

PURCHASE AGREEMENT – SELLER FINANCING

This Agreement [Check one] Installment Option Contract for Deed Bond for Deed is for property located at:

Address: _____
City: _____ State: _____ Zip: _____

- IF CHECKED, THIS PROPERTY IS BEING SOLD AND PURCHASED IN “AS-IS” CONDITION.
- IF CHECKED, THIS AGREEMENT IS AN ADDENDUM TO PURECHASE AGREEMENT DATED _____
THE PROVISIONS OF THIS AGREEMENT SHALL PREVAIL OVER ANY AGREEMENT TO WHICH IT IS ATTACHED.

CONTRACT SALES PRICE \$ _____
CASH DOWN PAYMENT (-) _____ (amount to be paid at closing)
BALANCE DUE \$ _____ (amount to be financed)

The BALANCE DUE is payable with interest at the rate of _____ % in principal and interest monthly payments of \$ _____ with the final or balloon payment due on (date) _____. (Administrator will pay existing mortgages, if any, out of these funds and the (P&I) difference to Seller, a.k.a. wrap-around.)

EXISTING MORTGAGE(S): (if any)

1st Mortgage Company _____ Balance approximately \$ _____
Monthly payment \$ _____ (P&I) + \$ _____ (T&I)=TOTAL \$ _____
Interest rate: _____ % Fixed Adjustable Next payment due date: _____

2nd Mortgage Company _____ Balance approximately \$ _____
Monthly payment \$ _____ (P&I) + \$ _____ (T&I) = TOTAL \$ _____
Interest rate: _____ % Fixed Adjustable Next payment due date: _____

Seller understands it is Seller’s responsibility to keep mortgages current, even if Purchaser does not pay.

IMPOUND ACCOUNT FOR PROPERTY TAXES AND/OR INSURANCE: (check one)

- None required Purchaser will make monthly escrow payments to Administrator as required.
 - Required by mortgage holder. Mortgage holder escrows flood insurance Yes No
- Is there an HOA Yes No

INSURANCE: Seller will keep improvements insured against loss by fire, hazards included within the term “extended coverage: and any other hazards including floods or flooding. All policies shall be in the owner’s (Seller’s) name and have a standard mortgagee clause with purchaser named as “additional insured.” Purchaser will pay premium for coverage.

ADMINISTRATOR: All payments under this contract shall be made to Administrator.

PAYMENT DUE DATE: The Purchaser’s initial monthly payment is due ON _____ and on the SAME day of each succeeding month. All mortgage payments, including any late fees and escrow shortages due through date of closing, will be paid by Seller.

LATE PAYMENT: 10% late fee will apply after 10 days unless otherwise specified.

CLOSING FEES PAID BY: _____ **CLOSING DATE REQUESTED:** _____
ADDITIONAL PROVISIONS: _____

IT IS CLEARLY UNDERSTOOD AND AGREED THAT SELLER FINANCING AGREEMENT IS NOT A SALE (THE TITLE DOES NOT TRANSFER) BUT ONLY AN AGREEMENT TO CONVEY TITLE TO THE PROPERTY IN THE FUTURE, PROVIDED ALL OF THE OBLIGATIONS ARE MET BY PURCHASER.

PRUCHASER(S)
Date: _____

SELLER(S)
Date: _____

Signed: _____

Signed: _____

INFORMATION AND DOCUMENTS REQUIRED FOR CLOSING

AUTHORIZATION

Address of Property: _____

Mortgage in Name(s) of: _____

First Mortgage Company: _____ Loan# _____

Address: _____ Phone: _____

Second Mortgage Company (if any): _____ Loan# _____

Address: _____ Phone: _____

I/We hereby authorize the release of mortgage information to Escrow Services, Inc.
A photocopy of this authorization will be treated as if it were an original.

Date: _____

Signed: _____ SS# _____

Signed: _____ SS# _____

OWNER/SELLER/S INFORMATION

Name: _____ SS# _____
 First Middle/Maiden Last

Name: _____ SS# _____
 First Middle/Maiden Last

Home Phone: _____ Work No. (his) _____ (hers) _____

Never Married Married Legally Divorced

Mailing Address (after closing): _____

Email Address _____

PURCHASER'S INFORMATION

Name: _____ SS# _____
 First Middle/Maiden Last

Name: _____ SS# _____
 First Middle/Maiden Last

Home Phone: _____ Work No. (his) _____ (hers) _____

Will purchaser occupy property? Yes No

Never Married Married Legally Divorced

Mailing Address (after closing): _____

Email Address _____

Listing Agent/Broker: _____ Phone: _____

Selling Agent/Broker: _____ Phone: _____

Desired Closing Date: _____ Commission (listing): _____ (selling): _____

Insurance Agent: _____ Policy# _____ Phone: _____

The Following Documentation Is Required With This Completed Form:

- | | |
|--|--|
| 1. Purchase Agreement | 4. Mortgage Payment Coupon/Statement |
| 2. All Addendums | 5. \$300.00 Partial Prepayment Closing Fee |
| 3. Authorization (above) signed by Sellers | |

NEED HELP? JUST GIVE US A CALL!

Escrow Services, Inc.

(985) 626-3727 Fax: (985) 778-0940

Email: service@escrowserviceinc.com

INSTRUCITONS FOR SELLER FINANCING AGREEMENTS

BALANCE DUE: This is the amount being financed. Amortize the total balance due from the purchaser by listing the interest rate, the principal and interest (P&I) payment due each month and the date the final balloon payment (unpaid principal balance) is due. Any principal and interest payments due on underlying mortgages are paid out of this P&I payment, hence the term “wrap-around”. The purchaser’s monthly payment will be the P&I payment plus the T&I payment and the Administrator’s service fee. The seller will receive the difference between the purchaser’s P&I payment and the P&I paid to mortgage holders.

EXISTING MORTGAGE(S): All mortgages that will remain on the property after the closing **MUST** be listed. If any lien is to be canceled by the closing agent, details should be stated under Additional Provisions.

IMPOUND ACCOUNT: Mortgage companies usually require an account to accumulate funds for the payment of taxes and insurance. They will not refund overages in the account or reduce the monthly payment until they get good and ready. Neither the closing agent nor Administrator can adjust their payments or change their procedures. Administrator will **NOT** attempt to collect refunds from mortgage companies. If the Seller requires reimbursement of any funds held by the mortgage company, it must be stated on the Addendum and settled at closing with purchaser. If the Mortgage holder does not maintain the impound account, Administrator will, if requested. **It is the responsibility of the purchaser and seller to send the tax and insurance bills to Administrator when due.**

INSURANCE REQUIREMENTS: Bond for Deed, Contract for Deed & Installment Option have *special property insurance requirements* because ownership of property does not transfer and the Owner/Seller must be insured.

If the Owner/Seller has an EXISTING “HOMEOWNER” policy, it should be converted to a “rental dwelling policy” a/k/a extended coverage. If the Homeowner’s policy cannot be converted, a new ”rental dwelling policy” should be provided if possible. “Homeowner” policies issued in the name of the Purchaser are generally not accepted by mortgage companies and may require conversion to a “rental dwelling policy” in the owner’s name. If such a policy is issued the Purchaser should obtain a renter’s policy to provide contents and liability coverage.

If there are **NO MORTGAGES** against the property and with the Owner’s permission, the Purchaser may provide a Homeowner’s policy listing the Seller as the “additional insured: in lieu of the extended coverage policy.

PAYMENT DUE DATE: Make sure that all mortgages are current and a mortgage payment is not skipped. We recommend purchaser’s due date to be 15 days before due date of mortgage, if any. A mortgage payment coming due prior to the first BFD payment is the Seller’s responsibility.

CLOSING DATE: Scheduling your closing during the middle of the month (when the mortgage companies, closing Attorneys and Notaries are not as busy) will allow more time to serve you. If possible, get the signed contract and addendum to us 15 days before the requested closing date. We want to make your closing and servicing error free.



NEED HELP? JUST GIVE US A CALL!

Escrow Services, Inc.

(985) 626-3727 Fax: (985) 778-0940

Email: service@escrowserviceinc.com