

DISCLOSURE /ACKNOWLEDGEMENTS

Regarding Real Estate Transaction

This document serves as an explanation and disclosure regarding The Property located at _____
_____ and concerning its transfer and conveyance from
_____ (Seller) to _____ (Buyer) on
this date named below.

I have been made aware of, understand and agree to the following statements of fact and terms. This document in no way suggests or states that we have completed or promise to complete this transaction or close on the above property before the auction.

- 1) OWNERSHIP OF THE PROPERTY: I am the owner of The Property (or I have an equitable interest in The Property) and am able to contract for its sale and do so freely.
- 2) IN MY BEST INTEREST: I am satisfied with The Agreement and have agreed to sell The Property because it is in my best interest to do so. I realize that I can no longer make the payments on the house and that the Buyer may be accepting the house "subject to" the existing financing. The existing mortgage may stay in owners name until it is paid off or assumed by a future known or unknown purchaser. Furthermore, I realize that the loan may possibly contain a "due on sale" clause and I may be responsible for satisfying the existing principal balance on the note at any time should I sell the house subject to the current loan. Any or all of this agreement may be assigned to another party and may record the conveyance documents him/herself.
- 3) FULLY INFORMED AND NOT CONFUSED: I have signed The Agreement being fully informed and with sufficient understanding of all terms and conditions contained therein. I am not confused about any aspect of The Agreement.
- 4) SATISFIED WITH THE SALES PRICE: I understand I may be selling The Property for less than market value and that the buyer could make a substantial profit, but have chosen to do so because circumstances dictate that an immediate sale, even at a discounted price, is in my best interest. I am satisfied with the sales price I have negotiated. I understand Buyer has negotiated on his own behalf and likewise, I have negotiated on mine. I acknowledge The Agreement has been negotiated fairly and Buyer has not taken advantage of me or my current situation.
- 5) SALE IS FINAL: I understand by signing The Agreement, I have agreed to sell The Property to Buyer and am now bound by the terms and conditions described in The Agreement. I further understand that I cannot change my mind or cancel the contract at some later date, nor can I continue to market The Property to any other buyer.
- 6) NOT A LOAN: I understand The Agreement I have signed is for the outright sale of The Property and is not intended to be a loan of any kind.
- 7) That the mortgage will stay in owners name until it is paid off or assumed by a future known or unknown purchaser.
- 8) That the party named above accepting conveyance has no intentions of assuming said loan and that no promises have been made to owner stating that the loan will be paid off or otherwise assumed or that payments will be made in a timely manner. The party accepting this conveyance has made no promises to pay any back payments, nor guaranteed to remove this property from the perils of foreclosure.

Seller's Initials _____/_____

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- 9) That if the party accepting conveyance is unable to sell the property in a timely fashion, owner understands that any other amounts in arrears may not be paid further to bring the note current and it may yet go into foreclosure.
- 10) That the owner holds the party accepting the conveyance and/or their heirs, assigns, or corporation and trustees or any future acceptor of this conveyance, harmless and blameless from any debt, action, suit, payment or any liability whatsoever that may be associated in any way with this agreement or of notes, deeds of trust or other liens on this property.
- 11) Seller agrees to vacate the property within 1 day of closing. In the event seller does not vacate the property by the above closing date, seller waives the right to any proceeds from the sale of the property. Seller will then be considered a tenant in sufferance giving buyer full rights to evict.
- 12) Property is to be left in neat and clean condition – defined as all debris to be removed from the interior and exterior of the property. In the event that The Property is not left in neat and clean condition, Buyer will have the clean up completed at Sellers expense.
- 13) The purchase of your property may be made possible because your lender/lenders may be willing to accept less than what was owed as a payoff. In some cases (not usually) the lender with whom we negotiate with may require you as the original mortgagor to pay the difference between the original balance owed and the amount of this sale. (Otherwise owed as a deficiency.) In the event this short sale is successful and there is a deficiency judgment, the discount received may become a taxable event to the seller. This may or may not be disclosed or carried out by your lender. We are not disclosing that your lender will require you to pay a deficiency balance, as we do not know. You must contact your lender directly to determine whether a deficiency balance will be required on the remaining unpaid balance.
- 14) If negotiations are successful and we cannot close and consequently the property goes to sale, the Seller(s) agrees to hold harmless and his, her, their, or its agents, servants, successors, heirs, executors, administrators and all other person(s), corporations, firms, associations or partnerships of and for any and all claims, actions, causes of actions, demands, rights, damages, costs, loss of service, expenses and compensations whatsoever, which the undersigned now has/have or which may hereafter accrue on account of or in any way growing out of any and all known and unknown, foreseen and unforeseen.
- 15) If the Lender refuses to honor the approved discount(s) and closing the purchase is not possible, the property could still go to foreclosure. If this occurs the Seller agrees to hold harmless the Buyer, Trustee, or agents.
- 16) The Buyer is a private investor and may also be a licensed real estate agent/broker intending to purchase the property at a discount and sell it for profit. The Seller authorizes the Buyer to immediately market and resell said property through contractual interest or as principle owner and holder of the deed and is not acting in a Real Estate Broker capacity. It is not the intention of the Buyer to defraud, but rather to provide the Seller a more positive outcome than a foreclosure.
- 17) The Seller acknowledges that without the Buyers intervention, the property would be lost at the foreclosure sale. In no way has the Buyer made any shallow promises or guarantees.
- 18) NO PRECLUDING AILMENTS: I have no physical, mental or emotional ailments that preclude me from signing The Agreement.

Seller's Initials _____/_____

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- 19) NOT UNDER THE INFLUENCE: I am not now under the influence of alcohol or any other mind-altering substance, nor am I taking medication that would cloud my judgment or make me unable to think clearly.
- 20) NO OTHER PROMISES: I have not been promised anything other than what is described in The Agreement. There are not any unresolved issues, no side agreements, nor are there other terms not disclosed in The Agreement. I am not under duress and have signed The Agreement of my own free will, without any undue financial pressure. Buyer has in no way pressured me into signing The Agreement.
- 21) LEGAL COUNSEL ADVISED: I acknowledge Buyer has advised me to seek independent legal counsel to review any and all legal or financial documents.
- 22) In the even Buyer is forced to institute legal action to enforce this agreement, Seller will be held responsible for and hereby agrees to pay all legal fees and costs of said action.

TYPES OF FORECLOSURE

Non-Judicial - Non Judicial is used when the loan documents have the power of sale clause

Judicial - Most commonly used when foreclosing on a loan document without the power of sale clause

UNDER THESE DISCLOSURES THE UNDERSIGNED HAS READ THE FOREGOING RELEASE AND FULLY UNDERSTANDS IT. THIS DOCUMENT IS INTENDED TO BE LEGALLY BINDING.

Signed, sealed, and delivered on this _____ day of _____, 20_____, we the owners have set our name and seal.

Seller Signature

Seller Signature

Print Name

Print Name

Social Security Number

Social Security Number

Buyer

STATE OF:

COUNTY OF:

On the _____ day of _____, 20_____,
before me personally appeared _____ to me known
to be the person(s) named herein and who executed the foregoing release and will acknowledge to me
that they have read the foregoing release and understands the contents thereof and that they voluntarily
executed the same.

My term expires: _____

Notary Public