

September 14, 2012

██████████  
██████████  
██████████  
Manchester, NH 03103-3915

Subject: Notice of Short Sale Approval for loan ██████████  
██  
Projected settlement date 10/14/2012

Dear ██████████

We're writing to notify you that Wells Fargo approves a short sale of the property noted 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, a mortgagor 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 will waive its right to seek a deficiency balance under the mortgage note and/or related documents.

2. When Wells Fargo 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. Your compliance with this Notice of Short Sale Approval, coupled with the release of the mortgage, shall waive the investor's (and all other interested parties') right to seek payment of the remaining deficiency balance of the original mortgage note.

3. Wells Fargo 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 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 6/20/2012 between [REDACTED] the buyer(s), for a purchase price of \$110,000. 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 \$14,718.66. The acceptable sales proceeds for the approved purchase price is \$1,400 scheduled for settlement on or before 10/14/2012.
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 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 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:        | \$14,718.66 |
| Approved purchase price:         | \$110,000   |
| Acceptable sale proceeds amount: | \$1,400     |
| Borrower payment:                |             |
| Cash at closing:                 | \$0.00      |
| Promissory note:                 | \$0.00      |

#### Section two — approved seller closing costs

|                         |         |
|-------------------------|---------|
| Real estate commission: | \$6,600 |
|                         | \$0.00  |

Excess funds, if any, must be paid to: Wells Fargo

### Section three — lien holders

To help move the transaction through to closing, we have agreed to pay the amounts listed below to the following second mortgage and/or other subordinate lien holder(s) if applicable:

|     |        |
|-----|--------|
| N/A | \$0.00 |
| N/A | \$0.00 |
| N/A | \$0.00 |

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 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 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 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 acceptable sales proceeds, together with any excess funds, must be overnighted to:

Wells Fargo Financial Cards  
Attn: Accounting  
3201 N 4<sup>th</sup> Ave  
Sioux Falls, SD 57104

Please note: The above information is mandatory and if not provided, the payment 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  
P.O. Box 5943  
Sioux Falls, SD 57104

**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.

**We're here to help you**

We look forward to working with you, and encourage you to call us if you have any questions about the information in this Notice. We can be reached at 1-800-732-7373. Thank you.

Home Preservation Department  
Wells Fargo

This Agreement is AGREED TO and ACCEPTED BY:

\_\_\_\_\_ Date

\_\_\_\_\_ Date

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.

With respect to those loans secured by property located in the state of California, the state Rosenthal Fair Debt Collection Practices Act and the Federal Fair Debt Collection Practices Act require that, except under unusual circumstances, collectors may not contact you before 8 a.m. or after 9 p.m. They may not harass you by using threats of violence or arrest or by using obscene language. Collectors may not use false or misleading statements or call you at work if they know or have reason to know that you may not receive personal calls at work. For the most part, collectors may not tell another person, other than your attorney or spouse, about your debt. Collectors may contact another person to confirm your location or enforce a judgment. For more information about debt collection activities, you may contact the Federal Trade Commission at 1-877-FTC-HELP or [www.ftc.gov](http://www.ftc.gov).

