

9000 Southside Blvd
Jacksonville, FL 32256
FL9-400-01-21
Phone: 1 (866) 413-3757
Email: jaxhelocshortsales@bankofamerica.com



The following is a sample of the **Home Equity Line of Credit (HELOC) Welcome Package** that the homeowner will receive when they initiate a HELOC short sale.

These sample documents are for your reference only and are not to be filled out or submitted as originals.

Please ensure that the homeowner fills out the original documents that will be mailed to them in their personalized **HELOC Welcome Package**. Areas throughout this sample packet that are highlighted in yellow will be personalized for the homeowner in the **HELOC Welcome Package** they receive in the mail.

Additional documents that will be included in the homeowner's personalized **HELOC Welcome Package** include:

- Bank of America Buyer's Acknowledgement and Disclosure form
- Bank of America Third-Party Authorization Form

These forms can be downloaded at the Agent Resource Center at bankofamerica.com/shortsaleagent.

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To: _____
Customer name: _____
Account #: _____
Fax #: _____

Thank you for contacting Bank of America about a short sale, a program which could help you avoid foreclosure. A short sale allows you to list your property for sale at fair market value, even if that value is lower than what you owe on your mortgage. If a buyer is identified and the property is sold, the proceeds from the sale are used to pay off your mortgage debt, even if the proceeds are less than the amount owed on the mortgage. Please carefully read the overview of the short sale process below to ensure that you have everything you need so we can process your application as quickly as possible.

Please remember that before your property can be considered for a short sale, you will need to complete the enclosed Short Sale Application in its entirety.

- A complete Short Sale Application includes:
 - The cover sheet (we have filled this out for you)
 - Bank of America's two-page application completed and signed
 - The preliminary, completed HUD-1 form for the transaction
 - 3rd party authorizations (examples: Realtor, Attorney, Title Company, etc.)
 - Arm's Length Affidavit
 - Buyers Disclosure Addendum

Please remember that incomplete applications will not be accepted, and providing unnecessary information will slow the processing of your application.

- **Please email the completed application to us at jaxhelocshortsales@bankofamerica.com**
- **If you do not have access to email, please call [INSERT NUMBER] and we will provide you with a fax number to send your completed application via fax. You can also mail it to us at [INSERT MAILING ADDRESS]**
- **We strongly discourage you from sending personal information via email unless it is sent through a secure, encrypted method. Unencrypted emails are at risk of being intercepted or seen by unauthorized parties. In order to learn more about how to send your information to us securely, please contact me at 1.xxx.xxx.xxxx, so I can assist you with this process. Please note that Bank of America will at no time solicit you to send confidential information to us via email.**
- Applications are reviewed on a first-come, first-served basis. Once the process begins, an associate will be assigned to review your application, and you will receive a call regarding your Application status. The current wait time is between 10-30 business days for the review process to begin on a completed application. We appreciate your patience during this time.
- **Please do not call to confirm receipt of your application.** If you do not receive a call from one of our associates **within 30 business days** after submitting your Application, please call us at 1.866.413.3757. If you call us before 30 business days have passed, we may not have begun reviewing your Application and will be unable to answer questions concerning the Application. We appreciate your patience during this time

- As your Real Estate agent puts together your short sale package, please note that **we will decline offers that include excessive fees or charges** such as realtor commissions or loss mitigation/short sale consulting fees.

<<SERVICER >> is required by law to inform you that this communication is from a debt collector. However, the purpose of this communication is to let you know about your potential eligibility for this program to help you avoid foreclosure. If you are currently in a bankruptcy proceeding, or have previously obtained a discharge of this debt under applicable bankruptcy law, this is not an attempt to collect, a demand for payment, or an attempt to impose personal liability for that debt. You are not obligated to discuss your home loan with us or enter into a loan-assistance program. You should consult with your bankruptcy attorney or other advisor about your legal rights and options.

SAMPLE

To: Bank of America Short Sale Team
Email: JaxHelocShortSales@bankofamerica.com

From: _____
Company: _____
Fax #: _____
Phone #: _____

Customer name: _____
Account #: _____
Property address: _____

Short Sale application completion checklist:

Please make sure that you have completed the following items before sending your application. Incomplete applications will be declined.

- ☐ General Customer Information Worksheet (page 2)
- ☐ 1st Mortgage Information Worksheet, including Authorization to speak to 1st Lien Holder (page 3)
- ☐ Preliminary HUD 1 for this transaction (completed by your agent)
- ☐ Hardship letter from you regarding your situation
- ☐ 3rd party authorizations
- ☐ Buyers Disclosure Addendum

Please wait 30 business days before calling to check on the status of your Application, as we will not have any information prior to that time. Thank you in advance for your patience.

Important Information About Foreclosure

Bank of America's evaluation of your request for a short sale will not suspend or cancel foreclosure proceedings. Once your loan enters the foreclosure process (or if it has already entered the foreclosure process), foreclosure activities will continue until you have been evaluated and enter into an approved foreclosure prevention alternative. It is important that you continue to respond to any foreclosure notice and to any request for additional documentation required to complete your evaluation. Even if we are able to approve your loan for a foreclosure alternative prior to a sale, a court with jurisdiction over the foreclosure proceeding (if any) or public official charged with carrying out the sale may not halt the scheduled sale.

General Customer / Real Estate Agent Information Worksheet

Please provide the information below for the customer/account requesting a short sale:

Name: _____

Account #: _____

Address of mortgaged property: _____

Current address: _____

Home phone: _____

Work phone: _____

Current employer: _____

Employer address: _____

Tenure with employer: _____

Is the property to be short sold owner-occupied (circle one): Yes No

Real Estate Agent name: _____

Address: _____

Work phone: _____

Cell phone: _____

1st Mortgage Information Worksheet

Authorization to speak to 1st mortgage holder and obtain credit report

I (we), _____ hereby give _____
_____ authorization to speak with Bank of America concerning
disclosed financial information on the above referenced account. I (we) also give authorization for Bank
of America to obtain a credit report. (Please fill out even if Bank of America is the 1st mortgage holder.)

Please fill out completely:

Name of first mortgage holder: _____

Address: _____

Phone Number: _____

Fax Number: _____

Name of Account Holder(s): _____

Account Number: _____

Payment Due: _____

First Mortgage Payoff amount (unpaid balance) \$ _____

First Mortgage Short Sale amount (can be your offer to 1st) \$ _____

Foreclosure sale date if applicable: _____

Dated this the ____ day of _____ 20__

Borrower

Co-Borrower

In order to complete your Application, **please attach the completed preliminary HUD 1 for this transaction, including all payoffs, commissions and taxes:**

- As a reminder, be sure to indicate in Line 504 the payoff amount that the 1st mortgage is receiving (*please indicate if there is not a 1st mortgage to avoid confusion*)
- Please place the amount being offered to Bank of America on the 2nd mortgage in Line 505 (*not the entire payoff amount*)
- Note that the final HUD 1 must be received with the short sale proceeds or the funds will be returned
- Note that the final HUD 1 must reflect \$0 Cash to Seller unless proof of relocation assistance can be provided from the First Mortgage Servicer
- The sale must be an arm's length transaction. This means that you cannot list the property with or sell it to anyone that you are related to or with whom you have a close personal or business relationship.
- Bank of America reserves the right to revoke and / or modify the terms and conditions of this short sale approval in the event that 1) any information provided and used as the basis for our approval changes and / or 2) if we discover any evidence of fraud and / or misrepresentation by any parties involved in the transaction.

NOTICE TO CUSTOMERS REGARDING SHORT SALES:

This short sale transaction will create a deficiency because your total outstanding debt will not be paid in full from the proceeds of the sale. The deficiency will equal the remaining balance due under the mortgage note and mortgage or deed of trust, after subtracting (1) the amount of cash proceeds we receive from the closing of the short sale and (2) any cash contribution that you are required to make at or before the closing.

After the short sale transaction is complete, you may continue to be responsible for all or a portion of any deficiency or it may be forgiven. Forgiveness is subject to prior approval by us, the investor, and any mortgage insurer on your loan, as well as applicable law.

If you remain responsible for any deficiency, we will notify you of the new repayment terms and whether a new promissory note is required. We may also require the deficiency be split into separate promissory notes payable to us, the investor and/or the mortgage insurer on your loan. The combined amount of these separate notes will not exceed the total amount of the deficiency that you remain responsible for.

If all or part of the deficiency is forgiven, you are no longer responsible for repayment of that amount, and it will not be sold or transferred later to a third-party debt collector or debt buyer for collection.

We will report any debt forgiven to the IRS. Currently federal law provides for certain exceptions to tax liability when debt is forgiven in connection with a foreclosure prevention transaction. In order to know whether you qualify for one of these exceptions and what other tax impacts this transaction may have for you, we recommend that you contact your tax advisor. Additional information can also be found at www.irs.gov

If the seller is entitled to receive any proceeds based on a claim for damage to the property under any policy of insurance, including homeowner's, lender-placed, casualty, fire, flood, etc., or if seller is entitled to receive other miscellaneous proceeds, as that term is defined in the deed of trust/mortgage (which could include Community Development Block Grant Program (CDBG) funds), these proceeds must be disclosed before we will consider the request for short sale. If we receive a check for insurance or miscellaneous proceeds that were not previously disclosed, Bank of America will have the right to keep the proceeds and apply them to Bank of America's loss after the short sale. We similarly would have the right to claim the proceeds to offset our losses if it were not previously disclosed and it was sent directly to the borrower.

Please remember that we are here to help you throughout the short sale process. If you have any questions, feel free to call us at [INSERT NUMBER].

The Servicemembers Civil Relief Act (SCRA)

Important Notice for Military Servicemembers Considering a Short Sale or Deed in Lieu of Foreclosure

If you or your spouse is a member of the military, please carefully review this document and notify your bank representative immediately. You may qualify for benefits and protections afforded by law.

The Servicemembers Civil Relief Act, 50 U.S.C. App. §§501 *et seq.* (the “SCRA”) provides military personnel and their dependants with a wide range of legal and financial protections. SCRA benefits and protections:

- Limit the maximum rate of interest that may be charged on debt incurred by an eligible servicemember before the servicemember began military service.
- May prevent the sale, foreclosure, or seizure of real estate, except when a valid court order exists that approves the sale, foreclosure, or seizure of the real estate.
- May stop a landlord or lender from evicting a servicemember from his/her residence.

Depending upon your military status and when your loan was originated, the SCRA may prevent the lender from foreclosing on your property. However, we understand that despite this protection, Servicemembers may still want to be relieved of the debt obligation associated with a home loan. If you would like to discuss foreclosure alternatives such as a short sale or a deed in lieu of foreclosure, please contact us. Any negotiation for a short sale or a deed in lieu of foreclosure is not a threat of current or future litigation or an action to foreclose on the property, and should not be considered as such.

Our Military Assistance Team is Here to Help

For further assistance and to obtain information about the many benefits and protections available to military servicemembers, please contact [INSERT SERVICER]'s Military Assistance Team at:

1 (877) 430-5434
[INSERT SERVICER] – Military Assistance Unit
1515 W. 14th Street
Mail Code: AZ1.807.01.19
Tempe, AZ 85281

For Additional Information

There are a number of other resources you can use to gain a better understanding of your SCRA rights and protections. Use these helpful sources to get started.

- **CONSULT AN ATTORNEY.** To fully understand your rights under the law, and before waiving your rights or voluntarily surrendering property, please consult an attorney.
- **JAG / LEGAL ASSISTANCE:** Servicemembers and dependents with questions about the SCRA should contact their unit's Judge Advocate or their installation's Legal Assistance Officer. A military legal assistance office locator for all branches of the Armed Forces is available at <http://legalassistance.law.af.mil/content/locator.php>
- **MILITARY ONE SOURCE:** “Military OneSource” is the U. S. Department of Defense’s information resource. Go to www.militaryonesource.com/scra or call 1-800-342-9647 (toll free from the United States) to find out more information. Dialing instructions for areas outside the United States are provided on the website.



AFFIDAVIT OF "ARM'S LENGTH TRANSACTION"

➤ Property Address:

➤ All Parties to the Contract on the Premises:

I/We hereby affirm that this short sale is an "Arm's Length" Transaction. No party to this contract is a family member, related by blood or marriage, or a business associate who shares a business interest with the mortgagee (Sellers). Further, there are no hidden terms or special understandings between the Seller or Buyer or their agents. Neither the Buyers and Sellers nor their agents have any agreements written or implied that will allow the Sellers to remain in the property as renters or regain ownership of said property at any time after the execution of this short sale transaction. Sellers will not retain a direct or indirect ownership or possessory interest in the property and/or have a formal or informal option to obtain such an interest in the future. None of the parties shall receive any proceeds from this transaction, with the exception of sales commission.

Seller

Date

Seller

Date

Seller's Agent

Date

Print Name and Company

Date

Buyer

Date

Buyer

Date

Buyer's Agent

Date

Print Name and Company

Date

Print Name and Title Company Name

Print Name and Title Company Name