



SUNTRUST
MORTGAGE
December 17, 2010

146 MAIN ST
LADERA RANCH, CA 92694.

RE: Short Sale Settlement Offer & Acceptance

Account Number:
Property Address: 146 MAIN ST
LADERA RANCH CA 92694

Dear

SunTrust Mortgage ("SunTrust") has accepted the short sale offer for the above referenced property in the amount of \$459,000.00 in exchange for releasing the lien securing your SunTrust mortgage loan upon closing the proposed short sale of referenced property. SunTrust is offering to settle your account upon the terms outlined in this letter (the "Offer Letter"). If any of the requirements contained in this Offer Letter are not met, the offer will be withdrawn and you will be required to pay the outstanding balance owing on your mortgage loan in full and as originally agreed.

As of the date of this letter, the payoff on your SunTrust account is \$616,122.45. SunTrust agrees that it will release the lien on the property securing the balance of your account upon:

1. Receipt by SunTrust of this Offer Letter no later than 30 days from the above date, signed by the borrower(s), evidencing agreement to its terms.
2. Receipt of *certified funds* of not less than \$429,995.71, representing the Net Proceeds (outlined below) payable to SunTrust prior to or at closing;
3. Receipt of the *final* HUD1 Settlement Statement, no later than forty-eight (48) hours prior to the actual closing date, evidencing that the borrower(s) will receive no proceeds from the sale. Please email to HUDapproval@suntrust.com.
4. (If Applicable), Receipt of the signed original unsecured installment loan note in the principal amount of \$0.00, and all related closing documents (the "Note"), no later than 02/10/2011.

Outlined below is a detailed accounting of the proposed distribution of the sales proceeds, and Net Proceeds payable to SunTrust, which SunTrust has agreed are acceptable:

Actual Sales Price		\$459,000.00
Cash Contribution		\$0.00
Promissory Note		\$0.00
Realtor(s) Commission	(\$22,950.00)
Seller Closing Costs – Not to Exceed	(\$6,054.29)
Buyer Closing Costs – Not to Exceed	(\$0.00)
Allowance to subordinate/superior liens(s) if applicable	(\$0.00)
Net Proceeds payable to SunTrust		\$429,995.71

2-14-11

The terms contained in this Offer Letter are contingent upon the short sale of the property closing on or before February 10, 2011. If there are any modifications to the HUD1 or extensions of the closing date, SunTrust must approve any such changes in advance and in writing. If more than one extension of the closing date is requested, SunTrust reserves the right to demand that the amount of the Net Proceeds payable to SunTrust be increased.

If you, as the Sellers, have any knowledge or belief that this transaction will occur in conjunction with, or simultaneously with any other sale or transfer, you must notify the settlement agent immediately. If the settlement agent has knowledge or belief or is notified that this transaction will occur in conjunction with or simultaneously with any other sale or transfer, the settlement agent must contact the lender for further written authorization to proceed or this approval will be considered null and void.

Upon settlement of the short sale proceeds, the mortgage loan will be reported to the appropriate credit reporting agencies as "*Settled in Full for Amount Less than Owed.*" However, please note that prior credit and payment history related to this account cannot, by law, be changed. To the extent that there are amounts which remain due and owing on your SunTrust account after the sale of the property securing your mortgage loan which are not to be repaid under the terms of the short sale or by execution of the enclosed Note, if applicable, those amounts will be considered a part of the settlement and forgiven (i.e. taken as a charged off loss by SunTrust). There will be no further collection activities associated with any such 'forgiven' amount; however, please be aware that **Federal tax law requires that SunTrust file a 1099-C if the amount of debt forgiven exceeds \$600.00 and you should consult your tax advisor regarding any potential tax consequences.**

As previously indicated, approval of this short sale may be contingent upon your executing an unsecured Note for repayment of additional amounts remaining due on your SunTrust account. Upon execution you, the borrower(s), must repay all amounts due in accordance with the agreed upon terms of that Note. Your failure to pay that Note, as agreed, will not impact the legitimacy, enforceability or finality of this Short Sale in any way; however, as with any legally binding financial obligation, it may impact upon your credit and your failure to pay may result in SunTrust pursuing collection activities on any unpaid balance owing on this Note.

To expedite proper short sale processing, please ensure that the closing/settlement agent sends the Net Proceeds to SunTrust, in certified funds, along with the executed settlement statement to:

SunTrust Mortgage, Inc.
Attention: Short Sale Processing
1001 Semmes Ave. RVW-3054
Richmond, VA 23224

If you prefer to send the funds via wire transfer please provide the following information to the institution initiating the wire transfer and email a copy of the executed settlement statement to the SunTrust settlement agent noted in item 3 on page 1.

- Wire should be directed to "SunTrust Bank, Richmond VA"
- Credit to: SunTrust Mortgage Account Number 201-721-740
- Attention Mortgage Investor Reporting
- ABA Routing Number 061000104
- Include Account Holder Name and full loan account number.

FUNDS RECEIVED WITHOUT A COPY OF THE EXECUTED SETTLEMENT STATEMENT WILL BE RETURNED TO SENDER WITHIN 24 HOURS.