

## A FEW SIMPLE RULES ABOUT PROPERTY SALES WITH US

Welcome to Real Estate Investing with \_\_\_\_\_. We are pleased that you have chosen to take advantage of one or more of our great wholesale deals. At this time we would like to remind you of a few things and provide you the steps to make this a smooth and successful transaction.

1. All properties are sold as-is, where-is with no warranties expressed or implied unless otherwise stated in the contract terms.
2. All properties convey with a Special Warranty deed. The seller does none of their own title work when they buy the property and none when they sell. Defects (if any) are the responsibility of the BUYER to discover and remedy. Examples of defects could be but are not limited to: back due property taxes, utility bills, homeowner association liens, dues or assessments, code violations, city assessments. Many of these items can be learned for free by doing your own research upfront. Still, a full title search may be desired and can be done by a local title company. Buyer is responsible for all due diligence and as much due diligence as possible should be done prior to agreeing to this contract.
3. Neither the Seller of Record nor \_\_\_\_\_ is acting as an agent in the sale nor do we compensate for agency agreements on behalf of the buyer. If you are working with an agent, it will be your responsibility to pay their fees.
4. Neither the Seller of Record nor \_\_\_\_\_ provides tax, legal, accounting, investment, title vesting, property valuation, or property repair or serviced needed to complete this transaction.
5. All closing dates are scheduled within 10 days of deposit unless otherwise noted. All sales are cash/hard money ONLY.
6. Due to the nature of where we get our inventory, closings can be delayed simply because deeds are not in and/or recorded in the name of the selling entity – this is not to say the seller does not control the property. This is because we purchased the property as a Short Sale, Bank Owned Home, at Foreclosure Auction, directly from a seller, or by some other means where the title has not transferred at the same time or even in timely manner. Funds are never collected prior to closing (except the Earnest Deposit).
7. \_\_\_\_\_ provides the Purchase Contract and/or an Assignment contract. The TOTAL price paid is a combination of the two documents and is clearly stated on the Assignment Contract. This TOTAL price is the price agreed upon by the buyer at the time of Contract.
8. A non-refundable earnest deposit stated within this Contract is due to open escrow – the check should be made out to the Title Company itself.
9. \_\_\_\_\_ NEVER handles your money – all funds are handled by the title companies and are disbursed at closing.

Buyer(s) Initials \_\_\_\_\_

This PURCHASE AND SALE AGREEMENT (hereinafter called the "Contract") is entered into by and between \_\_\_\_\_, LLC, an \_\_\_\_\_ Limited Liability Company, with an address of \_\_\_\_\_, Business Phone: (\_\_\_\_) \_\_\_\_-\_\_\_\_ (hereinafter called the "Buyer"); and

SELLER: \_\_\_\_\_, LLC, a \_\_\_\_\_ Limited Liability Company and/or assignee, with an address of \_\_\_\_\_, Business Phone: (\_\_\_\_) \_\_\_\_-\_\_\_\_ (hereinafter called the "Seller" whether one or more).

#### AGREEMENT

IT IS AGREED by and between Seller and Buyer as follows:

1. PROPERTY. Seller hereby agrees to sell and Buyer hereby agrees to buy the real property described below as:

\_\_\_\_\_ with an APN# of \_\_\_\_\_) (hereinafter called the "Property").

2. Earnest Deposit and Contract Price.

Buyer to pay a \$\_\_\_\_\_ earnest money deposit that is immediately non-refundable unless Seller cannot produce clear title. The contract price for that certain real property described above in Paragraph 1 is \$\_\_\_\_\_. Buyer shall pay the sum to the Seller in the form of cash, wire transfer or certified funds. No conventional financing required. Buyer understands that property is being purchased as-is, where-is, how-is and with all conditions. Any additional terms shall be listed in Section 16 of this Contract.

3. Transfer of Ownership.

Seller will provide Buyer with a Special Warranty Deed concerning the transfer of ownership of that certain real property listed above in Section 1.

4. Seller's Disclosure.

The subject property described above in Paragraph 1 was purchased by some means at which Seller either purchased the property, or currently controls the property in its "as-is, where-is" condition. Consequently, Seller makes absolutely no representations or warranties of any kind as to the condition of those items or any other items in or around the property described above. Buyer is encouraged to arrange for a home inspection by a \_\_\_\_\_ licensed home inspector prior to close of escrow. By initialing immediately beneath this paragraph, Buyer expressly acknowledges that he/she/it is in no way relying upon Seller in any way to determine the condition of the items set forth herein, as well as all other items existing in or around the subject property. Buyer expressly acknowledges that he/she/it has done its own investigation and due diligence concerning all items of concern prior to the close of

escrow. Buyer also expressly states that he/she/it has done its own due diligence including determining the value of the subject property. Buyer expressly acknowledges that he/she/it is purchasing the property in an "as is, where is" condition.

5. Closing Date.

\_\_\_\_ Close of Escrow shall occur on or before \_\_\_\_\_. Seller will at their own discretion extend the closing date for Buyer at a rate of \$150.00 a day for a period of no more than 30 calendar days.

MUTUAL CANCELLATION: Buyer and Seller agree that the Seller must extend this Contract in writing prior to the scheduled Close of Escrow date or this Contract is immediately null and void and the non-refundable earnest deposit shall be released to the Seller out of escrow.

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Buyer(s) Initials

6. Size of Property.

Seller has exclusively relied upon the information listed by the \_\_\_\_\_ County Assessor's office, and property tax office, to determine all measurements, including lot size, square footage, number of bathrooms, number of bedrooms, number of total rooms, zoning, permitted use, construction materials, parking, year of construction, and all other pertinent information relating to the subject property. Buyer expressly acknowledges and accepts that Seller makes no representations and warranties of any kind, whatsoever, as to the actual conditions that may exist in or around the subject property, and Buyer acknowledges that he/she/it has conducted his/her/its own investigation and due diligence of these facts and is purchasing the subject property and accordingly makes no representation or warranty regarding the potential encroachment of improvements on the property onto adjoining properties, easements or rights of way and makes no representation or warranty that improvements owned by others do not encroach onto this property or outside easements or rights of way.

7. Taxes and Fees.

Buyer is responsible to pay all current, back taxes owed and all other associated fees with the subject real property including but not limited to home owners associations fees.

8. Possession of Premises.

In the event the subject property is occupied at the time escrow closes and title is transferred, Buyer is responsible for initiating, at his/her/its own cost, a forcible detainer action to remove the occupant(s) from the premises. Buyer expressly acknowledges that there is no way to accurately predict when a property may become vacant, and Seller has not made any representations as to the date the subject property may become vacant.

9. Escrow.

Buyer is responsible for all closing costs associated therewith, including but not limited to, title insurance, escrow fees, termite inspection, recording fees, etc. Closing will take place at:

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10. Disclosures and Disclaimers.

**LEAD PAINT DISCLOSURE:** Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including disabilities, reduced intelligence quotient, behavioral problems and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The Seller of any interest in residential real estate is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspection in the Seller's possession and notify the Buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

**MOLD:** Buyer is hereby advised that mold and/or other microscopic organisms may exist at the property and such microscopic organisms and/or mold may cause physical injuries, including but not limited to, allergic and/or respiratory reactions or other problems, particularly in persons with immune system problems, young children and/or elderly persons.

Buyer acknowledges and agrees to accept full responsibility/risk for any matters that may result from microscopic organisms and/or mold and to hold harmless, release and indemnify Seller, \_\_\_\_\_, LLC, listing broker, selling broker/agent, their officers, employees agents, heirs, executors, administrators, and successors from any liability/recourse/damages (financial or otherwise).

Buyer hereby acknowledges reading this disclosure and release, and is aware of the conditions set forth therein. This disclosure and release is executed voluntarily and with full knowledge of its significance.

\_\_\_\_\_, LLC, is not a qualified entity to inspect property for mold or make recommendations or determinations concerning possible health or safety issues. The purpose of this disclaimer is to put buyers on notice to conduct their own due diligence regarding this matter using appropriate qualified experts.

11. Financial Summary is an Estimate Only.

In connection with this transaction, Seller might have provided Buyer with a spreadsheet , website data, or email that estimates numerous costs and expenses

Buyer is likely to encounter in this transaction. The financial information is only an estimate and is NOT Seller's promise or representation that the costs and expenses listed therein are accurate. The figures in the spreadsheet or email summary merely represent Seller's opinion as to the fees, costs and/or expenses that Buyer should consider before concluding this transaction. Seller encourages Buyer to independently verify any and all information and to perform his/her/its own due diligence to determine all of the fees, costs and/or expenses associated with the subject real property.

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Buyer(s) Initials

12. Arbitration.

In the event any dispute arises between Seller and Buyer concerning this Purchase Contract, the parties express agree to resolve any and all disputes through binding arbitration before a mutually selected arbitrator from \_\_\_\_\_ County, \_\_\_\_\_. The parties to this Purchase Contract agree that arbitration shall be the sole and exclusive method of dispute resolution between the parties. The parties further agree that, absent agreement to the contrary, an arbitration hearing concerning any dispute between the parties must be finally heard and determined within four (4) months from the date either Seller or Buyer demands arbitration of the dispute. All demands for arbitration must be submitted to the other party in writing. THIS ARBITRATION PROVISION CONSTITUTES A WAIVER OF THE RIGHT TO TRIAL BY JURY AND THE RIGHT TO APPEAL.

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Buyer(s) Initials

13. Attorney's Fees and Costs.

In the event Seller prevails in the dispute which arises under the terms of this Purchase Contract, then Seller shall be entitled to recover from buyer all costs and expenses in any way related to the dispute, including actual attorney's fees (whether the dispute requires court action or not), accounting and engineering fees, and any other professional fees resulting therefrom.

14. Governing Law.

This Purchase Contract shall be governed by the laws of the State of \_\_\_\_\_ without regard to conflict of laws principles. By executing this Purchase Contract, Buyer expressly consents to jurisdiction and venue of any dispute to be in \_\_\_\_\_ County, \_\_\_\_\_.

15. Disclosure.

BUYER ACKNOWLEDGES THAT BUYER HAS NOT BEEN REPRESENTED BY SELLER(S), OR BY ANY REPRESENTATIVE OF SELLER WITH RESPECT TO THE PURCHASE AND SALE OF THE PROPERTY AS CONTEMPLATED BY THIS

CONTRACT. BUYER AGREES AND UNDERSTANDS THAT THE SELLER(S) AND SELLER'S REPRESENTATIVES ARE NOT ACTING AS BUYER'S AGENT IN THIS TRANSACTION AND HAVE BEEN ACTING SOLELY FOR SELLER'S OWN BENEFIT. BUYER AGREES AND UNDERSTANDS THAT SELLER(S) HAVE A FINANCIAL INTEREST IN THE TRANSACTION OTHER THAN THE RECEIPT OF COMPENSATION FOR REAL ESTATE SERVICES. BUYER AGREES TO HOLD SELLER(S) FREE FROM ANY AND ALL LIABILITY REGARDING THIS PROPERTY AND TRANSACTION ARISING FROM ANY CLAIM OF AGENCY. BUYER ACKNOWLEDGES THAT SELLER(S) IS NOT ACTING AS A LENDER IN THIS TRANSACTION.

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Buyer(s) Initials

16. Entire Agreement.

THIS PURCHASE CONTRACT CONTAINS THE ENTIRE AGREEMENT BETWEEN THE PARTIES AND THERE ARE NO COLLATERAL UNDERSTANDINGS OR AGREEMENTS OTHER THAN THOSE CONTAINED HEREIN. NO EMPLOYEE OR AGENT OF SELLER HAS ANY AUTHORITY TO MODIFY THE TERMS OF THIS CONTRACT. NO REPRESENTATIONS OF ANY KIND WHATSOEVER NOT CONTAINED HEREIN HAVE BEEN MADE TO INDUCE THE EXECUTION OF THIS CONTRACT AND THE SOLE CONSIDERATION FOR THIS CONTRACT ARE THE TERMS SPECIFICALLY STATED IN WRITING.

SELLER WISHES TO AVOID ANY MISUNDERSTANDINGS REGARDING THE TERMS OF THIS CONTRACT. SELLER HAS A POLICY OF NOT ENTERING INTO ANY ORAL AGREEMENTS OR TO ASK ANY BUYER TO RELY ON ANY ORAL REPRESENTATION CONCERNING THE SUBJECT PROPERTY. THE ENTIRE AGREEMENT BETWEEN SELLER AND BUYER MUST BE EXPRESSED IN WRITING. THEREFORE, IT IS AGREED THAT BUYER SHALL WRITE BELOW ANY REPRESENTATIONS OR PROMISES WHICH ARE NOT SPELLED OUT IN THIS PURCHASE CONTRACT, BUT WHICH HAVE BEEN MADE BY SELLER OR ANY REPRESENTATIVE OF SELLER, AND UPON WHICH BUYER IS RELYING IN MAKING THIS PURCHASE CONTRACT. IF THERE ARE NO SUCH REPRESENTATIONS OR PROMISES, IT SHALL BE INDICATED BY WRITING "NONE" BELOW.

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BUYER(S): \_\_\_\_\_, LLC a \_\_\_\_\_ Limited Liability Company

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Signature

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Signature

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Printed Name

\_\_\_\_\_, 20\_\_\_\_\_  
Date

Printed Name

\_\_\_\_\_, 20\_\_\_\_\_  
Date

SELLER: \_\_\_\_\_, LLC a \_\_\_\_\_ Limited Liability Company

\_\_\_\_\_  
Signature

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

\_\_\_\_\_, 20\_\_\_\_\_  
Date