

**Bank of America****Home Loans**

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

**Notice Date:** January 22, 2014**Account No.:** [REDACTED]**Property Address:**

[REDACTED]

[REDACTED]

Dear [REDACTED]

We are pleased to inform you that the short sale offer is approved and we are ready to move forward with the closing of the property. Below are the terms and conditions of this approval and important instructions for you and your agent. Please read through all the information carefully and call our Short Sale Customer Care Team at 1.866.880.1232 if you have any questions.

**WHAT THIS MEANS TO YOU**

- Bank of America, N.A. and/or the investor on your loan and any mortgage insurers approve the short sale of your property (referenced above). This approval is only for the offer from the buyer referenced in this letter. You will need to provide a copy of this letter to the escrow and/or title agent handling the closing on the property, because we will not issue any additional statements.
- A short sale allows you to sell the property at fair market value for less than what you owe on the mortgage. When you sell the property for less than what you owe, a deficiency is created. A deficiency is the remaining balance between what you owe on the mortgage loan minus the amount received from the sale and any final payment we may require you to make prior to completing the short sale.
- Bank of America, N.A. and/or the investor on your loan and any mortgage insurers will forgive the remaining portion of the deficiency, which means you will no longer be responsible for this loan balance. This means you will not need to pay the balance remaining over and above the value of the property, or make any more payments on this loan in the future, if you follow the terms and conditions of the short sale and the transaction is completed.
- We are required by law to report the forgiven debt to the IRS. We will report the following amount as debt forgiven to the IRS: \$3,000,575.15. This may increase your income taxes. There are certain tax exemptions that might apply. We encourage you to seek the advice of a tax professional. You can also find more information at [www.irs.gov](http://www.irs.gov).
- Please note that we are required by law to report the current status of your loan to the major credit reporting agencies. When the short sale has closed, we will notify the credit reporting agencies that the mortgage loan was "paid in full for less than the full balance." For more information on credit, please visit <http://www.ftc.gov/bcp/edu/pubs/consumer/credit/cre24.shtm>.

**CONDITIONS OF THE COOPERATIVE SHORT SALE APPROVAL**

1. The sale and closing must comply with all terms and conditions of the Cooperative Short Sale between Bank of America, N.A. and you (the borrower/seller) as well as all terms and representations provided herein by you.
2. Any change to the terms and representations contained in the submitted Request for Approval of Short Sale or the submitted short sale contract between you and the buyer must be approved by Bank of America, N.A. in writing. Bank of America, N.A. is under no obligation to approve such changes.
3. A preliminary HUD-1 settlement statement must be provided to Bank of America, N.A. no later than three business days before the closing date of March 13, 2014. The final HUD-1 settlement statement will be signed by you and the buyer at closing.
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 and provide that to Bank of America, N.A. not later than three business days before the closing date of March 13, 2014.
5. Closing must take place no later than March 13, 2014 or this approval is void. By this date, we must also receive the final Settlement Statement, all of the other final approved documents, and no less than the full amount of the short sale proceeds specified below. If an extension is requested and/or approved, interest on the loan will be charged per day through closing.
6. The approved buyer(s) is/are [REDACTED] and the sales price for the property is \$3,000,000.00.
7. Another buyer cannot be substituted without the prior written approval of Bank of America, N.A.. Furthermore, the buyer may not alter the capacity in which title is to be taken. 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 listing agent as of January 22, 2014.
  - a. Total closing costs not to exceed \$212,323.64.
  - b. Maximum commission paid \$180,000.00.
  - c. Maximum allowed to the subordinate lien holder(s) \$8,500.00 which is 8% of unpaid principal balance, subject to \$2,000 minimum and \$8,500 maximum.
  - d. Maximum allowed for Homeowners Association (HOA) liens \$4,400.00 (if applicable).
  - e. Maximum allowed for termite inspection \$NA (if applicable).

Please be aware that any additional fees that were not approved on January 22, 2014 will not be covered by Bank of America, N.A., and will become the sole responsibility of the agent, the buyer or seller to pay at closing. The amount approved was \$212,323.64.

9. Net proceeds to Bank of America, N.A. must be no less than \$2,787,676.36.

	<b>1st Lien Loan Number</b>
	[REDACTED]
<b>Proceeds from Sale</b>	\$2,787,676.36
<b>Cash Contribution</b>	NA
<b>Total Proceeds to Bank of America, N.A. on HUD</b>	\$2,787,676.36

As a condition of this approval, you are not responsible for a cash contribution.

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 hours of the HUD-1 settlement date.

10. If the closing of the short sale occurs in accordance with this Agreement, you may receive relocation assistance in the amount of \$7,256.92 to assist with moving, rental and relocation expenses. We will instruct the settlement agent to pay you from the sale proceeds at the same time that all other payments, including the payoff of our first mortgage, are disbursed by the settlement agent. Only one payment per household is provided for the relocation assistance, regardless of the number of residents in the home. The HUD-1 Settlement Statement must show the total relocation assistance in the amount of \$7,256.92 as a credit and show any authorized transaction costs paid out of the relocation assistance as charges to you.
11. The relocation assistance payment is calculated based on the valuation of your property and the program rules. The payment will be delivered at the time of closing if you comply with all terms and conditions of the short sale program. If you are still responsible for a deficiency balance after the sale, you should be aware that this relocation assistance will increase that deficiency since it reduces the amount available to apply towards your mortgage debt. If you do not comply with all

terms and conditions of the short sale program, you will not receive the relocation assistance payment. The amount of any relocation assistance 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. In order to receive the relocation assistance, the property must close by the closing date in this letter. Bank of America, N.A. reserves the right to change or alter the relocation assistance at any time.

12. 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.
13. There cannot be any subordinate liens or claims to the property other than those recognized and accounted for in the HUD-1 settlement statement used as the basis for providing this approval. Prior to releasing any funds to holders of subordinate liens/mortgages, the closing agent must obtain a written commitment from each subordinate lien holder that it will release you from all claims and liability relating to the subordinate lien in exchange for receiving the agreed upon payoff amount.
14. Bank of America, N.A. does not charge you for statement, demand, recording, and reconveyance (release of lien) fees on short payoff transactions. These should not be included in the HUD-1 settlement statement. Bank of America, N.A. prepares and records its own release of lien.
15. There are to be no transfers of property within 30 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 you or a third party, the closing agent must obtain a prior written approval from Bank of America, N.A..
16. During the short sale process, servicing for this loan may be transferred to a different loan servicer. Servicing refers to collecting your principal, interest, and escrow payments, if any, as well as sending any monthly or annual statements, tracking account balances, and handling other aspects of your loan. We may assign, sell, or transfer the servicing of your loan while the loan is outstanding. You will be given advance notice before a transfer occurs. Depending on the status of the short sale when the servicing of a loan is transferred, the new servicer may not be required to accept the terms and conditions of a short sale.
17. The proposed transaction represents our attempt to reach a settlement of the defaulted mortgage. 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 and applicable law.
18. If the closing is delayed and the investor/insurer agrees to an extension of the original closing date, you will be responsible for any daily fees through the new date(s) of closing, extension fees and foreclosure sale postponement fees. You will be responsible for any additional costs or fees over the stated approved amounts.
19. 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, N.A. 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 provide confidential information to us.

If you are 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 you are 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 Bank of America, N.A. considered the request for short sale. If Bank of America, N.A. receives a check for insurance or miscellaneous proceeds that were not previously disclosed, we 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 any losses if they were not previously disclosed and were sent directly to you.

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**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 form to the closing agent by March 13, 2014.
2. The escrow and/or title agent handling the closing on the property will need to upload the completed Assignment of Unearned Premium and Important Notice Regarding Income Tax Reporting and a certified copy of the final estimated HUD-1 settlement statement into the short sale processing system **72 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 hours of the HUD-1 settlement date**, per the instructions below. Reference Loan No. [REDACTED]  
[REDACTED]

Bank of America, N.A.  
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.

- The following documents must be uploaded to the Short Sale Processing System **at the time of closing**:
  - A certified signed copy of the Final HUD-1 settlement statement
  - A copy of this Approval Letter
  - The fully executed Assignment of Unearned Premium and Important Notice Regarding Income Tax Reporting

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

Thank you for your interest in a short sale. If you feel there is additional information you would like to provide, or if you need additional information, please contact Short Sale Customer Care at **1.866.880.1232**. Please continue to work closely with your real estate agent to finalize your short sale.

Aneishia Byrd  
(800) 669-6650  
Home Loan Team  
Bank of America, N.A.

Bank of America, N.A. is required by law to inform you that this communication is from a debt collector.

If you are currently in a bankruptcy proceeding, or have previously obtained a discharge of this debt under applicable bankruptcy law, this is not an attempt to collect, 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-assistance program. You should consult with your bankruptcy attorney or other advisor about your legal rights and options.

**MILITARY PERSONNEL/SERVICEMEMBERS:**

If you or your spouse is a member of the military, please contact us immediately. The federal Servicemembers Civil Relief Act and comparable state laws afford significant protections and benefits to eligible military service personnel, including protections from foreclosure as well as interest rate relief. For additional information and to determine eligibility please contact our Military Assistance Team toll free at 1.877.430.5434. If you are calling from outside the U.S. please contact us at 1.817.685.6491.