

## Short Sale Participation Agreement Acknowledgment Form

Before you can proceed with your short sale, please thoroughly read and make sure you understand the information in this Acknowledgment Form. Then completely fill in the information below, initial sign and date where indicated, and return this Acknowledgment Form along with the completed Short Sale Participation Agreement to your listing agent. Both documents must be returned to Nationstar Mortgage within ten (10) days.

Borrower Name(s)	Date
Property Address	

### Important information about the short sale process:

- Nationstar offers borrowers the opportunity to complete a short sale on their property. The short sale is designed to assist the borrower in selling the property in cases where the debt is more than the value of the property.
- Nationstar Mortgage will work together with your listing agent on your behalf to facilitate the sale process and will use proceeds from the sale to pay off the balance of your loan(s).
- If you successfully complete a short sale, you will sell your house, and you will be required to vacate the property.
- You are responsible for all maintenance and expenses on the property through the date it is sold.
- The short sale must be an "arm's length" transaction. An arm's length transaction means you cannot list the property with or sell it to anyone to whom you are related or with whom you have a close personal or business relationship.
- The short sale process includes an online auction. When you get an offer on your property, the offer must be submitted to Nationstar for approval. Once the offer is submitted, an online auction process is initiated in order to verify the market value of the property, to assist in obtaining the best possible sales price for the property.
- The online auction process is paid for by a buyer's premium, not by you and not from your listing agent's commission.
- Once your short sale is completed, Nationstar Mortgage will report to the credit reporting bureaus that your loan was paid off as a short sale.
- Unless your loan has mortgage insurance and the mortgage insurance company will not waive its right, if any, to pursue you for the amount remaining unpaid on your loan after sale proceeds are applied, Nationstar will waive the amount owed on your loan after application of the sale proceeds. Some states, however, prohibit the pursuit of any deficiency or contribution of the remaining amount owed. In those states, deficiencies will not be pursued regardless of whether your loan has mortgage insurance.
- A short sale of your property may have tax consequences. We recommend that you consult with your tax advisor.

### Benefits of a successful short sale:

- You may be eligible for a cash reimbursement for moving, relocation or rental expenses.
- You will avoid foreclosure sale of your property.
- Foreclosure process may be suspended during the short sale process as specified above.

This is an attempt to collect a debt and any information obtained will be used for that purpose. However, if this debt is involved in a bankruptcy or has been discharged in a bankruptcy proceeding, this communication is not an attempt to collect a debt against you and any information obtained or given will be for informational purposes only.

- To the extent recovery of deficiency balances is permitted by applicable law, the remaining deficiency balance of your loan will be waived unless your mortgage insurance company objects to the waiver (see above for additional info).
- You may avoid any ongoing expenses associated with your property (eg., HOA dues, taxes, insurance, utilities, maintenance, etc.) at an earlier date.
- Under certain programs, you may become eligible for a new loan faster.

By signing below, I acknowledge that I have read, understand and accept the terms and conditions set forth in the Short Sale Agreement Acknowledgment Form.

**Borrower:**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

**Co-Borrower:**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

## Short Sale Participation Agreement

### Nationstar Mortgage LLC (Nationstar) Short Sale Program

By signing this Short Sale Participation Agreement and returning it to Nationstar within 10 days, you agree to abide by the following conditions. If you fail to timely submit the fully executed document, your short sale request cannot be processed, and you may need to explore other foreclosure prevention options.

Nationstar offers borrowers the opportunity to complete a short sale on their property. The short sale is designed to assist the borrower in selling the property in cases where the debt is more than the value of the property. Nationstar Mortgage will work together with your listing agent on your behalf to facilitate the sale process and will use proceeds from the sale to pay off the balance of your loan(s). If you successfully complete a short sale, you will sell your house, and you will be required to vacate the property when you receive an offer on your property. The offer must be submitted to Nationstar in order to determine whether the offer is acceptable. Nationstar will evaluate the short sale offer by establishing a real market value. You agree to allow a licensed broker to enter the home and assess the value of the home through a Broker's Price Opinion (BPO). The BPO will then be used to assist in establishing the value of the property.

### Short Sale Evaluation:

Nationstar offers two short sale programs:

**1. Market Validation Program (where an initial short sale offer has been received)**

Nationstar requires an expanded marketing campaign followed by an online auction of the property to maximize market interest and prices for a property. Nationstar will use the auction and marketing services of Auction.com [(operating and licensed as Real Estate Disposition Corporation in Arizona)/ (operating and licensed as Real Estate Disposition Corporation in Massachusetts)/ (operating and licensed as REDC DE, LLC in Pennsylvania) ("Auction.com")] to assist with this process.

**2. Nationstar Listing Assistance Program (where no short sale offers have been received)**

Nationstar will use the auction and marketing services of Auction.com to assist in generating market interest in the property through an expanded marketing program followed by an online auction that may generate an offer that could result in an approved short sale offer.

**\*\*Ask your Nationstar Mortgage Representative for more details about the Nationstar Short Sale Auction Program. Additional information regarding the auction process will be provided to you.\*\***

### Property Sales Information

The property must be listed for sale with a licensed real estate agent unrelated to you. The listing agreement must include the following specific cancellation clause in the event the terms of a sale are not acceptable to Nationstar: **"Seller may cancel this agreement at any time 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."** The sale completion is subject to approval by Nationstar.

### Acceptable Terms of Sale

The short sale must be an **"Arms Length"** transaction; the buyer cannot be a member of your family, business associate or other favored party. No hidden terms or special understandings can exist between you, the buyer, appraiser, sales agent or Nationstar. An Arm's Length Affidavit must be signed and returned at closing if the short sale process and offer is approved.

### Occupancy and Property Maintenance

You are responsible for property maintenance and repair until closing, including, but not limited to, mowing, snow removal, regular interior and exterior cleaning, immediate repair of broken doors and windows, and paying utility bills as they become due. If the property is vacant or becomes vacant during marketing, you must inform Nationstar immediately and ensure that the property is protected from freeze damage by winterizing plumbing pipes. You may arrange with your sales agent to provide property maintenance, but you will continue to be responsible for the condition of the home until it is sold. Damage and repair expenses resulting from fire, flood or other natural causes must be reported immediately to the insurance company and to Nationstar.

You must allow access into the property to obtain an independent Broker's Price Opinion in order to proceed with the short sale. If the property is occupied by anyone other than the borrower, those individuals must agree to cooperate in the short sale process.

### Relocation Assistance

You may be eligible to receive relocation assistance for participating in the Nationstar Short Sale Auction Program. Eligibility will be determined during the short sale process.

**Deficiency Balance**

Unless your loan has mortgage insurance and the mortgage insurance company will not waive its right, if any, to pursue you for the amount remaining unpaid on your loan after sale proceeds are applied, Nationstar will waive the amount owed on your loan after application of the sale proceeds. Some states, however, prohibit the pursuit of any deficiency or contribution of the remaining amount owed. In those states, deficiencies will not be pursued regardless of whether your loan has mortgage insurance.

**Foreclosure Sale Dates**

If foreclosure proceedings have begun on your property, you understand and acknowledge that the foreclosure process may continue in conjunction with the short sale. Once you have submitted an offer and Nationstar determines that your property should be included in the auction process, a foreclosure sale will not be conducted until the removal of the property from such program and the closing of the short sale fails to occur.

**By signing below, I acknowledge that I have read, understand and accept the terms and conditions set forth in this Short Sale Participation Agreement and Acknowledgment Form.**

**Borrower:**

_____	_____
Signature	Date
_____	
Printed Name	

**Co-Borrower:**

_____	_____
Signature	Date
_____	
Printed Name	

**Please return the Short Sale Participation Agreement and Acknowledgment form to your listing agent. These forms must be returned within 10 (ten) days.**