

## **AFFIDAVIT OF "ARM'S LENGTH TRANSACTION"**

All Parties to the contract on the premises:

Property address:

Hereby affirm that this is an "Arm's Length Transaction",

An "Arm's Length Transaction" is a transaction between parties who are independent of one another, and unrelated and unaffiliated by family, marriage or commercial enterprise, other than the purchase and sale of the Mortgaged Premises between the Borrower(s) and the purchaser(s) that is the specific subject of the proposed short sale as disclosed to **Citi**. This affidavit is to be executed before or at the time of closing of the sale of the Mortgaged Premises by all Borrower(s), purchaser(s), real estate brokers representing any of the parties, the escrow/closing agent performing the closing of the sale, and the transaction facilitator facilitating the sale (if any) certifying under penalty of perjury that:

- (a) The sale of the Mortgaged Premises is an "arm's length" transaction, between 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 Borrower will remain in the Mortgaged Premises as a tenant or later obtain title or ownership of the Mortgaged Premises, except to the extent that the Borrower is permitted to remain as a tenant on the Mortgaged Premises for a short term, as is common and customary in the market but no longer than ninety (90) days, in order to facilitate relocation;
- (c) Neither the Borrower(s) nor the purchaser(s) will receive any funds or commissions from the sale of the Mortgaged Premises;
- (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 Citi.
- (e) Each signatory understands, agrees and intends that Citi and the investor 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;
- (f) Each signatory agrees to indemnify Citi and the investor for any and all loss resulting from any negligent or intentional misrepresentation made in the affidavit including, but not limited to, repayment of the amount of the reduced payoff of the Mortgage;
- (g) The certification will survive the closing of the transaction; and
- (h) Each signatory understands that a misrepresentation may subject the responsible party to civil and/or criminal liability

All signatures to the affidavit must be notarized. The affidavit may be included with the sales contract, an addendum, or other pre-closing or closing documents as long as all signatures are obtained before or at the time of closing.

\_\_\_\_\_  
(Seller) Date

\_\_\_\_\_  
(Seller) Date

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name

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\_\_\_\_\_  
(Seller's Agent) Date

\_\_\_\_\_  
(Buyer's Agent) Date

\_\_\_\_\_  
Print Name & Company

\_\_\_\_\_  
Print Name & Company

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\_\_\_\_\_  
(Buyer) Date

\_\_\_\_\_  
(Buyer) Date

\_\_\_\_\_  
Print Name and Title Co. Name

\_\_\_\_\_  
Print Name and Title Co. Name