

Learn How Seattle Short Sales, Inc.

Can Help You Short Sale Your Property

<http://SeattleShortSales.com>

1-800-603-3525

**WELLS
FARGO**

2/5/2013

Property Address:

BUCKLEY, WA 98321

Loan Number:

Client:

Mailing Address:

BUCKLEY, WA, 98321-1212

Subject: Notice of Short Sale Approval for loan
Projected settlement date 03/29/2013

Dear

We're writing to notify you that Wells Fargo Bank, N.A. approves a short sale of the property above. This Notice of Short Sale Approval provides all of the conditions and requirements that must be met before the short sale transaction can be finalized. Please be sure to read this notice in its entirety and follow all the steps provided.

Understanding a short sale

A short sale allows you, the borrower/seller, to sell your home for less than the amount owed on your mortgage, and releases your obligation to repay your primary mortgage balance. It may help you avoid a foreclosure sale.

Conditions that must be met

Before we can finalize approval of the short sale, the borrower/seller must meet the following conditions:

1. By completing the short sale based on this Notice of Short Sale Approval, you acknowledge and waive any and all rights to any escrow balance, insurance proceeds or refunds from prepaid expenses.
2. You, or any other party, may not receive any sale proceeds or any funds as a result of this transaction except as specified in this Notice.
3. The short sale must be an arm's length transaction (unless the property is secured by a VA loan). This means the seller and buyer must be unrelated to each other by family, marriage or commercial enterprise. If it's determined that the sale is not an arm's length transaction, this approval will be null and void.

4. If you have any home equity loans, lines, junior liens or other subordinate liens (like a tax or mechanic's lien) on your property, they will be considered separately from your first mortgage transaction. To ensure the short sale proceeds smoothly, it is essential for you to begin working with any other creditors immediately after being approved for a short sale. Failure to resolve transactions with other lien holders could cause delays or even cancelation of the short sale closing.

5. In accordance with state and local laws, the Notice of Short Sale Approval may be voided at any time.

Important considerations

Please note: The minimum amount we must receive for the sale of the property after all deductions have been made is called the **acceptable sale proceeds amount**. Please see the short sale approval requirements section in this letter for more information.

1. Because, with a short sale transaction, the home is sold for less than the amount owed on the first mortgage, there may be a deficiency balance. This is the dollar difference between the mortgage amount due and the acceptable sale proceeds amount. In some cases, you may be required to pay this remaining balance at or after the short sale closing. However, if you comply with the requirements of this Notice of Short Sale Approval and the mortgage is released, Wells Fargo Bank, N.A. will waive its right to seek a deficiency balance under the mortgage note and/or related documents.
2. When Wells Fargo Bank, N.A. receives the acceptable sales proceeds and all required documentation as specified in this Notice of Short Sale Approval, we will arrange to have the mortgage of record released.
3. Please take note that the Investor on your loan, in releasing its security interest in this owner-occupied real property, waives the right to collect that amount that constitutes full payment of the secured debt. The amount of debt outstanding as of the date of this letter is \$233,782.07.
4. Wells Fargo Bank, N.A. will notify the major credit bureau(s) to reflect this loan as "account paid in full with less than full balance," which should appear on your credit report following the completion of the short sale. However, Wells Fargo Bank, N.A. is not a credit bureau and cannot control how or when the report will reflect information to other users of credit reports.

Short sale approval requirements

This approval is based on the purchase contract dated 11/13/2012 between [REDACTED] the seller(s), and [REDACTED] the buyer(s), for a purchase price of \$134,900.00. The terms of our approval and instructions to you and your settlement agent are as follows:

Section one — transaction overview

1. As of the date of this Notice, the unpaid principal balance on loan [REDACTED] is \$233,782.07. The acceptable sales proceeds is \$117,564.00 scheduled for settlement on or before 03/29/2013.
2. Your required payment to complete the short sale:
 - a. \$0.00 in cash at the closing, in the form of a cashier's check.

- b. An additional \$0.00 in the form of a promissory note, which must be completed at or before the closing.
3. Please understand that Wells Fargo Bank, N.A. will report amounts of debt that have been cancelled to the IRS, if required to do so under IRS regulations. As a mortgage servicer, Wells Fargo Bank, N.A. cannot provide tax advice. Please consult a tax or legal advisor for assistance on any tax or legal implications associated with a short sale and the cancellation of debt that may result.
 4. The following transaction details summarize the information noted above:

Unpaid principal balance:	\$233,782.07
Approved purchase price:	\$134,900.00
Acceptable sales proceeds:	\$117,564.00
Borrower payment:	
Cash at closing:	\$0.00
Promissory note:	\$0.00

Section two — approved seller closing costs

Real Estate Commission:	\$8,094.00
SELLER RELOCATION	\$3,000.00
PROPERTY TAXES	\$2,565.00
SETTLEMENT FEE	\$500.00
TITLE INSURANCE	\$850.00
EXCISE STAMP/TAX	\$2,327.00

Excess funds, if any, must be paid to: Wells Fargo Bank, N.A.

Section three — lien holders

Please understand that any reference to the junior/subordinate lien holder(s) payoff is contingent upon separate written approval of the transaction by each lien holder. In addition, if the junior lien holder is affiliated with Wells Fargo Bank, N.A. or any of its subsidiaries, the approval must be obtained separately. This does not represent approval by any other lien holder.

Section four — important instructions

1. You, as the seller, must advise your settlement agent that they must contact Wells Fargo Bank, N.A. no later than 48 hours before the scheduled settlement date and provide a copy of the final HUD-1 Settlement Statement. The final HUD-1 must comply with the approval terms included in

this Notice and must contain complete buyer and seller information, including a forwarding address for the seller. In addition, the settlement agent must provide the fully executed HUD Closing Worksheet for FHA loans. If settlement is delayed and/or rescinded, Wells Fargo Bank, N.A. must be notified immediately to review the request and provide written approval, if granted per investor or mortgage insurance guidelines.

2. In addition, you as the seller, for and in consideration of the approval, closing and funding of the short payoff, agree that you will re-sign any documents after closing if any corrections are needed due to any typographical or clerical errors discovered in any or all of the closing documentation required to be signed at the time of settlement.
3. The purchase contract may not be amended without Wells Fargo Bank, N.A. prior written approval. In addition, the seller acknowledges that the buyer is not related to the seller, and any relationship between a participating broker/real estate agent has been disclosed prior to issuing this Notice of Short Sale Approval (unless the property is secured by a VA loan). This transaction may not close if it involves any third party who received a deed from the borrower/seller at, before, or after settlement, and the purchase contract may not be assigned.
4. The required payoff funds, together with any excess funds, must be wired to:

Wells Fargo Bank, N.A.

Account No.: [REDACTED]

ABA No.: [REDACTED]

Special Information for Beneficiary:

Apply funds to loan: [REDACTED]

Mortgagor: [REDACTED]

From: Sender's name and phone number

Please note: The above information is mandatory and if not provided, the wire will be rejected.

5. The closing documents and original signed promissory note, if applicable, must be delivered to us prior to our settlement to:

Wells Fargo Bank, N.A.

Attention: Liquidations

X2302-044

One Home Campus

Des Moines, IA 50328

Important notes

Failure to comply with any of conditions/requirements included in this Notice could result in our refusal to issue a satisfaction, release or conveyance of your mortgage. After certified funds are received and

approval is final, a document releasing the mortgage will be sent to record this decision. If the property was in foreclosure, that action will stop when the terms of the approval are met.

What you need to know about foreclosure

Even though you have received this Notice of Short Sale Approval, it's important to understand that if your mortgage has been referred to foreclosure, that process moves forward at the same time. The foreclosure process may continue and a foreclosure sale date may be scheduled while you are actively working towards completing the short sale. Also, as part of the foreclosure process, you may receive notices from a third-party attorney delivered by mail, and see steps being taken to proceed with a foreclosure sale of your home.

I'm here to help you

I look forward to working with you, and encourage you to call me if you have any questions about the information in this Notice. I can be reached at the phone number that appears below. Thank you.

Sincerely,

██████████

Home Preservation Specialist

Wells Fargo Home Mortgage

1-877-808-6146 Ext. ██████████

This communication is an attempt to collect a debt and any information obtained will be used for that purpose. However, if you have received a discharge of this debt in bankruptcy or are currently in a bankruptcy case, this notice is not intended as an attempt to collect a debt, and however we have a security interest in the property and will only exercise our rights as against the property. Additionally, your decision to discuss mortgage assistance options with Wells Fargo Bank, N.A. is strictly voluntary. You are not obligated to pursue any mortgage assistance options discussed with us. At your request, we will immediately terminate any such discussions should you no longer wish to pursue these options.

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NMLSR ID 399801 5/12 Equal Housing Lender

Short Sale Closing Instructions

In addition to the instructions in the Wells Fargo Home Mortgage approval letter, the instructions in this document must be followed or the short sale will be subject to denial and the proceeds will be returned. These closing instructions are only applicable for this short sale and are non-transferable.

Approval Letter Conditions

- **Approvals are non-transferable**
- **Approval is good through the projected settlement date on the approval letter.** Any extension request must be approved by Wells Fargo and potentially a third-party and are not guaranteed.
- **Approval letter reflects the agreed upon terms and conditions of the short sale.** Changes to the Approval Letter can be requested but may result in elimination of the current approval or a counter to a higher offer.
- **Wells Fargo must be notified immediately if a Bankruptcy is filed by the current homeowner.**

Step 1 – Requirements for pre-closing approval

Submit the following at least 48 hours* before the scheduled short sale closing:

**If not received at least 48 hours before the scheduled closing, funds may not be accepted and/or closing may be delayed.*

Pre-closing HUD-1

- If working in Equator, upload the HUD-1 in the Equator “Upload Final HUD-1” task and continue to ensure all tasks that may be assigned to you are completed to ensure the process moves forward.
- If not working in Equator, email the pre-closing HUD-1 to Liquidationclosing@wellsfargo.com or the additional contact information provided by the Closing Coordinator.
- The HUD must reflect the terms and conditions of the approval. Changes to the approved fees can be requested but may result in elimination of the current approval or a counter to a higher offer.
- No administrative or processing fees are allowed.

Subordinate lien approval (if applicable)

- Copies of the subordinate lien holder’s approval to release their lien must be provided to Wells Fargo prior to 48 hour HUD Approval.
- The agreement to release their lien must provide for the following:
 - Lien holder agrees to accept payment from Wells Fargo and/or the Investor
 - All debt secured by the mortgaged property will be released upon receipt of the payment; and
 - Deficiency judgment against the borrower has been waived.
- All payments to subordinate lien holders must be shown on the HUD-1.
- Subordinate lien holders may not receive any other payments (in cash, promissory note, or otherwise) other than what is authorized on the approval letter.

Power of Attorney (if applicable)

- Any buyer or seller who will not be able to sign documents at closing must provide a completed Power of Attorney form.
- Regardless of state law, the Power of Attorney form must be fully executed, notarized and witnessed.
- The only party who can sign on behalf of the buyer/seller, is the Attorney-In-Fact authorized by the Power of Attorney.

Contact Information

The Closing Coordinator can be contacted through Equator

For loans not in Equator:

- Phone: 866-903-1053
- Email: Liquidationclosing@wellsfargo.com

The Closing Coordinator may provide updated contact information

Step 2 – Requirements for release of the mortgage lien

All noted closing documents must be emailed and/or overnight mailed the day of the short sale closing:

**If not received within 48 hours of the closing, funds may not be accepted and the closing may have to reoccur.*

Short sale funds

- Proceeds should only be sent once signed closing documents have been provided.
- Proceeds must be equal to or greater than the amount listed on the Wells Fargo Short Sale Approval letter.
- Proceeds may only be received in the form of a wire or a certified check:
 - Wiring Instructions or Overnight mailing address will be provided once closing documentation is received and approved.

Short Sale Affidavit

- Must be signed and dated by all required parties.
- Closing Coordinator will be verifying that the fully executed Short Sale Affidavit has been received.
- If the purchaser of the property is an LLC, the Manager or a Managing Member must sign on behalf of the LLC and provide a copy of the Operating Agreement.

Re-sale deed restriction

The deed conveying the property to the purchaser must contain a provision to restrict any re-sale of the property for 30 days following the short sale closing, and to restrict re-sales of greater than 120% of the short sales purchase price for the period beginning 31 days after the short sale closing and ending 90 days from the short sale closing.

- Sample language:

Grantee herein is prohibited from conveying captioned property for any sales price for a period of 30 days from the date of this deed. After this 30 day period, Grantee is further prohibited from conveying the property for a sales price greater than \$ (120% of short sale price) until 90 days from the date of this deed. These restrictions shall run with the land and are not personal to the Grantee.
- The provided language may be amended as necessary to comply with applicable law.

Promissory Note (if applicable)

- Overnight the required original Promissory Note directly to the beneficiary of the note.
- Email a copy of the executed Promissory to the Liquidationclosing@wellsfargo.com and/or the Closing Coordinator provided email address. Include the tracking number and/or confirmation of the delivery to the beneficiary.

Required closing documents (email or overnight mail the day of the short sale closing)

- Certified copy of the signed and dated final HUD-1 statement, stamped certified and true;
- Copy of the wire confirmation or certified check;
- Original Short Sale Affidavit signed and dated by all required parties (if not previously submitted);
- If applicable, a copy of the executed Promissory Note and confirmation of receipt by the beneficiary of the Note.

Please overnight original promissory note to:

██████████
15301 Spectrum Drive, Ste 450
Addison, TX 75001

(Only applicable if your approval letter requires a Promissory Note)