

**Bank of America**



**Home Loans**

Mail Stop CA6-921-01-03  
450 American Street  
Simi Valley, CA 93065

**Notice Date:** November 1, 2012

**Loan No.:** [REDACTED]

**Property Address:**  
[REDACTED]  
[REDACTED]

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**IMPORTANT MESSAGE ABOUT YOUR LOAN**

This letter will serve as Bank of America, N.A.'s demand for payment and advises you that Bank of America, N.A. and/or its Investors and/or Insurers have agreed to accept a short payoff involving the above-referenced property and the above-referenced account(s). This demand should be used by the closing agent as our formal demand statement. No additional statement will be issued. This approval is exclusive to the offer from the buyer referenced in this letter.

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**WHAT THIS MEANS TO YOU**

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. When the deficiency is forgiven, you are no longer responsible for repayment of that amount, and it will not be sold or transferred later to a third-party for collection.

This short sale transaction will create a deficiency because your total outstanding debt will not be paid in full from the proceeds of the sale. The deficiency will equal the remaining balance due under the mortgage note and mortgage or deed of trust, after subtracting (1) the amount of cash proceeds we receive from the closing of the short sale and (2) any cash contribution that you are required to make at or before the closing.

The estimated amount of your deficiency is \$77,487.36. The estimated amount of this deficiency you will be responsible for is \$0.00. These estimates represent the combined deficiency and remaining obligation for all of the loans referenced above.

1. We will report any debt forgiven to the IRS. Currently, federal law provides for certain exceptions to tax liability when debt is forgiven in connection with a foreclosure prevention transaction. In order to know whether you qualify for one of these exceptions and what other tax impacts this transaction may have for you, we recommend that you contact your tax advisor. Additional information can also be found at [www.irs.gov](http://www.irs.gov). Closing must take place no later than December 27, 2012 or this approval is void. If an extension is requested and/or approved, then per diem interest will be charged through closing. Should the closing be delayed and the Investor/Insurer agree to an extension of the original closing date, the Borrower(s)/Seller(s) will be responsible for any per diem fees through the new date(s) of closing, extension fees and

This communication is from Bank of America, N.A., the servicer of your home loan.

Bank of America, N.A. is required by law to inform you that this communication is from a debt collector. However, the purpose of this communication is to let you know about your approval for this program to help you avoid foreclosure. If you are currently in a bankruptcy proceeding, or have previously obtained a discharge of this debt under applicable bankruptcy law, this notice is for information only and is not an attempt to collect the debt, a demand for payment, or an attempt to impose personal liability for that debt. You are not obligated to discuss your home loan with us or enter into a loan modification or other loan-assistance program. You should consult with your bankruptcy attorney or other advisor about your legal rights and options.

foreclosure sale postponement fees. The Borrower(s)/Seller(s) will be responsible for any additional costs or fees over the stated approved amounts.

2. The approved buyer(s) is/are [REDACTED] and the sales price for the property is \$91,000.00.
3. Another buyer cannot be substituted without the prior written approval of Bank of America, N.A..
4. Closing costs have been negotiated and agreed upon with the authorized agent as of November 1, 2012
  - a. Total Closing Costs not to exceed \$8,136.20
  - b. Maximum commission paid \$5,460.00
  - c. Maximum allowed to the junior lien holder \$N/A
  - d. Maximum allowed for Homeowners Association (HOA) liens \$N/A (if applicable)
  - e. Maximum allowed for repairs \$N/A (if applicable)
  - f. Maximum allowed for termite inspection/repairs \$N/A (if applicable)

Any additional fees that were not approved on November 1, 2012 will not be covered by Bank of America, N.A. and become the sole responsibility of the agent, the buyer or the seller to pay at closing.

5. Net proceeds to Bank of America, N.A. to be no less than

|                           | <b>1st Lien Loan Number</b> |
|---------------------------|-----------------------------|
| <b>Proceeds from Sale</b> | [REDACTED]                  |
| <b>Cash Contribution</b>  | 82,863.80                   |
| <b>Promissory Note</b>    | N/A                         |

6. The property is being sold in "AS IS" condition. No repairs will be made or be paid out of the proceeds, unless specifically stated otherwise.
7. As stated in No. 5, the Seller is to contribute \$0.00, to assist in the closing of this transaction. This contribution will be in the form of:
  - a. PROMISSORY NOTE(s) (signed, notarized and returned at closing):

|                        | <b>1st Lien Loan Number</b> |
|------------------------|-----------------------------|
| <b>Promissory Note</b> | [REDACTED]                  |
|                        | N/A                         |

If a promissory note(s) is required, it must be signed and uploaded into the Short Sale Processing System before the close of escrow. It is the responsibility of the closing agent to ensure that the executed and notarized promissory note is returned to Bank of America, N.A..

If a promissory note(s) has already been signed and agreed to between the seller, investor and the mortgage insurance company, a signed certified copy must be provided to Bank of America, N.A. at the close of the short sale transaction. It is the responsibility of the closing agent to ensure that Bank of America, N.A. receives the copy.

**\*\*\* Sales proceeds will be returned if the note has not been received. This will result in a delay and/or possible cancellation of this short sale transaction. \*\*\***

- b. CERTIFIED FUNDS CONTRIBUTION (due at closing):

|                          | <b>1st Lien Loan Number</b> |
|--------------------------|-----------------------------|
| <b>Cash Contribution</b> | [REDACTED]                  |
|                          | N/A                         |

8. The sellers will not receive any proceeds from this short sale transaction. If there are any remaining escrow funds or refunds, they will not be returned to the seller; they will be sent to Bank of America, N.A. to offset the loss.
9. The enclosed Assignment of Unearned Premium Refund form is to be completed and uploaded along with the final settlement statement to the short sale processing system.
10. There are to be no transfers of property within 30 days of the closing of this transaction.
11. The property must be free and clear of liens and encumbrances other than those recognized and accounted for in the HUD-1 approval, on which this approval is based.
12. Bank of America, N.A. does not charge the borrower for statement, demand, recording, and reconveyance fees on short payoff transactions. Do not include them in your settlement

- statement. Bank of America, N.A. prepares and records its own reconveyances.
13. All funds must be wired. 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.
  14. 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 the mortgage documents.
  15. We may terminate this agreement at any time and pursue the remaining amount due under the mortgage note and mortgage or deed of trust if we believe there has been:
    - a. Any fraud, misrepresentation, and/or material omission;
    - b. A material change to the terms of the short sale transaction or a different buyer; or
    - c. The transaction does not comply with our requirements, policies, or procedures.

Fraud Prevention: Bank of America is committed to taking the strongest action, including criminal referrals, against parties who, by their acts, victimize the selling homeowner, create an increased risk of loss to the bank, compromise federal foreclosure relief programs, or are acting outside of their applicable licensing requirements of good ethical conduct. Any party is encouraged to report any suspicious activity on this transaction to Bank of America's mortgage fraud hotline at [mortgagefraudhotline@bankofamerica.com](mailto:mortgagefraudhotline@bankofamerica.com).

**To ensure the privacy and protection of your information, please contact us at 1.866.880.1232 (or "contact your Bank of America, N.A. rep") to learn how you can securely email confidential information to us.**

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), these proceeds must be disclosed before we will consider 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. We similarly would have the right to claim the proceeds to offset our losses if they were not previously disclosed and they were sent directly to the borrower.

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## WHAT YOU NEED TO DO

\*\*\*\*\* IMPORTANT INSTRUCTIONS \*\*\*\*\*

**The closing agent must upload a certified copy of the final estimated settlement statement to the short sale processing system 72 business hours before closing. You cannot close without final approval of the closing costs.**

Payoff funds must be wired unless otherwise specified to:

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

Reference Loan No. XXXXXXXXXX

**To ensure proper identification of the wired funds, please reference the loan number, borrower's name and property address. Unidentified funds will be returned.**

**\*\*\*A certified copy of the final settlement statement must be emailed at the time of closing.\*\*\***

We will record a lien release once the final transfer of title of the property is completed, if all of the terms and conditions of this Agreement are met. Bank of America, N.A. appreciates all your efforts and cooperation in this matter. If you feel there is additional information you would like to provide, or if you need additional information, please contact us at 1.866.880.1232. Please continue to work closely with your real estate agent to finalize your short sale.

Theresa Llort  
1-800-669-6650  
Home Loan Team  
Bank of America, N.A.

\_\_\_\_\_  
Borrower Printed Name

\_\_\_\_\_  
Co-Borrower Printed Name

\_\_\_\_\_  
Borrower Signature

\_\_\_\_\_  
Co-Borrower Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date