

Short Sale Affidavit

Loan number: _____

As relates to a certain real estate purchase contract dated ____ / ____ / ____ concerning the following Mortgaged Premises;

Property address: _____

under which the existing Lender(s) may agree to accept less than full payoff of the debt owed in exchange for release of the Mortgaged Premises (a short sale), each of the signatories hereto hereby certify and affirm under penalty of perjury, that to the best of their knowledge and belief;

- (a) The sale of the Mortgaged Premises is an “arm’s length” transaction, between the parties who are unrelated and unaffiliated by family, marriage, or commercial enterprise;
- (b) There are no agreements, understandings or contracts between the parties that the Seller will remain in the Mortgaged Premises as a tenant or later obtain title or ownership of the Mortgaged Premises;
- (c) Neither the Borrower(s) nor the purchaser(s) will receive any funds or commissions from the sale of the Mortgaged Premises, except as allowed by the short sale approval letter (if applicable);
- (d) There are no agreements, understandings or contracts relating to the current sale or subsequent sale of the Mortgaged Premises that have not been disclosed to the Lender;
- (e) None of the signatories will receive any proceeds or other remuneration from this transaction except as set forth on the Settlement Statement; and
- (f) None of the signatories have knowledge of any offer to purchase the Mortgaged Premises for a higher purchase price than the purchase price contained in the certain real estate purchase contract referenced above that has not been presented to the Lender(s).

Buyer(s) further certify and affirm under penalty of perjury, that;

- (g) The property will not be sold within 90 days of the closing date of the subject real estate purchase contract;
- (h) The property will not be sold within 120 days of the closing date without having substantially refurbished or added value to the Mortgaged Premises; and
- (i) The property will not be rented to the Seller after the closing of the subject real estate purchase contract.

The signatories also agree to add the following cancellation clauses in the listing agreement and purchase contract (if not already included):

- (a) Listing Agreement: “The acceptance of the short sale offer is contingent upon the approval of Wells Fargo Bank, N. A., Fannie Mae, and/or any mortgage insurer.”
- (b) Listing Agreement: “Seller may cancel this agreement prior to the ending date of the listing period without advance notice to the broker, and without payment of a commission or any other consideration, if the property is conveyed to the mortgage insurer or the mortgage holder.”
- (c) Purchase Contract: “The seller's obligation to perform on this contract is subject to the rights of the mortgage insurer (if any) and the mortgage holder relating to the conveyance of the property.”

Each signatory also understands, agrees and intends that the Lender, any Investor, Insurer or Guarantor, of the subject Mortgage are relying upon the statements made in the affidavit as consideration for the reduction of the payoff amount of the Mortgage and agreement to the sale of the Mortgaged Premises.

_____	_____	_____	_____
Seller	Date	Seller	Date
_____	_____	_____	_____
Print Name		Print Name	



Seller's Broker Date

Print Name and Company Name

Buyer Date

Print Name

Settlement Agent Date

Print Name and Company Name

Print Company Address

Buyer's Broker Date

Print Name and Company Name

Buyer Date

Print Name

Transaction Facilitator (if any) Date

Print Name and Company Name

Print Company Address

