

Dear Seller & Agent:

We require the following forms as part of any offer to Purchase made by our investment team:

1. **Purchase & Sale Agreement** (agent, please prepare on your standard Broker and State Board approved form).
2. **Addendum to Purchase and Sale Agreement (attached)** Please read this Addendum, in its entirety, as it contains important terms about the offer we are making. If you are not comfortable with the terms set forth in this Addendum, we completely understand; however, we will choose to decline to move forward with this transaction. Please initial both boxes on page two.
3. **Seller Affidavit (attached)** Please read this Affidavit, in its entirety, as it contains important disclosures and acknowledgments. If you are not comfortable with the terms set forth in this Affidavit, we completely understand; however, we will choose to decline to move forward with this transaction. *This Affidavit must be signed before a Notary Public.*
4. **Authorization to Release Information (attached)** Please have all borrowers sign a separate Authorization; one for each loan.
5. **Seller Financial Package** – Attached you will find a checklist of the financial information required by most lenders. Please compile this information and return it with the other items listed above. If you prefer, we can make arrangements for you to upload this information directly to our network. The offer cannot be submitted to the lender until the entire Financial Package is received by our office.

\*\* Please make sure to initial each and every page. \*\*

We look forward to working with you!

Thank you!

# Addendum to Purchase & Sale Agreement

The following is incorporated into the Purchase & Sale Agreement between Buyer and Seller and in the event that anything contained in this Addendum shall conflict with the Purchase & Sale Agreement, then the terms set forth in this Addendum shall prevail:

- 1. Agreement Contingent upon Short Sale.** The parties hereto acknowledge and agree that the current debts on the Property exceed the value of the Property and that this Agreement is specifically contingent upon Seller's Lender(s) approving a reduced payoff ("Short Sale") of all liens against the Property. This Agreement is specifically contingent upon Seller's Lender approval of a Short Sale payoff at the Purchase Price and terms acceptable to Buyer (the "Approval"). In the event that a Short Sale at the Purchase Price is not approved by Lender to the satisfaction of Buyer, then this Agreement shall be null and void and all parties shall be relieved of any liabilities hereunder and no real estate commissions shall be earned, due or payable. Neither party has made any promises as to the likelihood of success in obtaining a Short Sale Approval and both parties acknowledge and agree that Seller's Lenders may withhold Short Sale Approval for any reason whatsoever at its unreasonable discretion.
- 2. Binding Agreement Date.** For and in consideration of the additional payment of \$10.00 by the Buyer to the Seller, the receipt and sufficiency of which is hereby acknowledged, Buyer may terminate this Agreement, for any reason until the date which is two (2) business days after Buyer receives the Approval in writing from Lender (the "Binding Agreement Date"). Buyer may record among the public records of the county in which the Property is located a Memorandum of this Agreement. The outside date for closing shall be extended for a period of 45 days after the Binding Agreement Date or at such other date as mutually agreed upon by Seller and Buyer.
- 3. Earnest Money** shall be due and payable within five (5) business days after the Binding Agreement Date
- 4. Arms Length Transaction.** Seller is in default on their mortgage payments and the Property is facing foreclosure due to circumstances that have nothing to do with Buyer. The current debts secured by the Property exceed the value of the Property and there is no equity in the Property. Seller has been unable to sell the Property through other means and has identified Buyer through a real estate agent or other third party not related to Buyer. Other than direct conversation leading to this Agreement, Seller and Buyer have never met before, and have no personal or business relationship other than as set forth herein. Seller hereby acknowledges and agrees that a condition of the Short Sale by the Lender will be that Seller may not receive any money or other consideration from the Short Sale transaction.

5. **Disclosures.** Seller shall not lease back or buy back the Property from Buyer nor shall Seller be allowed to remain in the Property after Closing. Buyer is a wholesale investor and the Purchase Price may be significantly less than the current fair market value of the Property. Seller hereby grants Buyer the right to list for sale with a licensed real estate agent, market, negotiate and/or enter into an agreement to sell the Property to a third party. Any offers received by Seller or Listing Agent from third parties after the date of this Agreement shall be forwarded to Buyer for Buyer's consideration and acceptance. It is hereby disclosed to Seller and Seller's Lender that Buyer is purchasing the Property with the intent of reselling for a profit.

6. **Tax Consequences.** Seller acknowledges that a full satisfaction obtained from Lender may have tax consequences for Seller and that Seller has been advised to seek the advice of a tax professional.

7. **Opportunity to Review.** Buyer's involvement in the transaction is solely as purchaser with the intent to profit and is NOT a foreclosure consultant, advisor, or counselor. Seller has had the opportunity to discuss this Agreement with Seller's attorney, CPA, friends, family, and/or other trusted advisors, and after considering all available options, Seller has elected to enter into this Agreement.

8. **Buyer may Utilize Service Provider.** Seller acknowledges and agrees that Buyer may utilize a third party service provider to process the Short Sale with Seller's Lender. No fiduciary relationship is created nor shall be created between any such third party and Seller or between such third party and Seller's Lender it being disclosed that such third party processor shall work exclusively for the benefit of Buyer. Buyer and Seller acknowledge that Service Provider shall be paid a Processing Fee equal to 2% of the Purchase Price; however, this shall not cause any out of pocket cost or expense to Seller or Agents. The processing of the Short Sale will require multiple counter offers being sent back and forth to the Lender. Seller gives Short Sale processor permission to make such offers and counteroffers on its behalf in the context of the Short Sale process without obtaining new signatures from Seller.

9. **Market Sales.** Seller has (initial both):

Attempted to obtain a loan modification which was denied by Seller's Lender, or has been under a loan modification but can no longer maintain make payments under the modification or does not want a loan modification because the Seller has no desire to remain in the property; and

Has marketed the Property to the public market through a licensed real estate agent which effort did not procure any bona fide offers other than the one set forth in this Agreement.

10. **Buyer is Not a Debt Relief Agency.** The parties hereto acknowledge that Buyer is not a debt relief agency and does not provide assistance with bankruptcy filings. Buyer does not provide bankruptcy information, advice, counseling, document preparation, filing, or any other representation related to existing or prospective bankruptcy. Buyer is not acting as Seller's representative, agent, counselor, or advisor in any capacity and is pursuing the transaction contemplated herein adverse to Seller for Buyer's own interest to profit.

11. **Hold Harmless.** Seller hereby indemnifies and holds Buyer, and any agent or representative, or third party provider working by or on behalf of Buyer harmless from any and all losses and damages suffered as a result of the foreclosure of the Property, the Short Sale, or otherwise associated with this Agreement for any reason whatsoever.

12. **Entire Agreement.** The Purchase and Sale Agreement and this Addendum contain the entire agreement of the parties hereto, and any representations, inducements, promises or agreements, oral or otherwise, between the parties not embodied herein shall be of no force or effect. The provisions of this Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, administrators, executors, personal representatives, successors and assigns. There are no side agreements, verbal agreements or understanding not set forth in writing herein.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed under seal

This \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**SELLER:**

**BUYER:**

\_\_\_\_\_

\_\_\_\_\_

**Print:** \_\_\_\_\_

**Print:** \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Print:** \_\_\_\_\_

**Print:** \_\_\_\_\_

**LISTING AGENT:**

**SELLING AGENT:**

\_\_\_\_\_

\_\_\_\_\_

**Print:** \_\_\_\_\_

**Print:** \_\_\_\_\_

**Seller's Affidavit**

State of \_\_\_\_\_

County of \_\_\_\_\_

The undersigned, being duly sworn, hereby deposes and says:

1. I understand that Buyer cannot and will not purchase my property located at \_\_\_\_\_ until such time as my Lender approves a reduced Payoff or Short Sale acceptable to Buyer. I understand that I have no right or entitlement to a Short Sale, which may or may not be approved by my lender.
2. Buyer has not made any promises to me whether or not my lenders will agree to a Short Sale or whether or not Buyer will be successful in obtaining a Short Sale and I understand that if Lender does not agree to a Short Sale, which is satisfactory to Buyer, then my house is likely to go to foreclosure.
3. I am currently in default on my mortgage payments for reasons that have nothing to do with Buyer and I am unable to bring my payments current. I have attempted to sell the property through other means and have been unsuccessful because the current debts on the Property exceed the current value of the property. I have attempted to obtain a modification of my mortgage so that I can stay in the house and the Lender has declined to modify my mortgage such that I can remain in the Property or I have no desire to stay in the property.
4. I understand that my lender may offer to "release" its security interest against the property in exchange for less than the total amount of the note allowing the property to be sold without paying off the obligations of the note and I understand that under such a scenario, I may still be liable for the difference between the original note amount and the Short Sale reduced payoff (a "deficiency"). I also understand that it is possible that the Lender will accept the reduced payoff as full satisfaction and release whereby the Lender satisfies the note and releases its lien against the property; however, I understand that it is impossible at this time to know whether the Lender will satisfy my obligations or merely release its lien and I hereby acknowledge that (initial either a or b):

a. \_\_\_\_\_ If Lender does not allow a total and complete satisfaction of the debt, I prefer that the Property proceed to foreclosure,

OR

b. \_\_\_\_\_ In the event that the Lender will agree to a Short Sale to avoid foreclosure, but only release its lien without satisfying the entire debt, then I

acknowledge that this would be an improvement over my current circumstances and will accept such terms in order to avoid foreclosure.

5. I understand that I have entered into a legally binding Purchase and Sale Agreement committing me to sell the Property to Buyer upon Lender's approval of a Short Sale and I understand that I cannot continue to market the property to any other potential purchasers.
6. I understand State law may afford me certain termination rights within a prescribed period of time from the date of the Purchase and Sale Agreement and I have had the opportunity to consult with a local attorney or real estate agent of my choice to determine what cancellation rights are available to me and what additional paperwork must be signed to protect these rights.
7. I understand the Short Sale negotiation process is a lengthy one and that it may take several weeks or most likely 3 months or more to get an approval (and possible longer) and that it is also possible that the lender will not approve a Short Sale and that the Property will go to foreclosure.
8. I agree to vacate the property within fourteen (14) days of Buyer's receipt of the Short Sale Approval and to leave the property in neat and broom clean condition. I understand that I will not be allowed to remain in the property after closing and there are no agreements between me and Buyer with respect to selling or leasing the property back to me.
9. I understand that my Lenders will require review of my personal financial information including but not limited to copies of previous tax returns, bank statements, investment account statements, and a financial statement and that by agreeing to pursue a Short Sale I hereby grant my permission to release such information to those parties assisting the with Short Sale and hereby hold Buyer and Buyer's agents, assign, employees, officers harmless from any violations of privacy which may result from the release of such information.
10. I understand that Buyer is not a debt relief agency and does not provide assistance with bankruptcy filings. Buyer does not provide bankruptcy information, advice, counseling, document preparation, filing, or any other representation related to existing or prospective bankruptcy. Buyer is not acting as Seller's representative, agent, counselor, or advisor in any capacity and is pursuing the transaction contemplated herein adverse to Seller for Buyer's own interest to profit.
11. **I UNDERSTAND THAT BUYER'S INTEREST IN THIS TRANSACTION IS SOLEY AS AN INVESTOR WHO INTENDS TO PURCHASE THE PROPERTY AND SELL OR RENT IT FOR A PROFIT. I UNDERSTAND THAT SUCH RESALE MAY TAKE PLACE IMMEDIATELY AFTER BUYER'S PURCHASE FROM ME AND THAT BUYER MAY EARN A LARGE PROFIT FROM THIS**

**TRANSACTION SUCH PROFIT BEING BUYER'S PRIMARY MOTIVATION FOR ENTERING INTO THIS TRANSACTION.**

- 12. I HAVE HAD THE OPPORTUNITY TO FIND AND OBTAIN LEGAL, TAX, AND FINANCIAL COUNSEL REGARDING THIS TRANSACTION. I UNDERSTAND THAT BUYER IS NOT MY REPRESENTATIVE, ADVISOR, ATTORNEY, OR ADVISOR AND THAT BUYER IS NOT ACTING ON MY BEHALF.**
- 13. I HAVE NOT MADE ANY FALSE, MISLEADING, OR FRAUDULENT STATEMENTS OR OMISSIONS TO BUYER OR IN THE ORIGINAL LOAN APPLICATION PROCESS BY WHICH THE LOAN NOW SUBJECT TO THE SHORT SALE WAS MADE.**
- 14. I UNDERSTAND THAT IF BUYER DOES NOT OBTAIN A SHORT SALE TO ITS SATISFACTION OR IF BUYER IS UNABLE TO CLOSE THE TRANSACTION FOR ANY REASON WHATSOEVER THEN THE PROPERTY MAY GO TO FORECLOSURE AND I AGREE TO HOLD BUYER AND BUYER'S AGENTS, EMPLOYEES, AND ASSIGNS HARMLESS FOR ANY DAMAGES RESULTING FROM SUCH FORECLOSURE ACTION OR OTHERWISE.**

I have read this affidavit in its entirety, have had the opportunity to have its contents independently reviewed by professionals of my choosing, and agreeing to the truth and veracity of the statements contained herein, hereby set my seal this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

AFFIANT:

\_\_\_\_\_

Witness

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

Sworn to and subscribed before me this  
\_\_\_\_\_ Day of \_\_\_\_\_, 20\_\_\_\_\_.

**Notary Public**

My Commission Expires: \_\_\_\_\_

## Financial Package

As part of the Short Sale submission, the lender will require review of the following items from the Borrower:

- Hardship Letter; (sample attached)
- Financial Worksheet; (form attached)
- Copies of 2 most recent Pay Stubs;
- Copies of 2 most recent Bank Statements;
- Copy of 2 most recent IRS Tax Returns;
- Copy of Property Tax Bill; and
- Copy of Seller's Driver's License.

Also, please forward:

- A copy of recent correspondence from the lender (any default notices) and/or
- Loan Statement, coupon or other Loan Information
- A copy of Seller's driver's license

Date: \_\_\_\_\_

Borrower(s): \_\_\_\_\_

Property: \_\_\_\_\_

Loan#(s): \_\_\_\_\_ / \_\_\_\_\_

### AUTHORIZATION TO RELEASE INFORMATION

I/We hereby authorize you to release to Old School Title Company (OSTC) and, its employees, officers, agents and assigns,(including but not limited to the following employees \_\_\_\_\_ ) any and all information they may require for the transfer or payoff or settlement of my/our loan/account for the above referenced property. "Agents" includes all closing agents, attorneys, employees of above and their assistants. You may reproduce this document to acquire reference from more than one source.

The undersigned understand that OSTC will process a short sale with all lien-holders and that OSTC has not made any promises, guarantees or representations about his ability to successfully complete this task and that if OSTC is not able to process the short sale with discounted payoffs with the lien-holders, the lien-holders may proceed with foreclosure. The undersigned also agree to hold OSTC and his agents harmless from and against any and all claims, demands or lawsuits and that OSTC is not acting on the undersigned's behalf as an attorney, accountant, counselor, advisor, consultant or non-profit agency. The undersigned agree to hold OSTC harmless and fully indemnifies same (including but not limited to attorney's fees, whether or not litigation ensues, costs and all other litigation expenses).

The undersigned hereby authorizes the release of any/all information necessary to close (payoff/release) the above accounts to above and certifies that the within information is true and correct to the best of my/our knowledge.

\_\_\_\_\_  
Printed Name - Borrower

\_\_\_\_\_  
Printed Name – Co-Borrower

\_\_\_\_\_  
Borrower Signature

\_\_\_\_\_  
Co-Borrower Signature

\_\_\_\_\_  
Social Security Number

\_\_\_\_\_  
Social Security Number

\_\_\_\_\_  
Date of Birth

\_\_\_\_\_  
Date of Birth

## FINANCIAL STATEMENT

LOAN # \_\_\_\_\_ Property Address: \_\_\_\_\_

Borrower Name:		Social Security Number:		
Property Address:				
Mailing Address (#, Street, Apt.):				
Mailing Address (City, State, Zip):				
Total number of persons living at this address:		Number of dependents at this address:		
Home Phone:		Work Phone:		
Co-Borrower Name:		Social Security Number:		
Home Phone:		Monthly Income (Wages): \$ _____ / month		
Have you contacted Credit Counseling Services? Yes <input type="checkbox"/> No <input type="checkbox"/>				
Additional Income (not wages): \$ _____ /month* Source: _____				
<small>*Notice: Include Alimony, Child Support, Disability, Rental Income, Social Security, Welfare/Food Stamps.</small>				
ASSET TYPE:	Estimated Value:	LIABILITY TYPE:	Payment per Month:	Balance Due:
Home	???	Alimony – Child Support		
Other Real Estate		Dependent Care/Child Care		
Checking Accounts		Rent		
Savings – Money Market		Other Mortgage(s)		
IRA/Keough Accounts		Personal Loan(s)-Credit Cards		
401K/ESOP Accounts		Medical Expenses		
Stocks, Bonds, CD's		HOA Fees/Dues		
Rental Property		Automobile(s)		
Auto 1, Auto 2, Boat		Tax Liens & Homeowners Insurance		
		Utilities		
		Food – Gas		
Other Investments		Other – Miscellaneous Expenses		
Reason for delinquency:				
<p>I (we) agree that the financial information provided is an accurate statement of my (our) financial status. I (we) understand and acknowledge that any action taken by the lender of my (our) mortgage loan on my (our) behalf will be made in strict reliance on the financial information provided. My (Our) signature(s) below grants the holder of my (our) mortgage the authority to confirm the information I (we) have disclosed in this financial statement, to verify that it is accurate by ordering a credit report, and to contact my real estate agent and/or credit counseling service representative (if applicable).</p>				
Submitted this _____ day of _____ 20_____				
By: _____		Date: _____		
Signature of Borrower				
By: _____		Date: _____		
Signature of Co-Borrower				
<p>Before mailing, make sure you have signed and dated the form and attached a copy of your most recent pay stub and bank statements of your checking and/or savings account to it. If you are self-employed, attach a copy of your most recent Federal tax returns with schedules.</p>				

THIS IS AN EXAMPLE ONLY.  
SELLERS SHOULD EXPLAIN THEIR OWN STORY IN THEIR OWN WORDS.

<SELLER'S NAME>  
<SELLER'S NEW ADDRESS>

<TODAY'S DATE>

(must do one for each lender)

<LENDER'S NAME>  
<LENDER'S ADDRESS>

Dear Sir or Madam,

I am writing to ask for your help. Add my name to the list of borrowers who thought they had made a wise decision and investment in their home but now have found the rug pulled out from me.

**Circumstances beyond my control** recently caused my life to change. When we bought the house, everything was great. Values were appreciating and everything was going well. But then the real estate market collapsed about the same time that .....<**give them a story of what happened...lost job, somebody got sick, mom needed you in FL, business failed, kids having problems in school...needed help...the more details the better, whatever – tell your story**>.

The bottom line is I cannot continue to make the payments on my house in -----. **I have tried many different things to sell my house and pay off the money I borrowed from you.**

- **I tried to do a modification, but that did not work out.**
- **I tried to list it and sell it at an amount that would pay off the debt, that that too did not result in any offers.**
- **I called some investors that told me they couldn't buy the house because there was no equity in it and it required work.**

**I have spoken with a bankruptcy attorney and may have to go that route, but I sure don't want to if I don't have to. Please, please, please work with this buyer. They/he/she is the only person who has given me any hope and any reason not to file bankruptcy. I am a responsible person who has always paid my bills and I am afraid of what will happen if this does not work.**

Your consideration is greatly appreciated.

Sincerely,