

**Bank of America**



**Home Loans**

Attn: HAFA Short Sale Team  
Mail Stop: De5-004-09-05  
1200 N French St  
Wilmington, DE 19884

Important information on your short sale approval enclosed. Please read.

**Notice Date:** September 25, 2012

**Account No.:** [REDACTED]

**Property Address:**  
[REDACTED]

Dear [REDACTED]:

As your home loan servicer, we are dedicated to helping you find a solution to avoid foreclosure on your property. We are pleased to inform you that the short sale offer on your property has been approved under the federal government's Home Affordable Foreclosure Alternatives (HAFA) short sale program.

#### **What This Means to You as the Seller**

Bank of America, N.A. and/or its Investors and Insurers (if applicable) have agreed to accept a short payoff ("Short Sale") for the above-referenced property and loan(s). This short sale approval is exclusive to the offer from the buyer referenced in this letter. Please accept this letter as Bank of America, N.A.'s demand for payment and also as the formal demand statement to be used by the closing agent. Please be aware that no additional statement will be issued.

Bank of America, N.A. and/or its Investors and/or Insurers will accept less than the amount due on your current mortgage and release you from any further responsibility for your outstanding mortgage balance. Please note if the short sale does not close, then we will pursue all remedies under our note and mortgage.

Detailed below are the conditions of this approval, along with necessary next steps that will need to be completed by the dates and/or timeframes noted. Please read through all the information carefully, and call our Short Sale Team at 1-866-880-1232 if you have any questions.

#### **Conditions of the Short Sale Approval**

The conditions of your short sale approval are as follows:

1. You must comply with all terms and conditions of the Short Sale Agreement between the Servicer and the Borrower.
2. Any changes to the terms and conditions contained in this Request for Approval of Short Sale or Alternative Request for Approval of Short Sale between you and the buyer must be approved by the Servicer in writing. The Servicer is under no obligation to approve such changes. Similarly, any changes to the facts or representations that you have stated in your Request for Approval of Short Sale or Alternative Request for Approval of Short Sale must be approved by Bank of America, N.A. in writing.

3. 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 Closing Date of November 16, 2012.
4. If you are currently in bankruptcy or you file bankruptcy prior to closing, you must obtain any required consent or approval of the Bankruptcy Court.
5. Closing must take place no later than November 16, 2012 or this approval is void. If an extension is requested and/or approved, interest will be charged per day through closing.
6. The approved buyer(s) is/are [REDACTED] and the sales price for the property is \$40,000.00.
7. Another buyer cannot be substituted without the prior written approval of Bank of America, N.A.. The buyer may not alter how he will take title. For example, a buyer may not enter into a contract to purchase a property and then amend the contract to purchase the property as trustee for a trust or any other legal entity.
8. Closing costs have been negotiated and agreed upon with the authorized agent as of September 25, 2012.
  - a. Total closing costs not to exceed \$15,257.83.
  - b. Maximum commission paid \$2,400.00.
  - c. Maximum allowed to the Jr. Lien Holder \$7,410.50.
  - d. Maximum allowed for HOA liens \$470.00 (if applicable).
  - e. Maximum allowed for repairs \$N/A (if applicable).
  - f. Maximum allowed for termite inspection \$N/A (if applicable).

Please be aware that any additional fees that were not approved on September 25, 2012 will not be covered by Bank of America, N.A., and will become the sole responsibility of the real estate agent, the buyer or the seller to pay at closing. The amount approved was \$15,257.83.

9. Net proceeds to Bank of America, N.A. to be no less than \$24,742.17.
10. The property is being sold in "As Is" condition. As a result, no repairs will be made or be paid out of the proceeds, unless specifically stated otherwise.
11. There cannot be any liens or claims to the property other than those recognized and accounted for in the HUD-1 approval, on which this approval is based. 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.
12. There are to be no transfers of property within 90 calendar days of the closing of this transaction. If the closing agent is aware of any agreement whereby the Buyer is to transfer title or possession of the property to any entity, including the Borrower or a third party, the closing agent must obtain the prior written approval of Bank of America, N.A..
13. Bank of America, N.A. does not charge the borrower for statement, demand, recording, and reconveyance (release of lien) fees on short payoff transactions. These should not be included in your settlement statement. Bank of America, N.A. prepares and records its own release of lien.
14. All funds must be wired. Please be advised that any other form of payment of funds will be returned. Payoff funds must be received within 48 business hours of the HUD-1 settlement date.
15. If the closing is delayed and the Investor/Insurer agrees to an extension of the original closing date, the Borrower(s)/Seller(s) will be responsible for any daily fees through the new date(s) of closing, extension fees and foreclosure sale postponement fees. The Borrower(s)/Seller(s) will be responsible for any additional costs or fees over the stated approved amounts.
16. The closing agent must send a completed Assignment of Unearned Premium and Important Notice Regarding Income Tax Reporting (enclosed) along with the final

Settlement Statement by emailing to **Short Sale System** or by faxing it to **800-658-0395** 72 business hours before closing.

17. Bank of America, N.A. reserves the right to revoke and/or modify the terms and conditions of this short sale approval in the event that 1) any information provided and used as the basis for our approval changes and/or 2) if we discover any evidence of fraud and/or misrepresentation by any parties involved in the transaction.

If the seller is entitled to receive any proceeds based on a claim for damage to the property under any policy of insurance, including homeowner's, lender-placed, casualty, fire, flood, etc., or if seller is entitled to receive other miscellaneous proceeds, as that term is defined in the deed of trust/mortgage (which could include Community Development Block Grant Program (CDBG) funds), the proceeds should have been disclosed before we considered the request for short sale. If we receive a check for insurance or miscellaneous proceeds that were not previously disclosed, Bank of America, N.A. will have the right to keep the proceeds and apply them to Bank of America, N.A.'s loss after the short sale. Similarly, we would have the right to claim the proceeds to offset our losses if they were not previously disclosed and were sent directly to the borrower.

### What You Should Know

The owner of your mortgage note, the mortgage insurer, if your loan is covered by mortgage insurance, and Bank of America, N.A. waive their right to pursue collection of any deficiency following the completion of your short sale and your debt is considered settled. The deficiency is the difference between: (1) the remaining amount due under the mortgage note and mortgage or deed of trust; and (2) the current market value of the property plus any cash contribution you make or amount you agree to repay in the future.

The amount of the deficiency will be reported to the Internal Revenue Service (IRS) on the appropriate 1099 Form or Forms. We suggest that you contact the IRS or your tax preparer to determine if you have any tax liability.

We will continue to report your account to the major credit reporting agencies. When the transaction is completed, we will report that your loan was "paid in full for less than the full balance". This could negatively impact your credit score. Visit [www.ftc.gov/bcp/edu/pubs/consumer/credit/cre24.shtm](http://www.ftc.gov/bcp/edu/pubs/consumer/credit/cre24.shtm) to learn more about credit scores.

If the terms and conditions of the short sale approval are not met, we will cancel the approval of this offer and continue the foreclosure process as permitted by your mortgage documents.

### Important Instructions for the Seller and Agent

1. Please complete the enclosed Assignment of Unearned Premium and Important Notice Regarding Income Tax Reporting and provide this information to your closing agent.
2. The closing agent will need to upload the completed Assignment of Unearned Premium, Important Notice Regarding Income Tax Reporting, and a certified copy of the final estimated Settlement Statement to the short sale system **72 business hours prior to closing**. Please note that you cannot close without final approval of the closing costs.
3. Payoff funds must be wired (unless otherwise specified) and must be received **within 48 business hours of the HUD-1 settlement date**, per the instructions below. Reference loan# 871295569 / Katherine Betts

Bank of America  
275 Valencia Avenue  
Brea, CA 92823  
MRC Acct #12357-47067  
ABA 026-009-593

**Please note:** Wire transfers must include the loan number, borrower's names and property address. If the funds cannot be properly identified, they will be returned.

4. A certified copy of the Final Settlement Statement must be uploaded to the short sale system **at the time of closing.**

Upon receipt of the above stated items, Bank of America, N.A. will issue a release of lien on its mortgage loan.

If you have any questions please call your account specialist at **1.866.880.1232**. We look forward to working with you to complete your short sale.

**If you need additional assistance, you may contact me at 1.800.669.6650.**

Mark Barron  
**Home Loan Team**  
Bank of America, N.A.