

December 22, 2010


**Aurora - Loan Services**

10350 PARK MEADOWS DRIVE • LITTLETON, CO 80124

650-838-1715

RE: Short Payoff Approval: Demand Statement

Aurora Loan Services Loan Number: [REDACTED]

Borrower(s): [REDACTED]

Property Address: [REDACTED]

Closing Agent  
 First American Title  
 800 El Camino Ste 200  
 Menlo Park, CA 94025

Aurora Loan Services LLC (Aurora Loan Services) has approved the sale of the above-referenced property that will result in a short payoff of the mortgage. Our approval is based on the contract of sale between:

~~\_\_\_\_\_~~  
 dated 11/2/10 for the purchase price of \$500000. This letter constitutes Aurora Loan Services' instructions to the Settlement Agent. As such, this approval is conditioned on a short payoff that meets the following criteria:

1. The required minimum payoff amount is \$465462.63. Settlement costs have been allocated as follows:
  - \* SELLER TO NET \$0.00 FROM SHORT SALE TRANSACTION
  - \* ALL OVERAGES ARE PAYABLE TO AURORA LOAN SERVICES
  - \* SELLER PAID CLOSING COSTS NOT TO EXCEED \$4537.37. ANY REDUCTION IN THE APPROVED CLOSING COSTS MUST BE ADDED TO THE NET PROCEEDS.
  - \* BUYER PAYS ANY AND ALL ADDITIONAL CLOSING COSTS
  - \* COMMISSIONS NOT TO EXCEED \$30000
2. The closing must be completed on or before close of business on 2/21/11.
  - \* Written approval must be obtained from Aurora Loan Services Short Sale Department if unable to complete the transaction by the specified settlement date.
  - \* Aurora Loan Services reserves the right to assess a per diem after the original settlement date.
  - \* Aurora Loan Services accepts certified funds only. WE DO NOT ACCEPT PERSONAL CHECKS OR THIRD PARTY CHECKS. ALL NON CERTIFIED FUNDS RECEIVED WILL BE RETURNED TO THE SENDER. In the event the short sale proceeds are returned to the sender, interest may continue to accrue on the loan until adequate funds are received to satisfy the mortgage and release the lien.
3. If settlement is changed, delayed or the transaction is cancelled, immediately notify the Loan Resolution Department in writing at TINA.BILBY@AURORABANKFSB.COM no less than one week before the closing date noted above with the required documentation.
4. The sale transaction must be an "arm's length" transaction which means that all parties involved in the sale must be unrelated and unaffiliated and there are no side agreements between the seller or the buyer and any other party.




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5. Neither the borrower nor any other party may receive any sale proceeds or any other funds, directly or indirectly, as a result of this transaction, except as noted in this letter.
  - \* If the combined amount of the sale proceeds and the contribution total more than the amount due to the mortgage, then contact the Aurora Loan Services Short Sale Department.
  - \* The borrower must assign to Aurora Loan Services rights to escrowed funds insurance proceeds or refund from pre-paid expenses.
6. THE FINAL HUD-1 SETTLEMENT STATEMENT, SIGNED BY THE BUYER AND SELLER OR CERIFIED BY THE ESCROW OFFICER, MUST BE FAXED THE SAME DAY OF THE CLOSING TO THE ATTENTION OF TINA BILBY AT FAX NUMBER 866-624-8904.
7. If a duly-noticed foreclosure sale has been scheduled, this short sale approval is contingent upon Aurora Loan Services' ability to have the pending foreclosure sale postponed or cancelled.

If the short payoff amount is remitted to us, Aurora Loan Services will:

- \* File a 1099-C Form with the IRS and send you a copy. You should consult with the IRS or a tax professional concerning any tax impact this may have to you, if any.
- \* Release your mortgage on the public records.
- \* Report the transaction to the credit bureaus as "PAID INFULL FOR LESS THAN THE FULL BALANCE." This may be considered a derogatory remark by future potential or actual creditors. Credit is not a subject for negotiation. Aurora Loan Services will not report the loan as "PAID IN FULL" unless we receive a payoff of the full amount due under the loan. We will continue, without change, our reporting activity to the credit reporting agencies with respect to your loan, until completion of the short payoff transaction and we have received and posted good funds representing the agreed upon short payoff amount.

Wiring Instructions: US BANK; ABA NUMBER: 102-000021  
 CREDIT: AURORA LOAN SERVICES  
 ACCOUNT NUMBER: 1036-9018-0650  
 REFERENCE: LOAN NUMBER AND SELLER'S LAST NAME  
 \*DIRECT WIRE TO: TINA BILBY

Overnight mail instructions: Funds sent to Aurora Loan Services should be sent to the following address. Please remember to reference the loan number and the seller's last name. AURORA LOAN SERVICES  
 ATTENTION: TINA BILBY  
 10350 PARK MEADOWS DRIVE, 4TH FLOOR  
 LITTLETON, CO 80124

\*\*\*\*THIS TRANSACTION IS NOT CONSIDERED COMPLETED UNTIL ALL CONTINGENCIES OF APPROVAL HAVE BEEN MET\*\*\*\*

If you have any questions, please contact one of our Foreclosure Prevention Specialists at the address above or by calling 866-521-3828.

Sincerely,  
 TINA BILBY  
 Aurora Loan Services

Aurora Loan Services is a debt collector. Aurora Loan Services is attempting to collect a debt and any information obtained will be used for that purpose. However, if you are in bankruptcy or received a bankruptcy discharge of this debt, this communication is not an attempt to collect the debt against you personally, but is notice of a possible enforcement of the lien against the collateral property.




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## AFFIDAVIT OF ARM'S LENGTH TRANSACTION

Borrower(s)/Seller(s): [REDACTED] ("Borrower")

Purchaser(s): [REDACTED] ("Purchaser")

Loan Servicer: Aurora Loan Services LLC ("Aurora Loan Services")

Loan No. [REDACTED] ("Loan")

Property Address: [REDACTED] St, Menlo Park CA 94025 ("Property")

Date of Closing: 2/21/11

All Borrower(s), Purchaser(s), real estate brokers representing any of the parties to the sale of the Property, the escrow/closing agent(s) performing the closing sale, and the transaction facilitator(s) certify under penalty of perjury 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, understandings or contracts between the parties that the Borrower will remain in the Property as a tenant or later obtain title or ownership of the Property, except to the extent that the Borrower is permitted to remain as a tenant on the Property 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 Borrower(s) nor the Purchaser(s) will receive any funds or commissions from the sale of the Property;
4. There are no agreements, understandings or contracts relating to the current sale or subsequent sale of the Property that have not been disclosed to Aurora Loan Services;
5. Each signatory understands, agrees and intends that Aurora Loan Services and the current owner and holder of the mortgage lien on the property are relying upon the statements made in the Affidavit as consideration for the reduction of the payoff amount of the Loan and agreement to the sale of the property;
6. Each signatory agrees to indemnify Aurora Loan Services and the current owner and holder of the mortgage lien on the property for any and all loss resulting from any negligent or intentional misrepresentation made in this Affidavit including, but not limited to, repayment of the amount of the reduced payoff of the Loan;
7. The certification and this Affidavit shall survive the closing of transaction.
8. Each signatory understands that a misrepresentation may subject the responsible party to civil and/or criminal liability.
9. Purchaser has not entered into any agreement, and has not discussed with any third party potential terms of an agreement, for the subsequent sale of the Property.



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## INSTRUCTIONS AND DISCLOSURE

All signatures to the Affidavit must be notarized. The Affidavit may be included with the sales contract, an addendum, or other pre-closing or closing documents as long as all signatures are obtained before or at the time of closing.

In the event the closing agent to the sale is prohibited from signing the Affidavit by applicable State, or federal law, Aurora Loan Services will waive the closing agent's signature requirement upon request. However, the closing agent's signature waiver is contingent upon the closing agent's agreement that the closing agent will not also act as the closing agent on a subsequent transaction involving the Property within one year of closing the short sale transaction.

If a party reveals an agreement, understanding or contract relating to the current sale or subsequent sale of the Property that indicates the transaction is not an "arm's length" transaction, that the purchaser intends to re-sell the Property in 120 days or less without having substantially refurbished or added value to the Property, or otherwise indicates bad faith, collusion or fraud on the part of the parties, Aurora Loan Services will withdraw approval for the short sale transaction and immediately notify Lxs 2007-15n, a mortgagee whose address for loan servicing matters is c/o Aurora Loan Services; 2617 College Park, PO Box 1706, Scottsbluff, NE 69363-1706 under a servicing agreement with the mortgagee.

_____	Date	Borrower	_____	Date
_____	Date	Borrower	_____	Date
_____	Date	Purchaser	_____	Date
_____	Date	Purchaser	_____	Date
_____	Date	Purchaser's Agent	_____	Date
_____	Date	Transaction Facilitator	_____	Date

STATE of: \_\_\_\_\_ County ss: \_\_\_\_\_

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_,  
WITNESS my hand and official seal.

Signature: \_\_\_\_\_

\_\_\_\_\_  
Name (typed or printed)  
My Commission Expires: \_\_\_\_\_

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## CLOSING AGENT WAIVER IN SHORT SALE TRANSACTION

Borrower(s)/Seller(s): \_\_\_\_\_ ("Borrower")  
 Purchaser(s): \_\_\_\_\_ ("Purchaser")  
 Loan Servicer: Aurora Loan Services LLC ("Aurora Loan Services")  
 Loan No. \_\_\_\_\_ ("Loan")  
 Property Address: \_\_\_\_\_, Menlo Park CA 94025 ("Property")  
 Date of Closing: 2/21/11

Dear Aurora Loan Services:

I am the closing agent in the above referenced short sale transaction. I am requesting a waiver of execution of the Affidavit of Arm's Length Transaction.

I am prohibited from signing the Affidavit by applicable local, state or federal law. I understand and agree that by requesting this waiver that I will not act as the closing agent on a subsequent transaction involving the Property within one year of closing the short sale transaction.

Thank you,

\_\_\_\_\_  
 Name: \_\_\_\_\_  
 Print

Closing Agent  
 Address:  
 \_\_\_\_\_  
 \_\_\_\_\_  
 Phone Number: (\_\_\_\_) \_\_\_\_\_-\_\_\_\_\_

Approved  
Aurora Loan Services LLC

By: \_\_\_\_\_ Date \_\_\_\_\_

Name: \_\_\_\_\_  
 Print