



5151 Corporate Drive  
Troy, Michigan 48098-2639  
Phone: (800) 968-7700  
[www.flagstar.com](http://www.flagstar.com)

## Learn How Seattle Short Sales, Inc.

### Can Help You Short Sale Your Property

November 12, 2010

<http://SeattleShortSales.com>

[REDACTED]  
Issaquah, WA 98029-7641

**1-800-603-3525**

Re: Mortgage Loan #: [REDACTED]  
Property Address: [REDACTED] North Bend, WA 98045

Dear Flagstar Customer(s):

Flagstar Bank reviewed the pending sales contract on the above mortgage loan in accordance with the terms of the Pre-Foreclosure Sale Program.

This letter will confirm our approval of the pre-foreclosure sale of this property, which is contingent on the conditions listed below. If any of the conditions listed below cannot be met, Flagstar Bank will not discharge its lien. Please make sure that all instructions are followed per our request to prevent any delays and further interest accruals.

- THE SALE PRICE IS TO BE NO LESS THAN **\$410,000.00.**
- REALTOR COMMISSIONS ARE NOT TO EXCEED **\$20,000.00.**
- SELLER'S CLOSING COSTS ARE NOT TO EXCEED **\$10,417.50.**
- PAYOFF TO SECOND LIEN HOLDER NOT TO EXCEED: **\$3,000.00.**
- BUYERS PREPAIDS ARE NOT TO EXCEED: **\$5,000.00.**
- NET SALES PROCEEDS ARE TO BE NO LESS THAN **\$371,582.25** AND SHOULD BE MADE PAYABLE TO FLAGSTAR BANK. THIS FIGURE SHOULD BE REFLECTED AS THE **DISCHARGE TO THE FIRST MORTGAGE**. NET PROCEEDS ARE TO BE RECEIVED BY EXPRESS MAIL THE NEXT BUSINESS DAY, ALONG WITH A SIGNED COPY OF THE SETTLEMENT STATEMENT.
- SELLERS ARE TO NET **\$ 0.00.**
- SALE IS TO CLOSE NO LATER THAN **12/08/2010.**
- A COPY OF THE HUD-1 SETTLEMENT STATEMENT IS TO BE SENT FOR OUR REVIEW AT LEAST 48 HOURS BEFORE CLOSING TO THE FOLLOWING ADDRESS: [LMHudapprovals@Flagstar.com](mailto:LMHudapprovals@Flagstar.com)
- APPROVAL IS VOID IF BANKRUPTCY IS FILED. NO MODIFICATIONS CAN BE MADE TO THESE TERMS WITHOUT WRITTEN APPROVAL.

**After closing, please send via FedEx a copy of the HUD-1 Settlement Statement, Net Proceeds Check, Original Promissory Note (if required), Assignment of Escrow Disclosure Statement, and the release of liens, if any. Short sale package MUST be delivered to Flagstar the next business day. Failure to do so could result in the funds being returned and the short sale being cancelled.**

It is the responsibility of the title company to fax Flagstar Bank the documents from the closing as well as a copy of the proceeds check prior to sending the information to us via overnight delivery. Please ensure the title company complies with this request immediately after the closing.

Please be aware that Flagstar Bank will be responsible for executing the required release of lien and reconveyance immediately after receiving the net sales proceeds and ensuring all other closing conditions are met. Flagstar is also responsible for filing any cancellation of Notice of Trustee's Sale that has been recorded, rescission of any foreclosure that may have occurred, or cancellation of any other pending foreclosure action that is already in process.

For your convenience, we have provided the complete mailing address and a contact person at Flagstar:

Flagstar Bank  
5151 Corporate Drive  
Troy, MI 48098  
Attention: Loss Mitigation, Mail Code-S-142-3

**IMMEDIATELY FOLLOWING CLOSING:** Forward a copy of the HUD-1 Settlement Statement and Net Proceeds Check by fax to my attention at 866-234-9845.

**Notwithstanding our approval of this short payoff, Flagstar Bank, FSB, reserves the right to withdraw approval at any time and demand full payoff prior to funding.**

There may be possible tax consequences if any portion of the outstanding debt is "forgiven." Borrowers should refer to a tax professional for assistance in determining the extent, if any, of the liability.

Should you have any questions, or require additional information, please call us at (800) 968-7700 Monday–Friday 8:30 a.m.–5 p.m. Eastern time.

Sincerely,

Flagstar Bank  
Loss Mitigation department



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**ASSIGNMENT OF ESCROW DISCLOSURE STATEMENT**

ACCOUNT NUMBER: [REDACTED]

BORROWER NAME: [REDACTED]

I/We hereby transfer my/our current interest and all future refunds in the escrow account including the hazard insurance policy, property tax, private mortgage insurance and any other item(s) escrowed on the mortgage to FLAGSTAR BANK, FSB.

\_\_\_\_\_  
[REDACTED]

\_\_\_\_\_  
Date

\_\_\_\_\_  
[REDACTED]

\_\_\_\_\_  
Date

**REPRESENTATIONS OF SELLER AND BUYER REGARDING SHORT SALE**

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Seller: \_\_\_\_\_  
NAME

\_\_\_\_\_  
ADDRESS

Buyer: \_\_\_\_\_  
NAME

\_\_\_\_\_  
ADDRESS

Property Address: \_\_\_\_\_ (the "Property")

Seller has agreed to sell to Buyer, and Buyer has agreed to purchase from Seller the Property for the purchase price of \_\_\_\_\_ and \_\_\_/100 Dollars (\$\_\_\_\_\_).

Seller and Buyer hereby affirm that this short sale transaction (the "Transaction") is an "arm's-length transaction." No party to this Transaction is a family member, relative, friend, business associate, or shares a business interest with the other party. Further, there are no hidden terms or special understandings between Seller or Buyer or their respective agents. Seller and Buyer nor their respective agents have any agreements written or implied that will allow the Seller to remain in possession of the Property as a renter or otherwise, or regain ownership of said Property at any time after the execution of this Transaction. None of the parties shall receive any proceeds from this Transaction, except sales commission owed to the agents, if applicable.

IN WITNESS WHEREOF, the undersigned hereby execute these Representations of Seller and Buyer Regarding Short Sale as of \_\_\_\_\_, \_\_\_\_\_.

SELLER

BUYER

\_\_\_\_\_  
Print Name:

\_\_\_\_\_  
Print Name:

\_\_\_\_\_  
Print Name:

\_\_\_\_\_  
Print Name:

Notary as to Seller:  
Notary Public, \_\_\_\_\_ County  
State of: \_\_\_\_\_.

Notary as to Buyer:  
Notary Public, \_\_\_\_\_ County  
State of: \_\_\_\_\_.

Acting in County, \_\_\_\_\_  
My commission expires: \_\_\_\_\_

Acting in County, \_\_\_\_\_  
My commission expires: \_\_\_\_\_