

Bank of America

Home Loans

Notice Date: August 3, 2012

Las Vegas, NV 89103

IMPORTANT MESSAGE ABOUT THIS ACCOUNT

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 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.

WHAT THIS MEANS TO THE SELLER

Upon receipt of the agreed amount, Bank of America, N.A. and/or its investors will waive the remaining balance due on the above-referenced loan and release the borrower from further obligation therein, and waive all rights to pursue further judgment or deficiency. Bank of America, N.A. will report the debt as "settled for less than the amount owed" and issue a 1099 for the remaining balance. The seller is encouraged to seek guidance from an independent tax advisor, and/or an attorney, before proceeding with the short sale.

If this short sale is contingent upon Bank of America, N.A. and/or its investors receiving a promissory note, we will reserve the right to collect the full amount on the new promissory note, which may lead to us pursuing a deficiency on that balance should the need arise. If the short sale does not close, then we will pursue all remedies under our note and mortgage. This offer is contingent upon Bank of America, N.A. receiving a properly executed and notarized Promissory Note, if applicable, to this short sale transaction.

The conditions of the approval are as follows:

1. Closing must take place no later than September 7, 2012 or this approval is void. If an extension is requested and/or approved, then per diem interest will be charged through closing.
2. The approved buyer(s) is/are [redacted] and the sales price for the property is \$410,000.00.
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 August 3, 2012.
 - a. Total Closing Costs not to exceed \$31,652.50 .

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

Please write your account number on all correspondence.

SPO Approval model 12154/12303 05/11/2010

Waiver of Deficiency!
Bank will forgive the remaining debt! No further legal collection action.

Seller owed \$775,000 and property was sold for \$410,000. Saved Seller \$365,000 in negative equity.

Seller was current on his mortgage; therefore we minimized the effect to Seller's Credit

- b. Maximum commission paid **\$24,600.00**.
- c. Maximum allowed to the Jr. Lien Holder \$0.00.
- d. Maximum allowed for HOA liens \$1,350.00 (if applicable).
- e. Maximum allowed for repairs \$0.00 (if applicable).
- f. Maximum allowed for termite inspection/repairs \$0.00 (if applicable).

Bank of America paid Realtors' commissions of \$24,600. Seller did not have to pay Realtors' commissions.

Any additional fees that were not approved on August 3, 2012 will not be covered by Bank of America, N.A. and become the sole responsibility of either 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 \$418,347.50.
- 6. The property is being sold in an "AS IS" condition. No repairs will be made or be paid out of the proceeds, unless specifically stated otherwise.
- 7. Seller is to contribute **\$40,000.00** to assist in the closing of this transaction. This contribution will be in the form of:
 - a. **PROMISSORY NOTE (Signed, notarized and returned at closing): \$0.00**

Bank requested \$40,000 to waive the deficiency. Seller paid \$15,000 and Buyer paid \$25,000 to obtain the Waiver of Deficiency.

If a promissory note is required, it must be signed and returned to Bank of America, N.A. prior to 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 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 of the transaction and/or possible cancellation of this short sale transaction. *****

b. CERTIFIED FUNDS CONTRIBUTION (Due at closing): \$40,000.00

- 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 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.
- 10. There are to be no transfers of property within 30 days of the closing of this transaction.
- 11. 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.
- 12. Other: 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.
- 13. Other: 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 foreclosure sale postponement fees. The Borrower(s)/Seller(s) will be responsible for any additional costs or fees over the stated approved amounts.
- 14. Completed Assignment of Unearned premium and Important Notice Regarding Income Tax Reporting is to be emailed along with the final Settlement Statement.

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

Seller did not have to sign a promissory note.