

**Sales Contract Review
Pre-Foreclosure Sale Program**

U.S. Department of Housing and
Urban Development
Office of Housing
Federal Housing Commissioner

OMB Approval NO. 2502-0484
(exp. 07/31/2009)

Public reporting burden for this collection of information is estimated to average 9 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is required to obtain benefits. HUD may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

Section 204 of the National Housing Act authorizes the Secretary to pay an insurance claim that bridges the gap between the fair market value proceeds from the HUD-approved third party sale of a property. The respondent's may be lenders (mortgagee's), counselors and homeowners who are attempting to sell their properties prior to foreclosure. The Privacy Act of 1974 pledges assurances of confidentiality to respondents. HUD generally discloses this data only in response to a Freedom of Information request.

Mortgagee Contact Person: [REDACTED]		Phone Number/Ext: 888-369-2301 ext [REDACTED]	Account /Control No.: [REDACTED]	FHA Case Number: [REDACTED]	
Homeowner's Name: [REDACTED]			Property Address: [REDACTED] SPANAWAY, WA 98387		
Homeowner's Name: [REDACTED]					
Date of Sales Contract : 8/20/12	Date Contract Received by Mortgagee: 9/20/12	Sales Agent & Firm: [REDACTED]	Phone Number: 800-603-3525	Sales Commission & Rate: 6.00%	
Offered By: [REDACTED]			Address: [REDACTED]		
Listing Price: \$164,950.00	Price Offered: \$143,000.00	Appraised Value: \$140,000.00	88% of Appraised Value: \$123,200.00	Estimated Net Sales Proceeds: \$123,443.25	

Mortgagee (or HUD) Review of the Sales Contract

The Sales Contract offered by the individuals listed above is:

- Accepted Rejected (List reasons below)

This sales contract is rejected for the following reason(s):

[REDACTED] 10/30/2012
Mortgagee Signature and Date

form HUD-80051 (09/2003)
ref. Handbook 4330.1

Learn How Seattle Short Sales, Inc.

Can Help You Short Sale Your Property

<http://SeattleShortSales.com>

1-800-603-3525

Chase
P.O. Box 469030
Glendale, CO 80246-9030



October 29, 2012

[REDACTED]
Spanaway, WA 98387

Conditional approval of sales contract

Account: [REDACTED]
Borrower(s): [REDACTED]

Property Address: [REDACTED]
Spanaway, WA 98387-0000
Buyer: Aramis Alba

Dear Closing Agent:

We have preliminarily approved the sales contract for the property above for \$143,000.00, between the seller and the buyer. Please be advised this is not the final approval for the sale.

Next steps

- Once the final HUD-1 is approved, follow our closing instructions included in the HUD-1 approval mailing, then you may conduct the closing. All other lien holders shall agree to release their lien on or before the date of closing. Please be aware that if the sale on the property moves forward as outlined, our acceptance of this sale will be reported to the various credit reporting agencies. We cannot determine what impact the sale will have on the seller's credit rating. It may have a negative impact.

Reducing an amount owed as well as any payments made to the seller under this program, may be reported to the IRS and may have tax implications. The seller should consult a tax advisor to discuss those implications.

- The closing must occur on or before November 30, 2012. Because this approval is based on figures good through this date, please notify us if the closing date is changed. Additionally, if any changes occur in the approved transaction, we must be contacted to approve the changes in writing. We are under no obligation to approve the changes, and if we do not approve changes, the sale may be cancelled.
- Fax the final proposed HUD-1 Settlement Statement to 866-837-2043 for final approval no later than 72 hours before the closing date (excluding weekends and holidays).

Further requirements of this approval include:

1. All required seller contributions are to be paid at closing regardless of net from the sale. We will not accept less than the minimum net proceeds to be received. The seller will be responsible for

any additional costs, which may cause the true net amount to be less than the net amount stated.

2. The Seller may receive \$1,000.00 as an incentive from this transaction. The incentive funds should be shown as a separate line item on the final HUD-1 Settlement Statement. Any excess funds at closing will be refunded to us.
3. As stated above, the final proposed HUD-1 Settlement Statement must be faxed to 866-837-2043 for final approval no later than 72 hours before the closing date (excluding weekends and holidays) or we may withdraw the approval of the sale. Once the closing statement is received and approved, closing instructions will be sent to the closer.
4. All prorations are to be figured to the date of closing and are considered final. Tax prorations should be based on not more than 100% of actual taxes due and payable.
5. We require that full disclosure, including all details of the transaction, are made on the part of both the buyer and the seller on the HUD-1 form. If we find that full disclosure was not made at the time of this approval, the approval becomes null and void.
6. If the title to the property is transferred, in whole or in part, before the close of escrow, we will cancel this approval without further notice.
7. No substitution of the seller or buyer can be made prior to the close of escrow, or we will cancel this approval without further notice.
8. If a bankruptcy is filed by the seller, the terms and conditions of this letter will become invalid.
9. This conditional approval supersedes all other agreements and applies only to the above referenced loan. Any additional loans/liens from the seller or any other party in favor of Chase or any affiliated entity, whether on this property or otherwise, are excluded from the terms of this letter.

Per HUD mortgagee letter 2008-43, at the time of closing, the loan must be delinquent more than 30 days.

Detailed below are the expected seller closing costs and the minimum amount of proceeds we will receive.

Expected Seller Closing Costs	
Realtor Commission	\$8,580.00
Seller Incentive	\$1,000.00
Seller Concessions	\$4,053.00
Closing Fee	\$900.00
Title Insurance	\$1,100.00
Tax Prorations	\$1,373.35
Excise Tax	\$2,550.40
Total Seller Closing Costs	\$19,556.75

Minimum Net Proceeds to Lender	
Sales Price	\$143,000.00
- Seller Closing Costs	(\$19,556.75)
Total Minimum Net Proceeds to Be Received by the Lender	\$123,443.25

Under no circumstances will we accept less than the approximate net amount stated, and we may require additional funds if actual costs are less than those provided by the escrow company.

If you have questions, please call us at 888-369-2301 ext [REDACTED]

If the final closing instructions are not followed in their entirety, the lien will not be satisfied, and the proceeds check will be returned.

If you have questions, please call us at one of the telephone numbers listed below.

Sincerely,

[REDACTED]

[REDACTED]
Chase
888-369-2301 ext [REDACTED]
866-837-2043 Fax
800-582-0542 TDD / Text Telephone
www.chase.com

Your dedicated Customer Assistance Specialist is:
[REDACTED]
Direct phone number:
206-575-[REDACTED]

Enclosure(s)

- Affidavit of Arm's Length Transaction
- FHA Closing Worksheet

NOTICES APPLICABLE TO THE BORROWER(S)

We are a debt collector.

If you are represented by an attorney, please refer this letter to your attorney and provide us with the attorney's name, address, and telephone number.

To the extent your original obligation was discharged, or is subject to an automatic stay of bankruptcy under Title 11 of the United States Code, this notice is for compliance and/or informational purposes only and does not constitute an attempt to collect a debt or to impose personal liability for such obligation.

LQ005

AFFIDAVIT OF ARM'S LENGTH TRANSACTION

Pursuant to a residential purchase agreement (the "Agreement"), the parties identified below as the "Seller" and the "Buyer," respectively, are involved in a real estate transaction whereby the real property commonly known as [REDACTED] Spanaway WA 98387 (the "Property") will be sold by the Seller to the Buyer.

Chase (the "Lender") owns or is the authorized servicer of a deed or trust of mortgage against the Property. In order to complete the sale of the Property, the Seller and the Buyer have jointly asked the Lender to discount the total amount owed on the loan secured by the deed of trust or mortgage. The Lender, in consideration of the representations made below by the Seller, the Buyer, and their respective agents, agrees to accept the amount of \$143,000.00 to resolve its Loan (pursuant to a separate Agreement between the Lender and the Seller) on the express condition that the Seller, the Buyer, and their respective agents (including, without limitation, real estate agents, escrow agents, and title agents) each truthfully represents, affirms, and states that, to the best of each signatory's knowledge and belief:

1. The purchase and sale transaction reflected in the Agreement is an "Arm's Length Transaction," meaning that the transaction has been negotiated by unrelated parties, each of whom is acting in his or her own self-interest, and that the sale price is based on fair market value of the Property. With respect to those persons signing this Affidavit as an agent for the Seller, the Buyer, or both, those agents are acting in the best interests of their respective principal(s).
2. No Buyer or agent of the Buyer is a family member or business associate of the Seller, the borrower, or the mortgagor.
3. No Buyer or agent of the Buyer shares a business interest with the Seller, the borrower, or the mortgagor.
4. There are no hidden terms or hidden agreements or special understandings between the Seller and the Buyer or among their respective agents that are not reflected in the Agreement or the escrow instructions associated with this transaction.
5. There is no agreement, whether oral, written, or implied, between the Seller and the Buyer and/or their respective agents that allows the Seller to remain in the Property as a tenant or to regain ownership of the Property at any time after the consummation of this sale transaction.
6. Neither the Seller(s) nor the Buyer(s) will receive any funds or commission from the sale of the Property. The Seller(s) may receive a payment if it is offered by the Lender and reflected on the HUD-1 Settlement Statement. The seller may receive an incentive payment of \$1,000.00. Any incentive payments will be paid at the time of closing and will be reflected on the HUD-1 Settlement Statement.
7. All amounts to be paid to any party, including holders of other liens on the Property, in connection with the short payoff transaction have been disclosed to and approved by the Lender and will be reflected on the HUD-1 Settlement Statement.
8. No agent of either the Seller or the Buyer shall receive any proceeds from this transaction except as is reflected in the final estimated closing statement, which shall be provided to the Lender for approval prior to the close of escrow.
9. All Mortgage Banking employees are prohibited from purchasing homes through a short sale where Chase is the lender or servicer. However, JPMorgan Chase employees who are not employed in Mortgage Banking may purchase homes involved in a short sale that secure loans owned or serviced by Chase.
10. Each signatory to this Affidavit expressly acknowledges that the Lender is relying upon the representation made herein as consideration for discounting the payoff on the Loan, which is secured by a deed of trust or mortgage encumbering the Property.
11. Each signatory to this Affidavit agrees to indemnify Chase and the investor if applicable for any and all losses resulting from any negligent or intentional misrepresentation made in this Affidavit including, but not limited to repayment of the difference between the amount owed on the loan and the discounted payoff amount.

12. Each signatory to this Affidavit expressly acknowledges that any misrepresentation made by him or her may subject him or her to civil liability.

13. This Affidavit will survive the closing of the transaction.

I/We declare under penalty of perjury under the laws of the state of Washington that all statements made in this Affidavit are true and correct.

Additionally, I/we fully understand that it is a federal crime punishable by fine or imprisonment, or both, to knowingly and willfully make any false statements concerning any of the above facts as applicable under the provisions of Title 18, United States Code, Section 1001, et seq.

Buyer 1

(Print Name)

(Signature)

(Date)

Buyer 2

(Print Name)

(Signature)

(Date)

Buyer 3

(Print Name)

(Signature)

(Date)

Buyer 4

(Print Name)

(Signature)

(Date)

Seller 1

(Print Name)

(Signature)

(Date)

Seller 2

(Print Name)

(Signature)

(Date)

Seller 3

(Print Name)

(Signature)

(Date)

Seller 4

(Print Name)

(Signature)

(Date)

Buyer's Agent

Seller's Agent

(Print Name)

(Print Name)

(Print Company)

(Print Company)

(Signature and Date)

(Signature and Date)

As a reminder, a copy of the certified HUD-1 Settlement Statement, as well as the signed Affidavit of Arm's Length Transaction must be sent at closing by fax to 866-837-2043.