

08/02/2011

4828 Loop Central Drive
Houston, TX 77081
Telephone (800) 999-8501
www.littonloan.com

Re: Loan #:
Property:

Dear Borrower(s):

You are eligible for a short sale under the Home Affordable Foreclosure Alternatives (HAFA) Program. Litton Loan Servicing LP ("Litton") consents to your Request for Approval of Short Sale and agrees to accept all net proceeds from the settlement as full and final satisfaction of the first mortgage indebtedness on the referenced property.

The agreement is subject to the following:

- A. **Terms.** The sale and closing comply with all terms and conditions of the Short Sale Agreement between the Servicer and the Borrower as well as all terms and representations provided herein by the Borrower.
- B. **Changes.** Any change to the terms and representations contained in this Request for Approval of Short Sale or the attached sales contract between you and the Buyer must be approved by the Servicer in writing. The Servicer is under no obligation to approve such changes.
- C. **Subordinate Liens.** Prior to releasing any funds to holders of subordinate liens/mortgages, the closing agent must obtain a written commitment from the subordinate lien holder that it will release the Borrower from all claims and liability relating to the subordinate lien in exchange for receiving the agreed upon payoff amount. It is the responsibility of the Borrower to deliver a clear marketable title to the purchaser or Investor and to work with the listing broker, settlement agent, and/or lien holders to clear title impediments. Litton may, but is not required to, negotiate with subordinate lien holders on behalf of the Borrower. Litton, on behalf of the Investor, will authorize the settlement agent to allow up to an aggregate of \$6,000 of the gross sale proceeds as payment(s) to subordinate mortgage/lien holder(s) in exchange for a lien release and full release of Borrower liability. Each lien holder, in order of priority, may be paid 6% of the unpaid principal balance of the loan, until the \$6,000 aggregate cap is reached. Payment(s) will be made at closing from the gross sale proceeds and must be reflected on the HUD-1 Settlement Statement.
- D. **HUD-1.** A HUD-1 Settlement Statement, which will be signed by you and the Buyer at closing, must be provided to the Servicer no later than one business day before the date indicated in Item H, *Closing Date*.
- E. **Bankruptcy.** If you are currently in bankruptcy or you file for bankruptcy prior to closing, you must obtain any required consent or approval of the Bankruptcy Court.
- F. **Tax Consequences.** A short payoff of the mortgage may have tax consequences. You are advised to contact a tax professional to determine the extent of tax liability, if any.

LITTON LOAN SERVICING LP IS A DEBT COLLECTOR. THIS IS AN ATTEMPT TO COLLECT YOUR DEBT AND ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE.

IF YOU ARE NOT OBLIGATED ON THE DEBT OR IF THE DEBT HAS BEEN DISCHARGED IN A BANKRUPTCY PROCEEDING, THIS IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT AN ATTEMPT TO ASSESS OR COLLECT THE DEBT FROM YOU PERSONALLY.

G. **Credit Bureau Reporting.** We will follow standard industry practice and report to the major credit reporting agencies that your mortgage was settled for less than the full payment. 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, go to <http://www.ftc.gov/bcp/edu/pubs/consumer/credit/cre24.shtm>.

H. **The approved non-related Buyer(s) is (are) [REDACTED] The offer amount is \$308,000.00, with minimum net proceeds of \$270,808.00 to be received no later than 09/16/2011.**

As a reminder, under penalty of perjury, you have previously certified that:

1. The sale of the property is an "arm's length" transaction between parties who are unrelated and unaffiliated by family, marriage, or commercial enterprise;
2. There are no agreements or understandings between you and the Buyer that indicate you will remain in the property as a tenant or later obtain title or ownership of the property;
3. The Buyer will not receive any funds or commissions from the sale of the property; and
4. There are no agreements or offers relating to the sale or subsequent sale of the property that have not been disclosed to the Servicer.

I. **Refunds to the Seller.** The Seller may receive a maximum of \$3,000 for relocation expenses from this short sale transaction. The Seller shall not receive any commissions from the sale of the property. Remaining escrow funds or refunds of any kind will be sent to Litton to off set the loss.

J. **Delay of the Closing.** Should the closing be delayed and the Investor agree to an extension of the original closing date, the Seller shall be responsible for per diem charges, extension fees, and foreclosure sale postponement fees.

K. **Hazard Insurance Claims.** If the Seller is entitled to receive any proceeds from a claim for damage to the property under an insurance policy, including homeowners, lender placed, casualty, fire, flood, etc., or if the Seller is entitled to receive other miscellaneous proceeds as defined in the Deed of Trust/Mortgage, these proceeds must be disclosed before the short sale is closed. If we receive a check for insurance or miscellaneous proceeds that were not previously disclosed, Litton will have the right to apply the proceeds to the loss after the short sale. Similarly, Litton will have the right to claim the proceeds to off set its losses if the proceeds were not previously disclosed and were sent directly to the mortgagor.

L. **Payment Instructions.** Payoff funds and a final HUD-1 Settlement Statement must be received by the Servicer within 48 hours of closing in accordance with these wiring instructions:

Closing agent must wire proceeds immediately following the closing and email or fax a copy of the final, fully executed HUD-1 Settlement Statement and wire confirmation to:

Loss Mitigation Department, [REDACTED]

Fax: 972-653-6389

Wiring Instructions

Bank name: Chase Bank

City, State: Houston, TX

Name: [REDACTED]

ABA #: [REDACTED]

Account #: [REDACTED]

Attention: [REDACTED]

Please reference: short sale, customer name, and Litton loan number

If you have questions, please contact us at (800) 999-8501 between the hours of 8 a.m. and 5 p.m. (CST).