Internal Revenue Service

Request for Transcript 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. 1545-1872

Tip: Use Form 4506-T to order a transcript or other return information free of charge. See the product list below. You can also call 1-800-829-1040 to order a transcript. If you need a copy of your return, use **Form 4506**, Request for Copy of Tax Return. There is a fee to get a copy of your return.

<p>1a Name shown on tax return. If a joint return, enter the name shown first.</p>	<p>1b First social security number on tax return or employer identification number (see instructions)</p>
<p>2a If a joint return, enter spouse's name shown on tax return</p>	<p>2b Second social security number if joint tax return</p>

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 transcript or tax information 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 information.

Tax Verification Services 17842 Irvine Blvd. Suite 238 Tustin, CA 92780 Delegate: ID: cboettcher

Caution: DO NOT SIGN this form if a third party requires you to complete Form 4506-T, and lines 6 and 9 are blank.

6 Transcript requested. Enter the tax form number here (1040, 1065, 1120, etc.) and check the appropriate box below. Enter only one tax form number per request. ▶ _____

- a Return Transcript**, which includes most of the line items of a tax return as filed with the IRS. Transcripts are only available for the following returns: Form 1040 series, Form 1065, Form 1120, Form 1120A, Form 1120H, Form 1120L, and Form 1120S. Return transcripts are available for the current year and returns processed during the prior 3 processing years. Most requests will be processed within 10 business days
- b Account Transcript**, which contains information on the financial status of the account, such as payments made on the account, penalty assessments, and adjustments made by you or the IRS after the return was filed. Return information is limited to items such as tax liability and estimated tax payments. Account transcripts are available for most returns. Most requests will be processed within 30 calendar days
- c Record of Account**, which is a combination of line item information and later adjustments to the account. Available for current year and 3 prior tax years. Most requests will be processed within 30 calendar days

7 Verification of Nonfiling, which is proof from the IRS that you **did not** file a return for the year. Most requests will be processed within 10 business days

8 Form W-2, Form 1099 series, Form 1098 series, or Form 5498 series transcript. The IRS can provide a transcript that includes data from these information returns. State or local information is not included with the Form W-2 information. The IRS may be able to provide this transcript information for up to 10 years. Information for the current year is generally not available until the year after it is filed with the IRS. For example, W-2 information for 2006, filed in 2007, will not be available from the IRS until 2008. If you need W-2 information for retirement purposes, you should contact the Social Security Administration at 1-800-772-1213. Most requests will be processed within 45 days

Caution: If you need a copy of Form W-2 or Form 1099, you should first contact the payer. To get a copy of the Form W-2 or Form 1099 filed with your return, you must use Form 4506 and request a copy of your return, which includes all attachments.

9 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 four years or periods, you must attach another Form 4506-T. For requests relating to quarterly tax returns, such as Form 941, you must enter each quarter or tax period separately.

_____ / ____ / _____ _____ / ____ / _____ _____ / ____ / _____ _____ / ____ / _____

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 information 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-T on behalf of the taxpayer.

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



3906 S. 74th St., Tacoma, Washington 98409
Tel: 253.284.3838 ♦ Toll-Free 1-800.236.4948 ♦ Fax: 253.284.3841
(Also offices located in Seattle and Kent)
www.mbs-shortsales.com

SHORT SALE LOSS MITIGATION GROUP

DID YOU REMEMBER?

Don't forget that your lender will not accept a short sale negotiation package unless it includes all documentation.

Did you remember to submit to our office:

- A recent Statement or billing for each of your lenders showing the principal balance due?
- Any foreclosure information you may have received from your lender, including demand letters or any written notes.
- A full copy of all pages of both this years and last years federal tax returns.
- Copies of all pages of the last two months' bank statements, including pages that may have not anything printed on them. Please note that lenders will **not** accept printed screens from the Internet showing your checking account. We need a printed version of the fill statement that will generally state the number of pages contained with that statement. This is critical to the success or your short sale application.
- Copies of all pages of the last two (2) most recent paycheck stubs from your employer or unemployment compensation information if unemployed.
- If, for some reason, you cannot provide a copy of any of the documents, please include a signed statement on a separate sheet of paper illustrating the reason why you are not provided that document or information so that we can include that information in our negotiations.
- Your signed acknowledgement that our services may not result in your being relieved of any and all financial responsibility to your lender or lenders as a result of a successful short sale. This may produce questions, so please talk with us on this aspect of your transaction.



McFerran, Burns & Stovall, P.S.
ATTORNEYS AT LAW

3906 S. 74th St., Tacoma, Washington 98409
Tel: 253.284.3838 ♦ Toll-Free 1-800.236.4948 ♦ Fax: 253.284.3841
(Also offices located in Seattle and Kent)
www.mbs-shortsales.com

SHORT SALE LOSS MITIGATION GROUP **SHORT SALE CONSIDERATIONS**

In any short sale there are frustrations for all parties involved because of the seemingly long delays in order to complete short sale negotiations. Below you will find a listing of points and considerations that will provide you a better understanding of the negotiation process:

- A "typical" short negotiation takes no less than two (2) months for lenders other than Bank of America. As we progress through the recession, we are seeing a gradual increase in the speed of our negotiations with various banks around the country.
- A "typical" Countrywide (now Bank of America) short sale may take as long as three (3) months, but with the technological advances of "Equator" we are greatly speeding up that process.
- If your transaction involves two (2) or more loans keep in mind that all the different lenders must agree as to a settlement. That takes extra time to get them to agree to the same terms. If they ultimately do not agree, our short sale negotiations will fail. A stubborn junior mortgage lender can cause a short sale to fail. While it does not often occur, it can.
- The lender or bank in first position is many times only contracted to service the loan and doesn't actually own the loan in first position. They will transmit information to outsiders like the investor/owner of the loan or the mortgage insurance company. Those outside parties will actually make the decision about whether or not they will accept our short sale proposal. Most of our clients are very surprised by this fact.

- Banks are totally swamped with short sale applications and as more applications arrive the time periods for processing become extended. We expect this to only get worse in the future as the number of cases increase. We have invested in computer systems that greatly speed up the communication with the various lenders and have had great success in speeding up the process.
- It generally takes us as long as a week to get "into the bank's system" and be authorized to communicate on the seller's behalf by virtue of their acceptance of our authorization to act on the seller's behalf.
- It generally takes one (1) to two (2) weeks for the bank to upload and assemble our initial package into their electronic system for processing. Everything is done in an electronic fashion and it takes time for them to incorporate our data into their system. We constantly monitor this process on an ongoing basis. Our people communicate with the banks constantly.
- Bank's internal negotiators are generally provided thirty (30) days (and sometimes up to sixty (60) days) for initial review of the package we present to each bank or mortgage lender.
- Expect that a type of independent appraisal by an outside real estate professional will probably be ordered by the bank. Expect that that whole process of property valuation from start to finish usually takes about two (2) to three (3) weeks. This is what we call a "BPO."
- Expect that, notwithstanding that you wait forever for a response, the bank will give us only about 48 hours notice of any action required including additional documentation requests or actual negotiations. Please expect this. This is a common industry practice. Plan on having to provide updated paystubs, checking statements and other documentation on an ongoing basis during our short sale negotiations.
- Expect that the bank will lose the whole electronic package at least once during the time of our short sale negotiations.

- Our office communicates to all parties involved in our transaction at least once a week by e-mail. We cannot provide individual phone calls or else we limit our time to be on the phone negotiating with the bank. It is best to communicate with us via e-mail. As action accelerates, you will get emails from us frequently. We are constantly work each file multiple times each week.
- The information that the seller provides must be complete and timely. If it is too old, lenders will call the data "stale" and reject our short sale application. Please do **not** date any documents until an offer is received so that we can have up-to-date documentation to submit to the lender with our initial case file.
- Banks are anxious to close files (and eliminate work for themselves) and will use every excuse to close a file if they have an opportunity. Expect this to happen at lease once or twice during a typical short sale negotiation. We are adept at getting your matter back on track. It's what we do each and every day.
- If you don't get an email update for a while that shows a lot of progress, please don't despair. The process has to take its course. Rest assured that we are working your transaction each and every week until its conclusion.
- Our firm has an extraordinarily high rate of success in short sale files going to closing. Given all the hassles and difficulties, you wonder how we close over 90% of the short sale files we open. It's 95% grunt labor and 5% marvelous negotiations.
- Please always continue to forward to our office bank account statements as you receive them as well as paycheck stubs as you receive them all during the period of our negotiations with your short sale lender.

For Further Information call
(253) 284-3838



McFerran, Burns & Stovall, P.S.
ATTORNEYS AT LAW

3906 S. 74th St., Tacoma, Washington 98409
Tel: 253.284.3838 ♦ Toll-Free 1-800.236.4948 ♦ Fax: 253.284.3841

SHORT SALE LOSS MITIGATION GROUP
WESTERN WASHINGTON PRICING SCHEDULE

PIERCE COUNTY

KING COUNTY

Fixed Contingent Fee: \$995.00*

Fixed Contingent Fee: \$995.00*

Requirements:

Requirements:

- *** No upfront fee or deposit ever
- *** Subject to acceptance of the engagement by our review of the offer. We review each offer received to determine if we believe it has a chance of success.
- *** No more than two (2) liens or encumbrances on the property for this rate.
- *** Title and escrow services must be with Attorney's Title of Washington, Inc., 3906 South 74th Street, Tacoma, WA 98409
253-284-4440; 800-236-4948
- *** Attorney consultation with Sellers prior to initiation of services at \$150.00 additional fee
- * For properties less than \$150,000.00 sales price. If \$150,000.00 to \$500,000.00 the fee is \$1,495.00. If \$500,000.00 or over, the fee is \$1,995.00. There is no sales tax

- *** No upfront fee or deposit ever
- *** Subject to acceptance of the engagement by our review of the offer. We review each offer received to determine if we believe it has a chance of success
- *** No more than two (2) liens or encumbrances on the property for this rate.
- *** Title services must be through Rainier Title Company, call (253) 284-4440 to place order.
- *** Escrow services must be with Attorney's Title and Escrow of Washington, 3906 South 74th Street, Tacoma, WA 98409
(253) 284-4440
- *** Attorney consultation with Sellers prior to initiation of services at \$150.00 additional fee
- * For properties less than \$150,000.00 sales price. If \$150,000.00 to \$500,000.00 the fee is \$1,495.00. If \$500,000.00 or over, the fee is \$1,995.00. There is no sales tax

SNOHOMISH COUNTY

KITSAP COUNTY

Fixed Contingent Fee: \$995.00*

Fixed Contingent Fee: \$995.00*

Requirements:

- *** No upfront fee or deposit
- *** Subject to acceptance of the engagement by our review of the offer. We review each offer received to determine if we believe it has a chance of success.
- *** No more than two (2) liens or encumbrances on the property for this rate
- *** Title services in Snohomish County must be through Rainier Title Company. Place orders through (253) 284-4440 or (800)-236-4948
- *** Attorney consultation with Sellers prior to initiation of services at \$150.00 additional fee
- *** Escrow services must be performed by Attorney's Title of Washington, Inc. 3906 South 74th Street, Tacoma, WA 98409 253-284-4440; 800-236-4948
- * For properties less than \$150,000.00 sales price. If over \$150,000.00 to \$500,000.00 the fee is \$1,495.00. If \$500,000.00 or over, the fee is \$1,995.00. There is no sales tax

Requirements:

- *** No upfront fee or deposit
- *** Subject to acceptance of the engagement by our review of the offer. We review each offer received to determine if we believe it has a chance of success.
- *** No more than two (2) liens or encumbrances on the property for this rate
- *** Title services in Kitsap County must be through Stewart Title Company. Place orders through (253) 284-4440 or (800)-236-4948
- *** Attorney consultation with Sellers prior to initiation of services at \$150.00 additional fee
- *** Escrow services must be performed by Attorney's Title of Washington, Inc. 3906 South 74th Street, Tacoma, WA 98409 253-284-4440; 800-236-4948
- * For properties less than \$150,000.00 sales price. If over \$150,000.00 to \$500,000.00 the fee is \$1,495.00. \$500,000.00 or over, the fee is \$1,995.00. There is no sales tax

ALL OTHER WASHINGTON COUNTIES

Fixed Contingent Fee: \$995.00*

Requirements:

- *** No upfront fee or deposit required.
- *** Subject to acceptance of the engagement by our review of the offer. We receive each offer received to determine if we believe it has a chance of success.
- *** We only get paid if your transaction actually closes.
- *** Attorney consultation with Sellers prior to initiation of services at \$150.00 additional fee.
- *** No more than two (2) liens or encumbrances on the property for this rate.
- *** Title services must be through Stewart Title Company, Place orders through (253) 284-4440 or (800)-236-4948. (in other than Pierce, King and Snohomish Counties) or Rainier Title (in King and Snohomish Counties). Place orders through (253) 284-4440 or (800)-236-4948 or Attorneys Title for Pierce County (253) 284-4440.
- *** Escrow services must be performed by Attorney's Title of Washington, Inc. 3906 South 74th Street, Tacoma, WA 98409 253-284-4440; 800-236-4948 (All counties in Washington.)
- * For properties less than \$150,000.00 sales price. If \$150,000.00 to \$500,000.00 the fee is \$1,495.00.

ATTORNEY CONSULTATION SERVICES

Our office provides a one-on-one in person or telephonic or conference call or video conferencing consultation with sellers on foreclosure and short sale matters for a \$150.00 fixed fee. Over the years many clients have taken advantage of this offer. It is half of the normal fee charged by our senior attorneys at our firm

This economic crisis has prompted us to require our seller clients meet and consult with us either before an offer being received BEFORE we agree to take on the engagement of providing short sale services. The time of listing the property for sale is a great time to schedule that consultation.

We find that this action greatly enhances the success of our short sales. Real Estate Agents are encouraged to attend. We have five (5) senior attorneys conducting this important consultation and have open appointments daily at our offices. We conduct many, many consultations monthly for clients experiencing financial distress.

PROFESSIONAL SERVICES AGREEMENT

[Purchase and Sale Agreement Executed]

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is executed on the date specified on the signature page of this Agreement, by and among **MCFERRAN, BURNS & STOVALL, P.S. SHORT SALE LOSS MITIGATION GROUP** (hereinafter "Consultants"); Sellers, whose names appear on the signature page of this Agreement; Purchasers, whose names also appear on the signature page of this Agreement for the property specified and addressed on the signature page of this Agreement as well as Listing and Selling Brokers involved in the subject sale and purchase.

W I T N E S S E T H:

WHEREAS, Consultants consist of attorneys licensed to practice real estate law in the State of Washington and other associates and legal associates employed by them; and,

WHEREAS, Sellers are the owners of certain real estate located in the State of Washington for which an accepted offer of Purchase and Sale has been received and accepted from Purchasers; and,

WHEREAS, Purchasers wish to purchase Sellers' property herein described, but understand that Sellers' performance under the terms of the Purchase and Sale Agreement is conditioned upon the acceptance by one or more lenders or lienholders of amounts less than what is owed them as the overall purchase price, including transaction costs, is less than the total amount owed; and,

WHEREAS, Sellers, Purchasers, Seller's Agent and Purchaser's Agent, instead of attempting to negotiate with lenders and lienholders themselves, have agreed to retain the professional services of the Consultants; and,

WHEREAS, Consultants, Sellers, Purchasers, Seller's Agent and Purchaser's Agent all wish to state with particularity the terms and conditions associated with their professional relationship in this written Agreement.

NOW, THEREFORE, in consideration of the mutual benefits to be derived, the parties, each by their signatures below, agree to retain the professional services of Consultants and Consultants agree to be bound by this Agreement upon acceptance of the engagement under the following terms:

A. The Consultants agree, upon written acceptance of this Engagement, to immediately undertake the duties of representing both Seller and Purchaser in the transaction contemplated between the affected property located as specified in this Agreement. Consultants do not accept an engagement to perform services under this Agreement until they have reviewed the matter and agree to accept the engagement in writing to the parties and seller has had an "in-person" or telephonic consultation with the law firm under its \$150.00 one time client consultation program.

B. Consultants agree to take any and all actions required by lenders and lienholders to secure a reduced amount due from those parties to coincide with the terms in the Purchase and Sale Agreement between the parties specified on the signature page of this Agreement.

C. Consultants are retained by and perform services for all parties to the proposed transaction. Both Seller and Purchaser agree that it is in the best interest of the transaction that Consultants be authorized to communicate with, provide information regarding the progress of the negotiations, and obtain strategic market valuation information from any and all licensed Real Estate Professionals involved in the overall transaction. Consultants will not be independently determining the fair market value of the affected property nor will consultants express any opinion as to the sufficiency, legality, or economic implications of the Purchase and Sale Agreement, Counter-offers, or modification requests thereto. Services are limited to only short sale negotiations under this Agreement.

D. Seller understands and agrees that they will be required to provide Consultants substantial amounts of personal financial information that may be required by lienholders to evaluate offerings presented to lenders and lienholders by Consultants. Consultants agree to respect the privacy of that information provided and agree to only utilize such information as necessary to achieve the purpose of this Agreement. Notwithstanding the provision of Section "C" above, Consultants agree not to disclose to any other party to this transaction (including Real Estate Professionals) any of Seller's financial information without specific written authorization from the Seller. Seller agrees that they shall be prompt in providing Consultants information required to obtain requested responses from Lenders.

E. All parties to this Agreement understand that Consultants herein are industry professionals providing negotiation services only to achieve a result that will allow the proposed transaction to proceed to closing.

CONSULTANTS ARE NOT ACTING AS ATTORNEYS IN ANY REPRESENTATIVE CAPACITY UNDER THIS AGREEMENT AND ARE NOT PERFORMING SERVICES THAT WOULD RESULT IN A TYPICAL ATTORNEY-CLIENT RELATIONSHIP.

PARTIES UNDERSTAND THAT, BY THIS AGREEMENT, THEY ARE NOT RETAINING AN ATTORNEY TO REPRESENT THEM INDIVIDUALLY OR IN THEIR CAPACITY AS PURCHASER OR SELLER IN THIS TRANSACTION. THE ATTORNEY OR SUPPORT STAFF REPRESENT ONLY THE OVERALL TRANSACTION AND DO NOT REPRESENT EITHER THE SELLERS OR PURCHASERS OR ANY REAL ESTATE AGENTS INVOLVED IN THIS TRANSACTION IN ANY INDIVIDUAL CAPACITY.

FURTHER, SELLERS AND PURCHASERS UNDERSTAND THAT AS A RESULT, CONSULTANT WILL SHARE ALL INFORMATION ARISING FROM THIS AGREEMENT (EXCEPT AS DESCRIBED IN SECTION "D" ABOVE) TO ANY OTHER PARTY TO THIS AGREEMENT. THERE IS NO EXPECTATION OF PRIVILEGE BY ANY PARTY TO THIS AGREEMENT.

IN THE EVENT OF A DISPUTE BETWEEN THE PURCHASERS AND SELLERS, CONSULTANTS WILL NOT PROVIDE LEGAL REPRESENTATION TO EITHER PARTY OR ANY REAL ESTATE PROFESSIONAL.

F. Consultants shall take actions customary in the industry as well as those required by specific lenders and lienholders to obtain reduction in the amount owed in order to allow the sale to proceed to closing. In that regard, the terms of the above-referenced Purchase and Sale Agreement are incorporated herein by reference as an integral part of this Agreement when not inconsistent with the terms of this Agreement.

G. Consultants shall keep all parties informed on a periodic basis as to the status of the negotiations with information provided to all parties through email communications only. This email communication is sent out to all parties asking to be included in the weekly message updates that occurs typically once per week during the term of the engagement.

H. Consultants shall promptly inform all parties of any offers or counteroffers by the lenders or lienholders. Sellers, Purchasers and Agents agree to be prompt in providing any additional information that may be required by the lenders or lienholders to Consultants to facilitate negotiations.

I. Consultants, in the course of negotiations, may be required to provide additional valuation information to the lenders and lienholders. Parties to this Agreement authorize the Consultants to obtain such information from either or both real estate licensees involved in this transaction.

J. Parties to this Agreement understand that lenders and lienholders are not in any fashion obligated to engage in short sale negotiations with Sellers or Purchasers and, in some cases, lenders presently may choose not to do so. Parties further understand that Consultants can make no representation or warranty that the proposed transaction will be accepted by the lender or lienholder. In such case, Consultants, upon email communication with the parties, will advise of its inability to advance or complete the negotiation, and

may unilaterally terminate representation. At such time, this Agreement will terminate and no further services will be performed.

K. Parties to this Agreement understand that lenders and lienholders are under no duty or formal obligation as to the length of time they may take to negotiate, answer or provide an offer or counter-offer to parties in a transaction. Lenders may take as long as four to six months (or more) in some instances. Consultants cannot predict the length of time that may be required to complete negotiations for the short sale that is the subject of this Agreement.

L. Parties to this Agreement also understand that Consultants are performing the duties specified herein and are doing so on a fixed fee contingent basis anticipating a closing of the proposed transaction. The law firm is not paid unless the transaction successfully closes. The fixed fee for services is as specified below and requires that certain ancillary services be placed with certain title and escrow companies. Parties to this Agreement understand that Consultant's ability to provide this service at these low rates is because of economies they achieve by electronic data transfer mechanisms with other third party service providers that allow Consultant's economies of operation.

M. On occasion Consultant may accept properties with liens that exceed two (2) in number. The fee schedule on the next page anticipates no more than two liens. All engagements are not accepted by Consultants until they have had the opportunity to review the terms of the proposed transaction. Fees for such specialized services will be quoted on an engagement-by-engagement basis. Parties may expect that each lien release (above two) will be charged at the rate of \$500.00 per lien release.

Seller's Requirement To Update Documentation

Sellers understand and agree to continually update their paycheck stubs from employment and bank statements during the course of the short sale negotiations. Sellers acknowledge that they will be required to provide a full set of this documentation at the time of initial submission of the short sale proposal by consultants.

Lenders will require that these be updated on a monthly basis. Sellers herein agree to provide to Consultants on the first of each month during negotiations copies of paycheck stubs and all pages of bank statements on an on-going basis.

Lenders are very sensitive to having current documentation to substantiate income and negotiations can be delayed without such timely documentation.

N. Parties to the transaction acknowledge that Consultants' services may result in a reduction in the amount owed, but the transaction contemplated herein may not close. Sellers herein, by their signatures, agree that should the short sale negotiations services contracted for herein result in a sale to another third party purchaser not a party to this transaction or to the original purchaser in a subsequent secondary short sale transaction that the Consultants' fee structure contemplated herein shall transfer and be paid from that transaction as well.

O. Consultants make no representation or warranty that the actions to be undertaken in this Agreement will result in the sale of the subject property. Seller and Purchaser understand and agree that the Consultants' ability to obtain short sale relief from the foreclosure of the subject property is contingent on the independent actions and decisions of parties having interests in the Home, including, but not limited to, lenders, loan servicers, taxing authorities, etc., who are outside the control of the Consultants and that Consultants' success may be precluded as a result of the failure of such third parties from cooperating or timely responding. Consultants are hereby released and held harmless from any and all liability arising from, connected with or relating to the lack of cooperation, agreement or timeliness of any such third parties. Consultants' may give Notice of Termination of Professional Services when further services are demanded, but in Consultants' professional opinion, those requested further services will prove fruitless.

P. The captions in this Agreement are for convenience only and are not to be considered in construing this Agreement.

Q. If any portion of this Agreement shall become illegal, null or void or against public policy, for any reason, or shall be held by any court of competent jurisdiction to be illegal, null or void or against public policy, the remaining portions of this Agreement shall not be affected thereby and shall remain in full force and effect to the fullest extent permissible by law.

R. This Agreement may be executed in counterparts, each of which, when taken together, shall be deemed one fully executed original.

S. This Agreement may be executed and delivered by exchange of facsimile or e-mail copies showing the signatures of all parties and those signatures need not be affixed to the same copy. The facsimile or email copies showing the signatures of all parties will constitute originally signed copies of the same Agreement requiring no further execution.

T. In the event any legal action, including appeal of same, is brought by any party to enforce the terms hereof, the prevailing party shall be entitled to all costs incurred in connection with such action, including reasonable attorney fees as determined by the court or other decision-making body. Venue shall be the Pierce County, Washington.

U. Purchaser, Seller and Real Estate Professionals understand and agree that these services may be provided in addition to title, escrow and legal services if requested. This Agreement is related only to the Short Sale Negotiations and shall not affect the Consultants' duties undertaken in other capacities, if any. Nothing in this Agreement alters the requirements and duties undertaken in performing title and escrow services related to the subject property nor does it preclude legal representation in unrelated matters involving any of the parties.

V. Purchaser, Seller and Real Estate Professionals understand that Law Firm's ability to provide these services at a very competitive rate is predicated upon its ability to contain costs. All parties understand that only certain title and escrow companies may perform ancillary services of title and escrow for this transaction as specified in Law Firm's "Sellers Short Sale Information Booklet" as well as "Real Estate Broker's Information Booklet" that specifies current approved providers for title and escrow services for transactions negotiated by Law Firm.

RISKS TO SELLERS OF SHORT SALE PROPERTY

In conjunction with the Professional Services Agreement, the following information is provided. Such information is general in nature and has been prepared by the Consultants and is meant only to alert the Short Sale Sellers and other parties to potential issues, but is not specific advice as to the Seller's specific situation. You should consult your own legal counsel for specific advice as to your situation.

Tax Ramifications Presently, through December 31, 2012, if you owned and occupied your home as your principal residence for two years or more, then you may be exempt from recognizing as income the difference between what the bank accepts to clear your mortgage/deed of trust and what is actually owed to the bank. If you have not owned and occupied such dwelling for two years, you might be liable for reporting such "forgiveness of debt" as income. You should consult with your attorney or tax advisors for specific advice for your situation.

Liability Ramification If your home is sold in a "short sale" (the lender takes less than the lender is owed) oftentimes the lender requires a "Reaffirmation" of the debt. Even if there is no reaffirmation, the residual debt due the lender is not necessarily extinguished by a short sale under Washington State law.

Thereafter, the lender or someone they sell or assign their rights to, may demand from you what the lender lost. However, if your residence is foreclosed through a Trustee's Sale, Washington law extinguishes any right of the foreclosing lender to pursue you for a deficiency. Non-foreclosing lenders (such as lenders in second position) may still sue you under the promissory notes in a foreclosure situation as well as a short sale situation. Accordingly, signing any reaffirmation agreement may not be in your best interest and you should seek legal counsel prior to signing such agreement for specific advice for your situation. Even if you do not sign any agreement, you need to know that, absent a very clear written confirmation by the lender that you are released of any liability, you should assume that you are not so released from your obligation to pay. We suggest that you consult with an attorney on these matters.

Credit Ramifications It is virtually certain that any foreclosure or short sale will seriously damage your credit rating or credit scores and impair your ability to obtain future credit, mortgages or loans. Credit scores are also used in other industries, and can influence, for example, insurance premiums, security clearances, apartment rentals, and job screenings. Paying your loan timely and staying current will likely positively affect your future credit.

Profits If this is a short sale, in almost all situations, the lender requires that you not receive any money from the sale. It is possible that you may have to bring money to escrow to facilitate the short sale. If anyone is promising you money in a "side agreement" or a deal not disclosed to the lender, such agreement may be fraudulent. Please inform your Consultants of any side deals from a buyer and seek the advice of an attorney as such arrangements are possibly invalid and/or unenforceable and could subject you to civil and criminal proceedings and penalties.



3906 S. 74th St., Tacoma, Washington 98409
Tel: 253.284.3838 ♦ Toll-Free 1-800.236.4948 ♦ Fax: 253.284.3841
www.mbs-shortsales.com

SHORT SALE LOSS MITIGATION GROUP

SHORT SALE PROFESSIONAL SERVICES AGREEMENT

SIGNATURE AND DATA PAGE

Property Address: _____

City, State, Zip _____

Purchase and Sale Agreement Date: _____ / _____ / _____

Consultants' contract with the parties herein under the following understanding) (check which apply).

- In the event that Bank or Lender does not pay all or part of the negotiation fee, consultants' professional fee as shown on the fixed fee sheet will be paid from the closing of the transaction by **Purchaser**;
- In the event that Bank or Lender does not pay all or part of the negotiation fee, consultants' professional fee as shown on the fixed fee sheet will be paid from the closing of the transaction by **Seller**;
- In the event that Bank or Lender does not pay all or part of the negotiation fee, consultants' professional fee will be paid from the closing of the transaction by **Listing Agent**;
- In the event that Bank or Lender does not pay all or part of the negotiation fee, consultants' professional fee as shown on the fixed fee sheet will be paid from the closing of the transaction by **Selling Agent**; or,
- In the event that Bank or Lender does not pay all or part of the negotiation fee, consultants' professional fee as shown on the fixed fee sheet will be paid by **Listing Agent and Selling Agent sharing equally** the fee charged.
- In the event that Bank or Lender does not pay all or part of the negotiation fee, consultant's professional fee will be paid in the following fashion:

Pricing Schedule: \$995.00 for properties up to \$150,000.00/\$1,495.00 for properties from \$150,000.00 to \$500,000.00/\$1,995.00 for properties over \$500,000.00.

SELLER(S):

PURCHASER(S):

(Signature)

(Signature)

(Print Name)

(Print Name)

(Signature)

(Signature)

(Print Name)

(Print Name)

Address:

Address:

Phone: (____) _____

Phone: (____) _____

Email #1: _____

Email #1: _____

Email #2: _____

Email #2: _____

LISTING AGENT:

SELLING AGENT:

(Signature)

(Signature)

(Print Name)

(Print Name)

Phone: (____) _____

Phone: (____) _____

Email #1: _____

Email #1: _____

Email #2: _____

Email #2: _____

CONSULTANTS:

McFerran Burns & Stovall, P.S./Loss Mitigation Group

By: _____
Authorized Signatory

For document submission: docs@mbs-shortsales.com or Fax: (253) 284-3841

SHORT SALE LOSS MITIGATION GROUP

BUILDING BLOCKS FOR A SUCCESSFUL SHOR SALE NEGOTIATION

- Current Listing Agreement and any Addenda or updates to that Agreement
- Signed Purchase and Sale Agreement and any extensions or Addenda thereto
- Pre-Qualification letter from lender on behalf of purchaser or proof of source of funds if cash transaction
- Authorization for Release of Information form for each lender involved including loan number
- Copy of last billing statement, payoff statement, late letter, Notice of Trustee's Sale or Notice of Default from every lender
- Copy of the Title Commitment, if one has already been ordered. If it is not ordered, we will handle.
- Financial Statement form provided by our office.
- Hardship letter or form detailing the reasons why debtor is in default with some particularity
- Last two (2) years federal income tax returns, signed, including all schedules and pages
- Last two (2) months bank statements and/or savings statements for borrower and co-borrower including all pages
- Last two (2) months pay-stubs from current employer or unemployment compensation documentation, if not employed
- Our Professional Services Contract signed by all parties to perform negotiation services for the transaction
- Broker opinion of value including comparables and a focus on work orders and condition of the property
- Listing History for the property.
- Good Faith Estimate for Buyer if Seller concessions are requested.

For document submission: docs@mbs-shortsales.com

For document submission: docs@mbs-shortsales.com or Fax: (253) 284-3841