

Learn How Seattle Short Sales, Inc.



Can Help You Short Sale Your Property

December 21, 2010

<http://SeattleShortSales.com>

SEATTLE, WA 98116

1-800-603-3525

RE: [REDACTED]

Dear Mortgagor(s),

CitiMortgage, Inc. has agreed to accept a short payoff on the above captioned loan between [REDACTED] and [REDACTED] with the following conditions:

1. The closing must take place on or before January 31, 2011. You must obtain approval from CitiMortgage for any extension beyond January 31, 2011. Per diem interest must be absorbed by parties other than CitiMortgage, Inc.
2. CitiMortgage, Inc.'s net proceeds must not be less than \$ 263,651.00.
Contract price is \$ 310,000.00.
Total Payout to all junior liens cannot exceed \$5,800.00
The current owners are to receive \$0.00 proceeds from the sale of the above property.
The borrower contribution amount is \$0.00

Any and all refunds or credits must be added to the above net proceeds and remitted to CitiMortgage, Inc. at the time of closing.

3. Upon receipt of the NET PROCEEDS and a COPY OF THE FINAL SETTLEMENT STATEMENT, CitiMortgage, Inc. will give a full release and reconveyance of its lien as agreed, and no deficiency judgment will be instituted.
4. This transaction must be at **arm's length** and include a **transfer of deed**.
5. CitiMortgage will report the balance of the shortfall as "debt forgiveness" per IRS regulations and report it on a 1099C form.

ANY CHANGES TO THE ABOVE STATED TERMS MUST BE APPROVED BY CitiMortgage, Inc.

On the day of closing, a copy of the check or wire confirmation and a **HUD-1 Settlement Statement** with both **buyer side and seller side** must be sent to [REDACTED]

Funds will be returned if the HUD-1 is not received by the Negotiator on day of closing.

Funds may be wired to Citi per the following instructions:

Citibank North America
ABA [REDACTED] Account [REDACTED]
Attn: Short Sales Booking Unit
Ref: [REDACTED]
[REDACTED]

The loan will not be paid off without receipt of a Final HUD-1 Settlement Statement.

If you have any questions, please feel free to contact me at grant.moellering@citi.com.

Sincerely,

[REDACTED]
Loss Mitigation Specialist
CitiMortgage, Inc.

Disclaimer - Call Monitored

If principal forgiveness is equal to or greater than \$600.00 as a result of this settlement, CitiMortgage, Inc. is required to report the amount of the debt forgiven to the Internal Revenue Service on a 1099C form, a copy of which will be mailed to you.

After the short sale is complete, we will follow standard industry practice and report to the major credit reporting agencies that the loan was paid off for less than the amount owed, which could negatively impact your credit score and, therefore, your ability to obtain credit on the most favorable terms. We have no control over, or responsibility for the impact of this report, on your credit score. To learn more about the potential impact of a short sale on your credit, you may want to visit <http://www.ftc.gov/bcp/edu/pubs/consumer/credit/cre24.shtm>.

This is an attempt to collect a debt and any information obtained will be used for that purpose. To the extent your obligation has been discharged, dismissed or is subject to an automatic state of bankruptcy order under Title 11 of the United States Code, this notice is for compliance and informational purposes only and does not constitute a demand for payment or any attempt to collect any such obligation.

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AFFIDAVIT OF “ARM’S LENGTH TRANSACTION”

All Parties to the contract on the premises:

Property address:

Hereby affirm that this is an “Arm’s Length Transaction”,

No party to this contract is a family member, business associate, or share a business interest with the mortgagee. Further, there are no hidden terms or special understandings between the seller or buyer or their agents or Mortgagee.

The Buyers and Sellers nor their Agents have any agreements written or implied that will allow the Seller to remain in the property as renters or regain ownership of said property at anytime after the execution of this short sale transaction. None of the parties shall receive any proceeds from this transaction except the sales commission. Seller may not work as agent, if so he/she will forfeit any/all commissions associated with his/her portion of the transaction.

Any misrepresentation of the terms of the short sale agreement will constitute Mortgage Fraud and will be subject to but not limited to the denial of All Loss Mitigation and referral to the Authorities.

(Seller) Date (Seller) Date

Print Name Print Name

(Seller’s Agent) Date (Buyer’s Agent) Date

Print Name and Company Print and Company

(Buyer) Date (Buyer) Date

Print Name and Title Co. Name Print Name and Title Co. Name

TO ENSURE LIENS ARE RELEASED IN A TIMELY MANNER, PLEASE:

Send the **Final** HUD-1 on the date of closing to the Negotiator

Do not combine 1st and 2nd lien payoffs in the same check or wire. Instead send a separate wire or check for the 2nd lien payoff

2nd lien payoffs must equal the exact amount listed on the approval letter

Use line 504 on the HUD for the 1st mortgage amount and lines 505-506 for the 2nd and 3rd mortgage payoffs (if applicable)

If non-escrow state, Hud-1 is signed by all parties originally listed

HUD-1 MATCHES ALL PAYOFF AMOUNTS

Send complete HUD which includes both buyer and seller side

Include settlement dates on the HUD

Include settlement agents on the HUD

Power of Attorney (POA) and signed approvals to participate must be on file with Citi

Send Citi negotiator the tracking number of confirming that original promissory note was sent to mortgage insurance (MI) company

List any per diem charges clearly on the HUD

List any seller cash contributions clearly on the HUD

Reference Citi loan number on payoff checks

States that do NOT require signatures on Final HUD-1:

Arizona, California, Hawaii, Nevada, Oregon, Utah, Washington
(AZ, CA, HI, NV, OR, UT, WA)