

R W REAL ESTATE, LLC

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Do you know if you qualify?

IRS 1099c Debt Forgiveness

If you do qualify, you are not responsible for any delinquency resulting from short sale, e.g.:

**If you have a \$250,000 mortgage and the home sells for \$100,000:
YOU OWE NOTHING!**

If you **do not qualify, \$150,000 is added to your income and you will be taxed on it!**

**Use an experienced Broker. If you do it wrong, you may owe the IRS
Tens of Thousands of dollars in income tax.**

SERVICER USE ONLY

To be completed by Your Servicer

Approval of Short Sale - The Servicer consents to this Request for Approval of Short Sale and agrees to accept all net proceeds from the settlement as full and final satisfaction of the first mortgage indebtedness on the referenced property. The agreement is subject to the following:

A. Terms - The sale and closing comply with all terms and conditions of the Short Sale Agreement between the Servicer and the Borrower as well as all terms and representation provided herein by the Borrower.

B. Changes - Any change to the terms and representations contained in the Request of Approval of Short Sale or the attached sales contract between you and the buyer must be approved by the Servicer in writing. The Servicer is under no obligation to approve such changes.

C. Subordinate Liens - Prior to releasing any funds to holders of subordinate liens/mortgages, the closing agent must obtain a written commitment from the subordinate lien holder that it will

release Borrower from all claims and liability relating to the subordinate lien in exchange for receiving the agreed upon payoff amount.

D. HUD-1 – A HUD-1 Settlement Statement, which will be signed by you and the buyer at closing, must be provided to the Servicer not later than one business day before the date indicated in Line 4, *CLOSING DATE*.

E. Bankruptcy – If you are currently in bankruptcy or you file bankruptcy prior to closing, you must obtain any requested consent or approval of the Bankruptcy Court.

F. Tax Consequences – A short payoff of the mortgage may have tax consequences. You are advised to contact a tax professional to determine the extent of tax liability, if any.

G. Credit Bureau Reporting – We will follow standard industry practice and report to the major credit reporting agencies that your mortgage was settled for less than the full payment. We have no control over or responsibility for the impact of this report on your credit score. To learn more about the potential impact of a short sale on your credit you may want to go to <http://www.ftc.gov/bcp/edu/pubs/consumer/credit/cre24.shtm>.

H. Payment Instructions – Payoff funds and a final HUD-1 Settlement Statement must be received by the Servicer within 48 hours of closing in accordance with the attached wiring instructions. [include instructions].

I. Closing Instructions – [include proprietary closing instructions, if any]

Signature of Servicer Representative

Title

Printed Name of Servicer Representative

Date