

PURCHASE AND SALE AGREEMENT FOR MORTGAGE

Parties _____ (Buyer), and _____ (Seller), which terms may be singular or plural and will include the heirs, successors, personal representatives and assigns of Seller and Buyer, hereby agree that Seller will sell and Buyer will buy the following property, upon the following terms and conditions if completed or marked. In any conflict of terms or conditions, that which is added will supersede that which is printed or marked. The property is in _____ County, and is described as follows (if lengthy, attach legal description)

Address _____ Zip _____

It is understood that the Property will be conveyed by General Warranty Deed (unless otherwise required) subject to taxes, existing zoning (unless otherwise specified in paragraph 16), covenants, restrictions and easements of record.

1. Total Purchase Price to be paid by Buyer is payable as follows:

- A. Binder deposit which will remain as a binder until closing, unless sooner forfeited or returned, according to the provisions of this Agreement. \$ 1,000.00
- B. Additional binder deposit due within ___ days after date of this agreement. \$ _____
- C. Balance due at closing (not including Buyer's closing cost, prepaid items or prorations) in U.S. cash or locally drawn certified or cashiers check approximately _____ exactly _____ \$ _____
- D. Proceeds of a new loan to be executed by Buyer to any lender other than the Seller. \$ _____
- E. Purchase money loan to Seller on terms set forth in Paragraph 2B. \$ _____
- F. Other financing _____ \$ _____
- G. Existing mortgage balance encumbering the Property to be taken subject to by Buyer (approximately). \$ _____
- H. Total Purchase Price approximately _____ exactly X \$ _____

2. Financing: If buyer does not obtain the required financing but otherwise complies with the terms hereof, the binder deposit less sales and loan processing costs incurred, will be returned to the Buyer.

A. Application: The application for the mortgage described in paragraph 1D will be made with lender selected by Seller of Buyer. Unless such mortgage loan is approved without continued contingencies other than those elsewhere covered in this agreement within 30 days of the date of acceptance of this agreement, Seller and Buyer will have the right to terminate this agreement, and Buyer will return to Seller all the title evidence and surveys received from Seller. Buyer will make application for financing within 5 days of the date of acceptance of this agreement and in a timely manner furnish any and all credit, employment, financial and other information required by the lender. In the event the original loan application is denied, Buyer, if requested by Seller, will reapply within 5 days of such request at an alternate institution.

B. Seller: The balance due to Seller will be evidenced by a negotiable promissory note of Borrower, secured by a valid purchase money _____ mortgage or Trust Deed on the Property and delivered by Buyer to Seller dated the date of closing bearing annual interest rate of _____% and payable \$ _____ per _____ for _____ years _____ months. Privilege of prepayment does apply does not apply. The loan will be _____ due on sale _____ not due on sale of Property.

3. Buyer Will Pay:

- A. Closing Costs Recording fees Note stamps Intangible tax Credit reports Loan transfer and assumption charges VA funding fee Loan origination fee Loan insurance premium Loan discount not to exceed _____ Transfer Tax Wood Destroying Organism Report
- B. Appraisal Survey Title Insurance Policy _____ Other BUYER PAYS ALL CLOSING COSTS.

4. Seller Will Pay:

- A. Closing Costs Transfer tax _____ Title insurance policy _____ Attorney's fee Real estate brokerage fee Loan discount not to exceed _____ Satisfaction and recording fee Repairs or replacements, in addition to those in paragraph 9, not to exceed \$ _____. Wood destroying organism report Appraisal fee Survey Other SELLER PAYS NO CLOSING COSTS
- B. All other charges required by lender which Buyer is prohibited from paying by law or regulation.
- C. All mortgage payments or condominium and association fees will be current at Seller's expense at the time of closing.

5. Payment of Expenses: If Buyer fails to perform, all loan and sale processing and closing costs incurred, whether the same were to be paid by Seller or Buyer will be the responsibility of the Buyer, with costs deducted from binder deposit. If Seller fails to perform, all loan, sales processing and closing costs incurred whether the same were to be paid by Seller or Buyer will be the responsibility of Seller; and Buyer will be entitled to the return of the binder deposit. This will include, but not be limited to the transaction not being closed because Seller is unable to complete the transaction for a qualified Buyer, or because the property does not appraise for an amount sufficient to enable the lender to make the required loan, or because Seller elects not to pay for the excess amount in paragraphs 4 (with respect to repairs), 9, or 11, or because the zoning is not as required in paragraph 16 or because Seller cannot deliver marketable title.

6. Prorations: All taxes, rentals, condominium or association fees, prepaid hazard insurance premiums if assumed), monthly mortgage

insurance premiums and interest on loans will be prorated as of the date of closing.

7. Title Evidence: Within 5 days after acceptance after date of satisfaction of all conditions in paragraph 19, Seller will deliver to Buyer or closing attorney Title insurance commitment for an owner's policy in the amount of the purchase price. Any expense of curing title including but not limited to legal fees, discharge of liens and recording fees will be paid by Seller.

8. Survey: Within 7 days after date of acceptance after date of satisfaction of all conditions on paragraph 19, Seller will deliver to Buyer or closing attorney A new staked survey dated within 3 months of closing showing all improvements now existing thereon and certified to Buyer, lender and the title insurer A copy of a previously made survey of the Property showing all improvements now existing thereon. No survey is required.

9. Wood destroying Organism Report: "Wood Destroying Organism" means any arthropod or plant life which damages a structure. Buyer may have property inspected by a Certified Pest Control Firm to determine whether there is any visible active wood destroying organism infestation or visible existing structural damage from wood destroying organisms to the improvements. If Buyer is informed of either or both of the foregoing, Seller will have seven (7) days from receipt of written notice thereof within which to have all such wood destroying organism damages whether visible or not inspected and estimated by a licensed building or general contractor. Seller will pay costs of treatment and repairs of all structural damage up to one percent (1%) of the purchase price. If such costs exceed the amount agreed to be paid by Seller and Seller declines to treat and repair, Buyer will have the option of (a) terminating this Agreement, (b) proceeding with the transaction, in which event Seller will bear costs equal to one percent (1%) of the purchase price.

10. Title Examination and Time for Closing: **A.** If title evidence and survey as specified above, show Seller is vested with a marketable title, subject to the usual exceptions contained in title insurance commitments (such as exceptions for survey, current taxes, zoning ordinances, covenants, restrictions and easements of record), the transaction will be closed and the deed and other closing papers delivered on or before within 30 days from the date of acceptance of offer , or _____ days after date of satisfaction of all conditions in paragraph 19 unless extended by other conditions of this Agreement or this Agreement is canceled by the Buyer. **B.** If title evidence or survey reveal any defects which render the title unmarketable, Buyer will have 7 days from receipt of title commitment and survey to notify Seller of such title defects and Seller agrees to use reasonable diligence to cure such defects at Seller's expense and will have 30 days to do so, in which event this transaction will be closed within 10 days after delivery to Buyer of evidence that such defects have been cured. Seller agrees to pay for and discharge all due or delinquent taxes, liens and other encumbrances, unless otherwise agreed. If Seller is unable to convey to Buyer a marketable title, Buyer will have the right to terminate this Agreement, at the same time returning to Seller all title evidence and surveys received from Seller, or Buyer will have the right to accept such title as Seller may be able to convey, and to close this transaction upon the terms stated herein, which election will be exercised within 10 days from notice of Seller's inability to cure.

11. Loss or Damage: If the property is damaged by fire or other casualty prior to closing, and cost of restoration does not exceed 3% of the assessed valuation of the improvements located on the Property, cost of restoration will be an obligation of the Seller and closing will proceed pursuant to the terms of this Agreement with cost thereof escrowing at closing. In the event cost of restoration exceeds 3% of the assessed valuation of the improvements and the Seller declines to repair or restore, Buyer will have the option of either taking the Property as is, together with either the said 3% or any insurance proceeds payable by virtue of such loss or damage, or of canceling this Agreement.

12. Seller agrees to deliver the *Property* in its PRESENT AS IS CONDITION except as otherwise specified herein. Seller does hereby certify and represent that Seller has legal authority and capacity to convey the property with all improvements. Seller further certifies and represents that Seller knows of no latent defects to the Property and knows of no facts materially affecting the value of the Property except the following: Description of problems NONE

Buyer has inspected the property and HAS NOT RELIED UPON ANY REPRESENTATIONS MADE BY ANY REAL ESTATE AGENT in describing the property, and Buyer accepts the property in its PRESENT AS IS CONDITION, except as otherwise specified herein.

13. Occupancy Seller represents that there are no parties in occupancy other than Seller. Buyer will be given occupancy at closing unless otherwise specified herein N/A. Buyer understands that property is available for rent or rented and the tenant may continue possession following closing unless otherwise agreed in writing. Deposits will be transferred to Buyer at closing.

14. Personal Property: Included in the purchase price are all fixed equipment including ceiling fans, drapery hardware, attached lighting fixtures, mailbox, fence, plants and shrubbery as now installed on the property. And these additional items _____ . Items specifically excluded from NONE.

15. Default and Attorney's Fees: If Buyer defaults on this Agreement, all deposits will be retained by the Seller as full settlement of any claim, whereupon Buyer and Seller will be relieved of all obligations under this Agreement. If Seller defaults under this Agreement, the Buyer may seek specific performance or elect to receive the return of the Buyer's deposit(s) without thereby waiving any action for damages resulting from Seller's breach. In connection with any litigation arising out of this Agreement, the prevailing party will be entitled to recover all costs including a reasonable attorney's fee.

16. Zoning and Restrictions: Unless the Property is zoned RESIDENTIAL and can be legally used for RESIDENTIAL use, or if there is notice of proposed zoning changes, deed or other restrictions that could prevent such use at time of closing, Buyer will have the right to terminate this agreement. Buyer will have ten (10) days from acceptance to verify the existing zoning and current proposed changes, and deliver written notice of objections to Seller or be deemed to have waived objections under this paragraph.

17. The offer of BUYER shall terminate if SELLER has not indicated his acceptance of this Agreement by signing and delivering same or

