



July 12, 2011

[REDACTED]

[REDACTED]

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 August 19, 2011. You must obtain approval from CitiMortgage for any extension beyond August 19, 2011. Per diem interest must be absorbed by parties other than CitiMortgage, Inc.
2. CitiMortgage, Inc.'s net proceeds must not be less than \$ 169,528.34.
Contract price is \$ 200,000.00.
Total Payout to CITI (1st mortgage) must not be less than \$ 169,528.34.
The current owners are to receive \$ 3,000.00 proceeds from the sale of the above property.
The broker's commission amount is \$ 12,000.00.
The closing cost amount is \$ 4,000.00.

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 stephen.brewer@citi.com.

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]

The NET PROCEEDS CHECK and the FINAL HUD-1 SETTLEMENT STATEMENT can also be forwarded via overnight mail to:

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 [REDACTED]@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.