

NEW YORK TITLE

Abstract Services, Inc.
Insuring The FutureSM

Short Sale Affidavit

Title No. _____

STATE OF NEW YORK)
) ss.:
COUNTY OF _____)

Relating to a certain real estate purchase contract dated _____ for property located at _____ (the "Mortgaged Premises"), under which the existing lender(s) ("Lender") 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) 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);
- (c) There are no agreements, understandings or contracts relating to the sale of the Mortgaged Premises that have not been disclosed to the Lender;
- (d) None of the signatories will receive any proceeds or other remuneration from this transaction except as set forth on the Settlement Statement; and
- (e) 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).

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

- (f) A clause which reads as follows: "The acceptance of the short sale offer is contingent upon the approval of _____, FHA, HUD, and/or any investor."
- (g) A cancellation clause which reads as follows: "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."

Each signatory also understands, agrees and intends that the Lender, FHA, HUD, and/or any Investor 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.

Dated _____

Seller

Seller

Purchaser

Purchaser

Broker

Broker

Settlement Agent