



20001001111  
SANTA BARBARA, CA  
93105

Notice Date: September 19, 2011

Account No.: 123456789

Property Address:

BERKELEY, CA 94710

### IMPORTANT MESSAGE ABOUT THIS ACCOUNT

This letter will serve as Bank Home Loans' demand for payment and advises you that Bank Home Loans, N.A. and/or its Investors and/or Insurers have agreed to accept a short payoff involving the above referenced property and the referenced account(s). This demand should be used by the closing agent as our formal demand statement. No additional statement will be issued. This approval is exclusive to the offer from the buyer referenced in this letter.

### WHAT THIS MEANS TO THE SELLER

The owner of your mortgage note, the mortgage insurer, if your loan is covered by mortgage insurance, and Bank Home Loans, N.A. waive their right to pursue collection of any deficiency following the completion of your short sale and your debt is considered settled. The deficiency is the difference between: (1) the remaining amount due under the mortgage note and mortgage or deed of trust; and, (2) the current market value of the property plus any cash contribution you make or amount you agree to repay in the future. The amount of the deficiency will be reported to the Internal Revenue Service (IRS) on the appropriate 1099 Form or Forms. We suggest that you contact the IRS or your tax preparer to determine if you have any tax liability.

Bank Home Loans, N.A. will report the debt to the credit reporting agencies as "paid in full for less than the full balance". To learn more about the potential impact of a short sale on your credit, visit <http://www.ftc.gov/bcp/edu/pubs/consumer/credit/cre24.shtm>.

If it is subsequently determined that the approval of the short sale was based, in part, on information which Bank Home Loans, N.A. later determined to be false or misrepresented or fraudulent, Bank Home Loans, N.A. reserves the right to pursue the remaining balance of the note.

The difference between the current amount due under your mortgage or deed of trust and the current market value of the Property must be reported to the Internal Revenue Service (IRS) on the appropriate 1099 Form or Forms. We suggest that you contact the IRS or your tax preparer to determine if you have any tax liability.

The conditions of the approval are as follows:

1. Closing must take place no later than November 15, 2011 or this approval is void. If an extension is requested and/or approved, then per diem interest will be charged through closing. Should the closing be delayed and the Investor/Insurer agree to an extension of the original closing date, the Borrower(s)/Seller(s) will be responsible for any per diem fees through the new date(s) of closing, extension fees and foreclosure sale postponement fees. The Borrower(s)/Seller(s) will be responsible for any additional costs or fees over the stated approved amounts.
2. The approved buyer(s) is/are [REDACTED] and the sales price for the property is \$265,000.00.
3. Another buyer cannot be substituted without the prior written approval of [REDACTED].
4. Closing costs have been negotiated and agreed upon with the authorized agent as of September 19, 2011
  - a. Total Closing Costs not to exceed \$30,813.00
  - b. Maximum commission paid \$15,900.00
  - c. Maximum allowed to the Jr. Lien Holder \$6,000.00
  - d. Maximum allowed for HOA liens \$500.00 (if applicable)
  - e. Maximum allowed for repairs N/A (if applicable)
  - f. Maximum allowed for termite inspection/repairs N/A (if applicable)

Any additional fees that were not approved on September 19, 2011 will not be covered by Bank Home Loans, N.A. and become the sole responsibility of the agent, the buyer or the seller to pay at closing.