

Provident Funding®

The Mortgage Price Leader

Can Help You Short Sale Your Property

<http://SeattleShortSales.com>

1-800-603-3525

March 28, 2011

Bothel, WA 98021

Dear Borrower(s),

This letter will serve as Provident Funding's acceptance of a short payoff involving the following property:

Loan Number: [REDACTED]
Property Address: [REDACTED] Seattle, WA 98106

This letter should be used by the closing agent as our formal demand. No additional statements will be issued. Conditions of approval are as follows:

- 1) We must receive payoff funds of no less than **\$9,500** no later than **5/15/11**. Payoff is not complete until the approved proceeds, signed/certified copy of the final HUD-1, and signed copies of this letter, promissory note and arm's length affidavit have been received. Documents can be faxed to 707-569-5410 or emailed to [REDACTED]@provident.com.
- 2) Payoff must be in certified funds and must be delivered to Provident Funding Associates LP (Attention Loss Mitigation) 1235 N Dutton Ave, Ste E Santa Rosa, CA 95401 OR wired to the attached wiring instructions.
- 3) The sale must be an arm's-length transaction. All parties involved in the sale must be unrelated and unaffiliated. Fully executed affidavit is required to be faxed at time of closing.
- 4) The borrower(s) is/are not to receive any money from the proceeds of the sale.
- 5) There is to be no amendment or change of any kind to the sales contract, as submitted with your request for this Short Sale Transaction, nor any changes that would decrease the net sales proceeds without consent from Provident Funding. Approved buyer(s) is/are [REDACTED] and sales price is **\$155,000**.
- 6) The amount approved for seller's concession toward buyer's closing costs is **\$0.00**
- 7) The property is being sold in "**As Is**" condition. No repairs will be paid for out of the proceeds.
- 8) The borrower(s) is/are required to sign an unsecured note for **\$6,000.00**. The interest rate of this note will be **3.75%** and will be payable over the next **5** years. The monthly installment for the note is **\$109.82**.
- 9) Original signed/notarized note is to be returned to Provident Funding Associates LP (Attention Loss Mitigation) 1235 N Dutton Ave, Ste E Santa Rosa, CA 95401
- 10) You agree that Provident Funding will then be an unsecured creditor of yours, with the same status and rights as if the lender on the first deed of trust against the property had foreclosed (including the right to sue you on the Provident Funding loan, as opposed to having to foreclose on the property.)

Borrower Signature: _____ **Date:** _____

Co-Borrower Signature: _____ **Date:** _____

Sincerely,
Loss Mitigation Department
866-210-7340 ext [REDACTED]

Provident Funding Associates, L.P. reserves the right to modify this approval or to declare it null and void if any representations made on any documents submitted for short payoff approval are incorrect or incomplete or if there is any adverse change in the Borrower's credit, outstanding obligations, or employment, or in the value as rectified by an appraisal review or condition of the property securing the loan, prior to close of escrow.

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Wiring Instructions:

US BANK
601 2nd Ave S
Minneapolis, MN 55402

Routing # [REDACTED]
For credit to Provident Funding Associates, L.P.
Acct # [REDACTED]

Reference loan [REDACTED] d borrower's name [REDACTED]

Arm's Length Transaction Affidavit

Pursuant to a residential purchase agreement ("Agreement"), the parties identified below as "Seller(s)" and "Buyer(s)," respectively, are involved in a real estate transaction whereby the real property commonly known as [REDACTED] Seattle, WA 98106 ("Property") will be sold by Seller(s) to Buyer(s).

Provident Funding ("Investor") holds a deed of trust or mortgage against the Property. In order to complete the sale of the Property, Seller(s) and Buyer(s) have jointly asked Investor to discount the total amount owed on the loan which is secured by the deed of trust or mortgage. Investor, in consideration for the representations made below by Seller(s), Buyer(s), and their respective agents, has agreed to a short sale pursuant to the Provident Funding Short Sale Approval dated 3/28/2011 on the express condition that Seller(s), Buyers, and their respective agents (including, without limitation, real estate agents, escrow agents, and title agents) each truthfully represents, affirms, and states as follows:

1. The sale of the Mortgaged Premises is an "arm's length" transaction, between parties who are unrelated and unaffiliated by family, marriage, or commercial enterprise, meaning that the transaction has been negotiated by 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.
2. There are no agreements, understandings or contracts, between the parties that the Seller will remain in the Mortgaged Premises as a tenant or later obtain title or ownership of the Mortgaged Premises, except to the extent that the Borrower is permitted to remain as a tenant on the Mortgaged Premises for a short term, as is common and customary in the market but no longer than ninety (90) days, in order to facilitate relocation.
3. Neither the Seller(s) nor the purchaser(s) will receive any funds or commissions from the sale of the Mortgaged Premises.
4. There are no agreements, understandings or contracts, whether oral, written, or implied, relating to the current sale or subsequent sale of the Mortgaged Premises that have not been disclosed to Provident Funding.
5. No agent of either the Seller(s) or the Buyer(s) shall receive any proceeds from this transaction except as is reflected in the final estimated closing statement which shall be provided to Investor for approval prior to the close of escrow.
6. Each signatory understands, agrees and intends that Provident Funding and Investor are relying upon the statements made in the affidavit as consideration for the reduction of the payoff amount of the Mortgage and agreement to the sale of the Mortgaged Premises.
7. Each signatory agrees to indemnify Provident Funding and the Investor for any and all loss resulting from any negligent or intentional misrepresentation made in the affidavit including, but not limited to, repayment of the amount of the reduced payoff of the Mortgage.
8. The Affidavit will survive the closing of the transaction.
9. Each signatory understands that a misrepresentation may subject the responsible party to civil and/or criminal liability.
10. Each signatory to this Affidavit expressly acknowledges that Investor is relying upon the representations made herein as consideration for discounting the payoff on the loan(s) which is/are secured by a deed of trust or mortgage encumbering the Property.

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.

Seller 1

Date

Print Name

Seller 2

Date

Print Name

Seller's Agent

Date

Print Name and Company

Escrow/Closing Agent

Date

Print Name and Company

State of _____

County of _____

On _____

before me, _____
(insert name and title of the officer)

personally appeared

_____,
who proved to me on the basis of satisfactory evidence to be the person(s)
whose name(s) is/are subscribed to the within instrument and acknowledged
to me that he/she/they executed the same in his/her/their authorized
capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the
instrument.

I certify under PENALTY OF PERJURY under the laws of the State of
_____ that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

Buyer 1

Date

Print Name

Buyer 2

Date

Print Name

Buyer's Agent

Date

Print Name and Company

State of _____

County of _____

On _____

before me, _____
(insert name and title of the officer)

personally appeared

_____,
who proved to me on the basis of satisfactory evidence to be the person(s)
whose name(s) is/are subscribed to the within instrument and acknowledged
to me that he/she/they executed the same in his/her/their authorized
capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the
instrument.

I certify under PENALTY OF PERJURY under the laws of the State of
_____ that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

PROMISSORY NOTE

March 28, 2011

RE: Loan No. [REDACTED]

1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U. S. \$6,000.00 (this amount is called "Principal"), plus interest, to the order of the Lender. The Lender is Provident Funding Associates, L.P., A California Limited Partnership. I understand that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the "Note Holder."

2. INTEREST

Interest will be charged on unpaid principal until full amount of principal has been paid. I will pay interest at the yearly rate of 3.750%.

3. PAYMENTS

I will pay principal and interest by making payments each month of U. S. \$109.82. I will make my payments beginning on 7/1/2011. I will make these payments every month until I have paid all of the principal and interest and any other charges, described below, that I may owe under this Note. If, on 6/1/2016, I still owe amounts under this Note, I will pay all those amounts, in full, on that date.

I will make my monthly payments at
P.O. BOX 5914
SANTA ROSA, CA 95402

or at a different place if required by the Note Holder.

4. BORROWER'S RIGHT TO PREPAY

I have the right to make payments of principal at any time before they are due. This payment of principal only is known as "prepayment". When I make a prepayment, I will notify you in writing that I am doing so.

I may make a prepayment without paying any penalty. You will use all of my prepayments to reduce the amount of principal. If I make a prepayment other than that expressly addressed above, there will be no changes in the due date or in the amount of my monthly payment unless you agree in writing to those changes. Prepayments will reduce the number of monthly payments I must make, or the amount of my final monthly payment.

5. BORROWER'S FAILURE TO PAY AS REQUIRED

(A) Late Charge for Overdue Payments

If the Note Holder has not received the full amount of any monthly payment by the end of 10 calendar days after the date it is due, I will pay a late charge to the Note

Holder. The amount of the charge will be 5% or the maximum allowable by state law, of my overdue payment, but not less than U.S. \$5.48 and not more than U.S. \$5.48. I will pay this late charge only once on any late payment.

(B) Notice From Note Holder

If I do not pay the full amount of each monthly payment on time, the Note Holder may send me a written notice telling me that if I do not pay the overdue amount by a certain date I will be in default. That date must be at least 10 days after the date on which the notice is mailed to me or, if it is not mailed, 10 days after the date on which it is delivered to me.

(C) Default

If I do not pay the overdue amount by the date stated in the notice described in (B) above, I will be in default. If I am in default, the Note Holder may require me to pay immediately the full amount of principal which has not been paid and all the interest that I owe on that amount.

Even if, at a time when I am in default, the Note Holder does not require me to pay immediately in full as described above, the Note Holder will still have the right to do so if I am in default at a later time.

(D) Payment of Note Holder's Costs and Expenses

If the Note Holder has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back for all of its costs and expenses to the extent not prohibited by applicable law. Those expenses include, for example, reasonable attorneys' fees.

6. BORROWER'S WAIVERS

I waive my rights to require the Note Holder to do certain things. Those things are: (A) to demand payment of amounts due (known as "presentment"); (B) to give notice that amounts due have not been paid (known as "notice of dishonor"); (C) to obtain an official certification of nonpayment (known as a "protest"). Anyone else who agrees to keep the promises made in this Note, or who agrees to make payments to the Note Holder if I fail to keep my promise under this Note, or who signs this Note to transfer it to someone else also waives these rights. These persons are known as "guarantors, sureties and endorsers".

7. CHANGE OF ADDRESS

I will notify you at the address listed below, if I or any Co-signers change address within thirty (30) days of the change.

8. RESPONSIBILITY OF PERSONS UNDER THIS NOTE

If more than one person signs this Note, each of us is fully and personally obligated to pay the full amount owed and to keep all of the promises made in this Note. Any guarantor, surety or endorser of this Note (as described in Section 7 above) is also obligated to do these things. The Note Holder may enforce its rights under this Note against each of us individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Note. Any person who takes

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over my rights or obligations under this Note will have all of my rights and must keep all of my promises made in this Note. Any person who takes over the rights or obligations of a guarantor, surety or endorser of this Note (as described in Section 7 above) is also obligated to keep all of the promises made in this Note.

I accept and agree to all the requirements of this Note. Each person signing below has received a completed copy of this Note without any blanks.

Date (Borrower)

Date (Borrower)
CO-BORROWER

FORWARDING ADDRESS

CITY STATE ZIP

PHONE NUMBER

SOCIAL SECURITY NUMBER

DRIVER'S LICENSE NUMBER / STATE ISSUED

SIGNATURE(S) MUST BE NOTARIZED.

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Before me _____, a Notary Public, in and for County
of _____ and State of _____ appeared
_____, who proved to me on the basis of
satisfactory evidence to be the person whose name is subscribed to the within instrument
and has acknowledged to me that he executed the same in his authorized capacity, and
that by his signature on the instrument the person, or entity upon behalf of which the
person acted, executed the instrument.

I certify under the penalty of perjury under the laws of the State of _____
that the foregoing paragraph is true and correct.

Notary Public: _____

My Commission expires: _____

(NOTARIAL SEAL)