

PURCHASE CONTRACT AND ESCROW INSTRUCTIONS

THIS PURCHASE CONTRACT AND ESCROW INSTRUCTIONS (“Contract”), is effective as of the latest date this Contract is executed by the Parties as set forth below (the “Effective Date”), and comprises the entire contract and agreement between Seller (defined in Section 1.9 below) and Buyer (defined in Section 1.9 below).

1. **BASIC TERMS.** This Section 1 defines the Basic Terms of this Contract.

1.1 Property Address: {{propertyaddress}}

1.2 Property APN: {{propertyapn}}

1.3 Legal Description:

_____;

OR

☐ See Exhibit A attached (if lengthy);

OR

☐ To be provided by Escrow Agent.

1.4 The Property:

The real property bearing the street address in Section 1.1, the APN in Section 1.2 and the legal description in Section 1.3 together with all improvements, fixtures, and appurtenances thereon or incidental thereto, plus the personal property described in Section 1.12.

1.5 “Purchase Price” of \${{price}} to be paid as follows:

☒ Approximate
or ☐ Exact)

\$1,000.00

Earnest Money Deposit to
be
delivered to Escrow Agent within
5 days of the Effective Date (the
"Deposit")

Mortgage

{{mortgagebalance}} Approximate Existing 1st

(Buyer Purchasing Subject

To)

Mortgage

\$_____ Approximate Existing 2nd

(Buyer Purchasing Subject

To)

\$_____ Seller Carryback Financing

\$_____0 Amount to cure loan

defaults (if any)

(☐ Approximate or ☒

Exact)

Buyer's
Closing Costs.

{{moneyoffer}} Cash at COE exclusive of
portion of the

(☐ Approximate or ☐

Exact)

1.6 Close of Escrow: ☐
_____, 20____;
or

("COE")

☒ 30 days after Effective Date; or

☐ ____ days after

_____.

1.7 Escrow Agent/
Closing Attorney:

TBD

Telephone:

Email:

1.8

Association(s):

1.9

Parties:

Seller:

{{ownername}}

(Collectively the "Seller")

Address: {{owneraddress}}

Telephone:

Email:

Buyer: Acquisition Global, a(n) VA limited
liability company ("Buyer")

Address: 4445 Corporation Ln Ste 264, Virginia Beach, VA, 23462

Telephone: +1 (757) 807-0787

Email: acquisitionglobal@aoprime.net

1.10 Inspection Period: 14 Days

1.11 Specific Closing Costs to be Paid as Follows:

Escrow fees and costs: ☐ 50% by Buyer and 50% by Seller or ☒ 100% by Buyer; **standard title policy:** ☐ Seller or ☒ Buyer; **HOA fees (disclosure, transfer, capital improvement/reserve) (if applicable):** ☐ 50% by Buyer and 50% by Seller or ☒ 100% by Buyer; **Transfer taxes:** ☐ 50% by Buyer and 50% by Seller or ☒ 100% by Buyer.

1.12 Personal property to be included in the sale includes all items attached and affixed to the Property as of the Effective Date and the following:

1.13 Addendums and Acknowledgments:

- ☒ Subject To Addendum (See attached).
- ☒ Seller Acknowledgements (See attached or executed at COE).

1.14 Additional Terms and Conditions:

- ☒ To seller: Seller will be paid \${{moneyoffer}} from COE and the Purchase Price and Cash at COE amounts set forth in Section 1.5 will be adjusted accordingly.
- ☒ The following liens and encumbrances will not be paid off through COE and the Property will be transferred to Buyer subject to the following liens and encumbrances (list all deeds of trust, mortgages, and other liens or encumbrances that will not be satisfied at COE):

Underlying Estimated Mortgage Balance Of
\${{mortgagebalance}}
(the
"Existing Loan(s)")

☒ This Contract and the Buyer's performance hereunder is _____ conditioned _____ upon the combined reinstatement amount for the Existing Loan(s) being equal to or less than \$ _____0_____.

☒ This is a wrap-around financing closing with Buyer purchasing the Property subject to the Existing Loan(s). The terms of the Seller wrap-around/carryback financing will be as follows:

☒ Mirror Existing Loan(s)

☒ Listing Agent for Seller: Seller was represented by the following real estate broker pursuant to a listing agreement for the Property and such broker shall be compensated from COE pursuant to the terms of the listing agreement or as otherwise agreed between the Parties and broker:

Agent Name: _____

Phone: _____

Email: _____

Broker Name: _____

☒ Other:

1.15 Occupancy. Seller represents and warrants:

☒ There are no parties in occupancy of the Property other than Seller and Buyer will be given occupancy of the Property at COE unless otherwise _____ specified _____ herein: _____; or

☐ Buyer understands that the Property is leased and the tenant may continue in possession of the Property after COE unless otherwise agreed in writing. Seller will make payment to Buyer at COE for the amount of the security deposits for any existing lease for the Property.

1.16 Real Estate License Disclosure. Principals, owners, members, managers or employees of Buyer ☐ hold or ☒ do not hold a real estate license in the state where the Property is located.

2. **PURCHASE AND SALE OF PROPERTY.** For the Purchase Price and in accordance with the terms and conditions set forth in this Contract, Seller agrees to sell, and Buyer agrees to purchase the Property identified in Section 1.4.

3. **PURCHASE PRICE; METHOD OF PAYMENT.**

3.1 The Purchase Price shall be paid by Buyer pursuant to the provisions of Section 1.5.

3.2 The Deposit shall be credited toward the Purchase Price at COE.

3.3 If all or part of the Purchase Price set forth in Section 1.5 and/or the provisions of Section 1.14 reflect that Buyer is purchasing the Property subject to one or more Existing Loan(s), the terms of the Seller carryback financing will be as set forth in Section 1.14 and evidenced by a non-recourse promissory note executed by Buyer as borrower in favor of Seller as lender and secured by a mortgage or deed of trust on the Property, which shall be junior to the lien(s) of the Existing Loan(s). The note and deed of trust will be executed by Buyer at or before COE and dated the date of COE. If Section 1.14 reflects that the Seller financing will mirror the Existing Loan(s), then the note and deed of trust for the Seller carryback financing will state that the principal balance, interest, and monthly payment(s) for the Seller financing will mirror and be identical to those that exist under the Existing Loan(s) at time of COE.

3.4 If all or part of the Purchase Price set forth in Section 1.5 is to be through Seller carryback financing, but Buyer is not purchasing the Property subject to any Existing Loan(s), the terms of the Seller carryback financing will be as set forth in Section 1.14 and evidenced by a non-recourse promissory note executed by Buyer as borrower in favor of Seller as lender and secured by a mortgage or deed of trust on the Property. If the payment is to include taxes and insurance and if after said amounts are deducted from the payment, the remaining amount is not enough to cover the interest rate and/or principal amount set forth above, the remaining amount will be considered full payment and any interest rate will be adjusted accordingly.

3.5 Any Seller carryback financing set forth in this Contract may be prepaid at any time without penalty unless any Existing Loan(s) contains a pre-payment penalty in which event the pre-payment penalty shall be the same as the Existing Loan(s). The note and deed of trust or mortgage to be executed by Buyer in favor of Seller for any Seller carryback financing set forth herein will not be due on sale.

3.6 If the Parties have selected in Section 1.14 that payments are to be made to a Servicing Agent, then all payments under the note for the seller carryback financing shall be made to the Servicing Agent identified in Section 1.14. Buyer and Seller shall execute all documents reasonably requested and required for Servicing Agent to perform its duties. Seller shall deliver to Servicing Agent the original of a fully executed deed of release and reconveyance (or similar document) for the mortgage or deed of trust securing the Seller carryback financing, which Servicing Agent is authorized to deliver to Buyer upon Buyer's full payment of all amounts due under the note to be executed by Buyer in favor of Seller as provided in this Contract. Buyer shall pay all of the Servicing Agent's costs and fees to establish the account and the Servicing Agent's monthly fees shall be the Buyer's obligations, which shall be collected by the Servicing Agent with and in addition to the Monthly Payments. Seller may substitute the existing Servicing Agent with a new Servicing Agent provided the Seller gives Buyer at least thirty (30) days written notice of such substitution. Seller and Buyer shall execute all documents reasonably requested by and necessary for any future Servicing Agent to perform its services. Seller shall be responsible for all costs and fees required to establish the account with any future Servicing Agent. Servicing Agent is authorized to receive the payments to be made by Buyer under the note executed by Buyer in favor of Seller. If the Property is being purchased subject to Existing Loan(s), the Servicing Agent shall first use the amounts received from Buyer (exclusive of the fees to be paid to Servicer) to timely pay the monthly payments and other amounts owed to the lender(s) or servicer(s) of the Existing Loan(s). Seller and Buyer, and each of them, promise to indemnify and hold harmless Servicing Agent against all costs, damages, attorneys' fees, expenses and liabilities which, in good faith and without fault

on its part, it may incur or sustain in connection with this Contract, the note, and with any court action arising out of the same.

4. **STATUS OF TITLE.** As soon as practical following the Effective Date, Escrow Agent shall cause a current commitment for an ALTA Owner's Policy of Title Insurance (the "Commitment") to be issued and delivered to Seller and Buyer. Buyer and Seller shall satisfy their respective requirements to closing set forth in the Commitment prior to COE. Except for any Existing Loan(s), Seller shall remove all liens, clouds, and encumbrances at or prior to COE.

5. **INSPECTION OF AND ACCESS TO THE PROPERTY.** Buyer, in Buyer's sole and absolute discretion, may through written notice to Seller, cancel this Contract during the Inspection Period set forth in Section 1.10 and obtain a return of the Deposit and any other items or things of value given by Buyer to Seller or paid by Buyer for the benefit of Seller shall be refunded to Buyer by Seller. From the Effective Date through COE, Seller shall provide access to the Property to Buyer, and will make the Property reasonably available to Buyer and to Buyer's assignees, prospective assignees, agents, representatives, inspectors and authorized individuals to conduct inspections and walkthrough(s) of the Property.

6. **LEAD-BASED PAINT DISCLOSURE.** If the home on the Property was built before 1978, Seller shall notify Buyer of any known lead-based paint ("LBP") or LBP hazards on the Property and provide Buyer with any LBP risk assessments or inspections in Seller's possession. Buyer agrees to review the "Lead Warning Statement" found in the Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards found at https://www.epa.gov/sites/production/files/documents/selr_eng.pdf and the pamphlet "Protect Your Family from Lead in Your Home" found at <https://www.epa.gov/lead/protect-your-family-lead-your-home-real-estate-disclosure>, which are incorporated herein by this reference. Buyer waives the ten (10) day opportunity to conduct a lead-based paint inspection and risk assessment.

7. **SEPTIC OR WASTEWATER TREATMENT SYSTEM.** If the Property is on a septic system or alternative system that uses a septic tank and the law of the state where the Property is located requires the system to have a pre-transfer inspection performed within a specified time before COE, then Buyer shall pay for, and Seller shall obtain the required wastewater treatment facility inspection report (the "Septic Report"). If the Septic Report states that the wastewater treatment facility is "not functional", Buyer has ten (10) days from the date of receiving the Septic Report to elect the pay for the repairs necessary for the system to be functional prior to COE or to cancel this Contract, in which event, Escrow Agent shall return the Deposit to Buyer and Seller shall return to Buyer any other items or things of value given by Buyer to Seller or paid by Buyer for the benefit of Seller.

8. **AS IS PURCHASE; EXISTING CONDITION AS OF COE.** Buyer is purchasing the Property "AS IS" and in the condition existing as of the Effective Date. The Property shall be delivered to Buyer at COE in substantially the same condition existing as of the Effective Date. In the event of loss of or damage to the Property, or a portion thereof, prior to the COE, Buyer

may terminate this Contract and the Deposit, and any other items or things of value given by Buyer to Seller or paid by Buyer for the benefit of Seller will be refunded by Seller to Buyer.

9. **ESCROW; COE; CLOSING COSTS AND PRORATIONS.** Seller and Buyer engage Escrow Agent to act as the escrow agent for the closing of the transactions contemplated by this Contract. Title will be transferred to Buyer by general warranty deed. Buyer and Seller shall execute all documents Escrow Agent reasonably requires to effectuate the COE. All real estate taxes, rents, and assessments shall be prorated as of COE. The Parties shall pay the specific closing costs applicable to them as set forth in Section 1.11. Buyer has executed or will execute all Addendums and Acknowledgments marked in Section 1.13 prior to COE, which are incorporated herein by this reference.

10. **CURE NOTICE.** If a party fails to comply or perform under this Contract, the other party shall deliver a notice to the breaching party specifying the non-compliance (the "Cure Notice"). If the non-compliance is not cured within ten (10) calendar days after receipt of the Cure Notice (the "Cure Period"), the failure to comply shall become a breach of this Contract. Buyer is not required to serve a Cure Notice on Seller if Seller indicates an intent to or fails to close escrow on or before the COE date as such intent to or failure by Seller to close escrow on or before the COE date shall be deemed an immediate breach of this Contract.

11. **REMEDIES; ATTORNEYS' FEES.** If Seller shall breach any of the terms or provisions of this Contract, Buyer may proceed against Seller for any claim or remedy the Buyer may have in law or equity, which includes, but is not limited to, specific performance and damages. If Buyer breaches this Contract, Seller accepts the Deposit as Seller's sole right to damages. The prevailing party in any lawsuit arising out of or to enforce this Contract shall be awarded its reasonable attorneys' fees, expert fees and costs incurred prior to and/or after the filing of such lawsuit. Any attorneys' fees awarded in favor of Buyer may be paid to Buyer from the proceeds of the closing of the transaction contemplated by this Contract.

12. **NO ORAL CHANGES OR REPRESENTATIONS.** EACH PARTY ACKNOWLEDGES THAT SUCH PARTY HAS NOT RELIED ON ANY ORAL CONTRACT, STATEMENT, REPRESENTATION OR OTHER PROMISE THAT IS NOT EXPRESSED IN WRITING IN THIS CONTRACT. This Contract may be amended or modified only by an agreement in writing signed by Buyer and Seller.

13. **NOTICES.** Any and all notices, demands or requests required or permitted hereunder shall be in writing and shall be effective upon personal delivery, electronic mail, or upon receipt, if deposited in the U.S. Mail, registered or certified, return receipt requested, postage prepaid, or if deposited with any commercial air courier or express service.

14. **MISCELLANEOUS.**

14.1 *Reinstatement Amount Contingency.* In the event the combined amount to reinstate the Existing Loan(s) exceeds the amount set forth in Section 1.14, Buyer may waive such contingency by proceeding with COE or Buyer, at any time prior to

COE, may cancel this Contract and obtain a return of the Deposit and any other items or things of value given by Buyer to Seller or paid by Buyer for the benefit of Seller shall be refunded to Buyer by Seller.

14.2 *Addendum, Acknowledgements, and Additional Terms and Conditions.* The Parties agree to be bound by the additional terms and conditions specified in Sections 1.13 and 1.14 and if such additional terms and conditions conflict with any other provision of this Contract, the terms and conditions set forth in Sections 1.13 and 1.14 shall control.

14.3 *Assignment.* Buyer may assign this Contract or any of its rights hereunder to any person, partnership, corporation or other entity without notice to Seller. Seller's consent to such assignment is not necessary or required.

14.4 *Time is of the Essence.* Time is of the essence with respect to the performance of all terms, conditions and provisions of this Contract.

14.5 *Choice of Law.* This Contract shall be governed and enforced under the laws of the state where the Property is located without regard to any conflict of law provisions.

14.6 *Memorandum of Contract.* Seller agrees that Buyer may execute, acknowledge and record a memorandum of this Contract with the recorder (or similar office) of the county in which the Property is located and no further signature or authorization from Seller is required for the recording of such memorandum.

14.7 *Electronic Execution and Counterparts.* This Contract may be executed by electronic means and in any number of counterparts, each of which shall be deemed an original and all of which when taken together shall constitute one instrument.

14.8 *Buyer Disclosures and Voluntary Agreement.* Seller understands and acknowledges that Buyer is a wholesale buyer who purchases real property and who, in its discretion, may assign its equitable interest in the real property for a profit. The Purchase Price may not reflect the Property's fair market value.

Seller acknowledges and agrees that Seller has read and fully understands the terms and conditions of this Contract and is entering into this Contract voluntarily and has not been threatened, coerced, or intimidated into signing this Contract.

APPROVED AND ACCEPTED BY SELLER: SELLER: _____ Date: _____ _____ Date: _____	APPROVED AND ACCEPTED BY BUYER: BUYER: <u>Acquisition Global</u> a(n) <u>VA</u> limited liability company By: <u>Olga Kamenev</u> Its: <u>Member</u> Date: <u>{{today}}</u>
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SELLER ACKNOWLEDGMENTS

I/We, the Seller identified above, have agreed to sell the Property identified above to the Buyer identified above and/or Buyer's assigns pursuant to the Purchase Contract and Escrow Instructions (the "Contract") between Seller and Buyer. The Seller hereby understands, acknowledges, agrees and states as follows:

Seller Initials **OWNERSHIP OF THE PROPERTY.** I am the actual or beneficial owner of the Property.

Seller Initials **CONTRACT TERMS.** I have read, reviewed, understood, and accepted the provisions of the Contract. I am not confused about any term or provision of the Contract.

Seller Initials **RELATIONSHIP OF PARTIES.** Seller understands that Buyer is not acting as an agent or representative of Seller. Additionally, the Contract does not and in no way should be understood to create a partnership, joint venture, fiduciary, consultant, or any other business relationship between the parties except for the buyer and seller relationship created by the Contract.

Seller Initials **SALES PRICE.** I understand, acknowledge and agree that I may be selling the Property for less than fair market value. However, in light of the present circumstances, I believe it is in my best interest to sell the Property according to the terms of the Contract, even at a discount.

Seller Initials **GIVING UP EQUITY IN PROPERTY.** I understand that by engaging in this transaction, I may be giving up equity that may exist in the Property and any proceeds that may result from a subsequent sale of the Property.

Seller Initials **BINDING CONTRACT.** I understand, acknowledge and agree that by my signing the Contract, I agreed to sell the Property to the Buyer or Buyer's assigns and am bound by the terms and conditions of the Contract.

Seller Initials **BUYER IS A WHOLESALE BUYER WHO IS PURCHASING FOR INVESTMENT.** I understand, acknowledge and agree that Buyer is a wholesale buyer and is not purchasing this Property to live in, but as an investment, and to make a profit from this transactions through assignment, resale, or renting of the Property and Buyer is entitled to make and keep all profits in doing so.

ler Initials **GAL ADVICE.** I understand, acknowledge, and agree that the Buyer has advised me to seek ependent legal counsel regarding the Contract and this transaction.

ler Initials **ANCIAL REVIEW ADVISED.** I understand, acknowledge, and agree that Buyer has advised me ave an independent financial advisor review the Contract and this transaction.

ler Initials **RLY NEGOTIATED.** I understand, acknowledge, and agree that I and the Buyer have negotiated terms of the Contract and this transaction. The terms and conditions have been fairly negotiated I Buyer has not taken advantage of me or my current situation.

ler Initials

PROPERTY NOT LISTED WITH REAL ESTATE BROKER. Unless the Contract states otherwise, I represent and warrant that the Property is not listed with a real estate broker and there was no listing agreement with a real estate broker in effect at the time the Contract was executed.

ler Initials

PRECLUDING PHYSICAL OR MENTAL CONDITIONS. I had no physical, mental, or emotional ailments or conditions that impacted my ability to understand and negotiate the Contract or that impaired my capacity to execute and enter into the Contract.

ler Initials

NOT UNDER INFLUENCE. I acknowledge and agree that I was not under the influence of any alcohol, mind altering substances, or medication that could cloud my judgment at the time I entered into the Contract and I am not presently under the influence of any such items.

ler Initials

COMPLETE AGREEMENT. I acknowledge and agree that I have not been promised anything other than what is set forth in the Contract and there are no unresolved issues or concerns with respect to the Contract and this transaction.

als

Seller **T UNDER DURESS.** I was not under duress when I signed the Contract and I signed the Contract
out any undue financial pressure.

lers Initials

KNOWLEDGEMENT OF DISCLOSURES. I acknowledge and agree that I
re reviewed and understand the disclosures made to me regarding the sale
he Property to Buyer, that selling the Property to the Buyer is in Seller's best
rest and that I am and agree to continue to be bound by the terms of the
ntract and all addendums thereto.

ler Date: _____

ler Date: _____

SUBJECT TO ADDENDUM TO CONTRACT FOR THE PURCHASE CONTRACT AND ESCROW INSTRUCTIONS (the "Contract")

Capitalized terms not expressly defined in this Addendum have the meanings given to them in the Contract.

The Parties acknowledge and agree that Buyer is acquiring the Property subject to the Seller's existing loan(s) secured by one or more deeds of trust/mortgages against the Property (the "Existing Loan(s)"). This means that the Existing Loan(s) will **not** be paid off through Buyer's purchase of the Property. The Existing Loan(s) will remain outstanding and the deed(s) of trust/mortgages securing the Existing Loan(s) will remain as liens against the Property. Seller shall remain liable on the Existing Loan(s) and the Existing Loan(s) shall remain in Seller's name. The Parties also understand, acknowledge and agree that the deed(s) of trust/mortgages securing the Existing Loan(s) has/have a "Due on Sale" clause, which allows the lender(s) for the Existing Loan(s) to initiate a foreclosure proceeding for the Property due to the sale, transfer or conveyance of the Property from Seller to Buyer.

Prior to COE, Seller shall execute the following documents:

- Authorization to Release Information in favor of the Buyer to allow the Buyer to contact and obtain information from the lender(s) for the Existing Loan(s).
- Authorization to Release Information in favor of the Buyer to allow the Buyer to contact and obtain information from the insurers and insurance agents for the Property.
- Notice of Change of Address to be delivered to the lender(s) for the Existing Loan(s), which will reflect Buyer's street address, email and phone information.
- Notice of Change of Address to be delivered to any insurer providing or to provide insurance coverage for or related to the Property.
- Escrow Letter containing instructions to the lender(s) of the Existing Loan(s) as to the application funds held by lender in its escrow account.
- Limited Power of Attorney appointing Buyer as Seller's agent for the purpose of providing for and arranging insurance, making and accounting for mortgage payments, or any other matters that pertain to the Property.

- Seller shall execute an Assignment of Insurance Proceeds in favor of Buyer, which assigns all of Seller's right, title and interest in any insurance proceeds to be paid by any insurer for the Property to Buyer.
- The originals of the documents listed above shall be undated and maintained by the Buyer. Seller authorizes Buyer to ascribe a date on Seller's behalf to the original or any copy of the above documents in order to meet lender requirements.

Buyer, in Buyer's sole and absolute discretion, is authorized to keep and maintain any insurance in place covering the Property upon COE and/or to add Buyer as an additional insured under any existing policy or to secure new or additional insurance in the name of the Seller. Buyer, in Buyer's sole and absolute discretion, may be named as the primary insured, additional insured, additional interest, or loss payee or may choose not to be named on the insurance policies in effect covering the Property after COE.

Seller shall cooperate with Buyer and execute any and all documents Buyer or any insurance company deems necessary for Buyer to be named as primary insured, additional insured, or additional interest on the Property. All insurance proceeds that would otherwise be payable to the Seller for any loss occurring on the Property after COE shall be paid to Buyer and Seller hereby conveys and assigns its rights to such insurance proceeds to Buyer. Seller shall execute any and all checks or documents necessary for the insurance proceeds to be paid to Buyer in the event of a loss related to the Property.

BUYER'S REPRESENTATIONS AND WARRANTIES

In addition to Buyer's representations and warranties in the Contract, Buyer hereby represents, warrants and covenants, with the understanding that Seller is relying on such representations and warranties and that such representations and warranties survive COE, that:

- Buyer is aware of and fully understands the terms of the Contract, this Addendum, and the nature of the transaction contemplated thereby.
- Buyer understands that the Property is being acquired subject to the Seller's Existing Loan(s) secured by one or more deeds of trust/mortgages against the Property. This means that the Existing Loan(s) will **not** be paid off through Buyer's purchase of the Property. The Existing Loan(s) will remain outstanding and the deed(s) of trust/mortgage(s) securing the Existing Loan(s) will remain as liens against the Property.

- Buyer understands, acknowledges and agrees that the deed(s) of trust/mortgage(s) securing the Existing Loan(s) contain due on sale clauses, which allows the lender(s) to call the Existing Loan(s) due upon transfer of the Property by the Seller. Foreclosure proceedings will be initiated in the event the lender(s) invoke the lender(s)' rights under the due on sale clause. Buyer understands, acknowledges, and agrees that in this event, Buyer, in its sole and absolute discretion, will need to assume the Existing Loan(s) through agreement with the lender(s) or servicer(s) of the Existing Loan(s), pay off the Existing Loan(s), sell the Property, convey title to the Property back to Seller, or restructure the transaction to meet lender(s) requirements to avoid losing the Property to foreclosure.

Buyer understands, acknowledges and agrees that, depending upon the requirements of the servicer(s) and lender(s) of the Existing Loans, the servicer(s) or lender(s) may not grant Buyer with access to the loan balance, payment amounts, payment changes, impound account balances or any refunds thereunder.

- Buyer understands, acknowledges and agrees that the servicer(s) and lender(s) of the Existing Loan(s) may refuse to accept casualty insurance policies or endorsements issued for Buyer's protection or naming Buyer as the primary, additional insured, or additional interest and Buyer may be forced to carry and pay for duplicate casualty insurance coverage.

SELLER'S REPRESENTATIONS AND WARRANTIES

In addition to Seller's representations and warranties in the Contract, Seller hereby represents, warrants and covenants, with the understanding that Buyer is relying on such representations and warranties and that such representations and warranties survive COE, that:

- Seller is aware of and fully understands terms of the Contract, this Addendum and the nature of the transaction contemplated thereby.
- Seller understands that the Property is being acquired by Buyer subject to Seller's Existing Loan(s) secured by one or more deeds of trust/mortgages against the Property. This means that the Existing Loan(s) will **not** be paid off through Buyer's purchase of the Property. The Existing Loan(s) will remain outstanding and the deed(s) of trust/mortgage(s) securing the Existing Loan(s) will remain as liens against the Property.
- Seller will not make any statements or engage in any conduct that will cause or is likely to cause any lender(s) for the Existing Loan(s) to initiate foreclosure

proceedings with respect to the Property or to take any action adverse to Buyer or Buyer's ownership of the Property.

- Seller will not make any statements or engage in any conduct that will result or is likely to result in the cancellation of any insurance for or related to the Property.
- In the event the lender(s) for the Existing Loan(s) invokes the due on sale clause, Seller shall hold Buyer harmless for any loss or damages which may occur as a result of lender(s)' foreclosure.
- In the event the lender(s) for the Existing Loan(s) invokes the due on sale clause, Seller shall cooperate with the Buyer in executing any documents (not inconsistent with the Contract and this Addendum) that are necessary to meet the lender(s)' requirements or to restructure the transaction with the same substantive terms as the Contract if such restructuring will meet lender(s)' requirements.
- In the event Seller files for bankruptcy, Seller will reaffirm and execute any and all documents necessary to reaffirm the debt of the Existing Loan(s).
- Both during and after Seller's performance of the Contract, the Seller will, on demand of Buyer, execute and deliver any instrument, furnish any information, and/or perform any other acts reasonably necessary to carry out the provisions of the Contract and this Addendum without undue delay or expense.
- Both during and after Seller's performance of the Contract, Seller shall immediately provide Buyer by both email and U.S. Mail with all notices, statements and communications received by Seller about or related to the Existing Loans.
- Seller shall provide Buyer with the usernames and passwords necessary for Buyer to have online account access for the Existing Loan(s) unless such access will allow Buyer to view or have access to Seller's financial accounts other than the Existing Loan(s).

SELLER DISCLOSURES AND ACKNOWLEDGMENTS

Seller Initials

NO FURTHER OWNERSHIP OR CONTROL. Seller understands, acknowledges, and agrees that upon close of escrow, Seller will no longer own the Property and no further control over the Property. Buyer may sell or lease the Property in any fashion at Buyer's sole option.

Seller Initials

EXISTING LOAN(S) NOT PAID IN FULL. Seller understands, acknowledges, and agrees that the Existing Loan(s) for which Seller is the borrower, will not be paid in full as a result of this transaction.

Seller Initials

DUE ON SALE CLAUSE. Seller understands, acknowledges and agrees that the deed(s) of trust/mortgage(s) securing the Existing Loan(s) contain due on sale clauses, which allows the lender(s) to call the Existing Loan(s) due upon transfer of the Property by Seller to Buyer.

Seller Initials

CONTINUING LIABILITY ON EXISTING LOAN(S). Seller understands, acknowledges, and agrees that no promises have been made by Buyer to Seller that the Existing Loan(s) will be paid off by Buyer through close of escrow and that upon the close of escrow and thereafter, Seller will remain liable on the Existing Loan(s).

Initials

Seller

WRAP-AROUND FINANCING TRANSACTION. This is a wrap-around financing transaction, which means Buyer will pay the Existing Loan(s) according to the terms of the Existing Loan(s) and Seller may pursue foreclosure of the Property if Buyer fails to pay the Existing Loan(s) according to the terms of the Existing Loan(s).

Seller Initials

WRAP-AROUND FINANCING IS NON-RECOURSE. The note delivered by Buyer to Seller for the wrap-around financing is non-recourse, which means Seller may only pursue the foreclosure of the Property if Buyer fails to pay the Existing Loan(s) according to the terms of the Existing Loan(s), Seller may **not** pursue a judgment against Buyer for the amounts stated in the note, and Seller may **not** seek a deficiency judgment against Buyer if the foreclosure of the Property yields an amount insufficient to fully satisfy Buyer's obligations under the note.

Initials

Seller

WRAP-AROUND FINANCING IS NOT DUE ON SALE. Seller understands, acknowledges, and agrees that the note and deed of trust or mortgage delivered by Buyer to Seller for the wrap-around financing will **not** be due on sale, which means Buyer may sell or lease the Property in any fashion at Buyer's sole option.

Seller Initials

NO LONGER DEDUCT MORTGAGE INTEREST. Seller understands, acknowledges, and agrees that Seller cannot deduct mortgage interest paid by Buyer even though Seller may continue to receive a form 1098 for the Existing Loan(s).

Initials

Seller

EVENT OF FORECLOSURE. Seller understands, acknowledges, and agrees that in the event the Existing Loan(s) are not paid by Buyer, the Property and Seller may be subject to foreclosure proceedings by the servicer(s) or lender(s) of the Existing Loan(s) and such proceedings may harm Seller's credit, result in a loss of equity in the Property and subject Seller to a lawsuit for the deficiency (subject to any anti-deficiency laws).

Seller Initials

EXISTING LOAN(S) ON CREDIT REPORT. Seller understands, acknowledges, and agrees that the Existing Loan(s) may continue to appear on Seller's credit report and may impact or effect Seller's ability to obtain other financing or loans.

Seller Initials

VA LOAN ELIGIBILITY MAY BE IMPACTED. If an Existing Loan is a VA loan Seller understands, acknowledges, and agrees that the Existing Loan will **not** be paid off through closing and will remain as a lien against the Property after close of escrow, which may negatively impact Seller's ability to obtain an additional loan through the VA.

Seller Initials

PROPERTY INSURANCE PROCEEDS. Seller understands, acknowledges, and agrees that any insurance proceeds related to any loss on the Property occurring after COE shall be paid to Buyer. Seller shall not be entitled to receive any insurance proceeds for any loss on the Property occurring after COE.

Sellers Initials

ACKNOWLEDGEMENT OF DISCLOSURES. Seller acknowledges and agrees that Seller has reviewed and understands the disclosures made to Seller regarding the "Wrap-Around Financing" and "Subject To" sale of the Property to Buyer, that selling the Property to the Buyer is in Seller's best interest and agrees to be bound by the terms of the Contract and all addendums thereto.

IN WITNESS WHEREOF, Buyer and Seller have executed this Subject to Addendum as of the dates written below.

APPROVED AND ACCEPTED BY SELLER:

SELLER:

Date:

Date:

APPROVED AND ACCEPTED BY
BUYER:

BUYER:

_____Acquisition Global

a(n) VA limited liability company

By: Olga Kamenev

Its: Member

Date:
