

Equity Purchase Agreement

THIS AGREEMENT is made this _____ day of _____, 20____ between the undersigned ("Seller") and _____ and/or assignees ("Buyer") whose business address is _____.

Buyer [does does not] hold an active real estate license issued by the State of California.

In consideration of the covenants and agreements hereinafter contained, Seller agrees to sell and convey to Buyer and Buyer agrees to purchase from Seller, the following real property which is commonly described as:

_____ (Attach legal description as Exhibit "A").

The following personal property is also included in this purchase: _____

_____. Said real and personal property is collectively known as the "Property".

CONSIDERATION. In consideration for said property, Buyer agrees to pay to Seller, as Seller's equity in the Property, the total sum of \$ _____, payable at the time ① Seller delivers to Buyer a properly prepared and executed Grant Deed to the Property (and a Bill of Sale for any personal property included in this sale) and, ② Seller surrenders to Buyer possession of the Property that is vacant, clean and in good condition.

IN NO EVENT SHALL ANY MONEY OR OTHER CONSIDERATION BE TRANSFERRED TO SELLER BY BUYER AT ANY TIME PRIOR TO EXPIRATION OF SELLER'S RIGHT TO CANCEL THIS CONTRACT.

Seller represents that the following are all the unpaid deeds of trusts, liens, and assessments ("Encumbrances"):

1st LIEN \$ _____ payable \$ _____ per month @ _____% Interest (Taxes & Ins.)

2nd LIEN \$ _____ payable \$ _____ per month @ _____% Int. All due _____

3rd LIEN \$ _____ payable \$ _____ per month @ _____% Int. All due _____

Seller represents that said Encumbrances are delinquent in the following amounts: _____

_____. All delinquent payments

that are due as of _____ will be deducted from the NET amount due Seller. Also all taxes, judgments, bonds, assessments, association dues, prepayment penalties, and other liens are to be offset against the NET amount due Seller. Impounds, if any, are to be assigned without charge to the Buyer and any impound shortage will be deducted from the funds due Seller. The fire/casualty insurance policy will be assigned to Buyer without charge.

Buyer shall take title to the Property, subject to all said Encumbrances and amounts past due except: _____

_____. Furthermore, Buyer shall take title subject to all easements, zoning restrictions, and covenants, conditions and restrictions of record.

BUYER'S RESCISSION RIGHT. Buyer shall have the right to rescind this Agreement and receive a refund of all consideration paid to Seller if, within (5) days after receiving a Grant Deed to the Property, Buyer notifies Seller in writing that the principal amounts of, and/or the amounts due or past due on one or more of the Encumbrances, are greater than as represented hereinabove. Said notice shall demand rescission and shall specify the Encumbrance(s) which are not in compliance with the representations made by Seller. Upon receipt of said notice Seller shall immediately cooperate with Buyer to execute all documents and do all things necessary to fully rescind the sale and return the full amount of money and/or other property transferred to Seller in connection with this sale. If Seller shall fail or refuse to cooperate Seller shall be liable for all loss or harm caused by said failure or refusal.

Buyer shall pay all the following, if any: escrow fees, title insurance fees, transfer taxes, recording fees and notary fees whereas Seller agrees to pay for any damages found by termite and roof inspections.

POSSESSION. Possession of the Property shall be transferred to Buyer on _____, 20____. Any and all risk of loss of the Property or any part thereof shall be born by Seller until possession of the Property has passed to Buyer. Any possession, occupancy, or tenancy by the Seller at any time after the Grant Deed has been delivered to Buyer shall be on the following terms. Rent to be paid by Seller to Buyer: \$ _____ per day, month, year, or _____. Seller to vacate Property on or before _____. Seller agrees to pay for any damage done to the Property that is caused by Seller or tenants after the date this contract is signed. Balance of funds due Seller are to be paid after the premises are vacated.

Seller is not entitled to receive any other consideration or thing of value or services from Buyer, in connection with or incident to the sale of the Property to Buyer, except as stated hereinabove and except for the following: _____

APPRAISAL. The Property MUST appraise for a minimum of \$_____. Any amount less than that will be DEDUCTED from Seller's net proceeds.

ATTORNEY'S FEES. In the event any legal or equitable action is brought to enforce the terms of this Agreement, including but not limited to specific performance, or rescission of contract, the prevailing party in such action shall be entitled to collect reasonable attorney's fees, expert witness fees and cost of suit as determined by the court. Said legal or equitable action shall be filed and tried in the county of _____, State of California.

PARTIAL INVALIDITY. The provisions of this Agreement are agreed to severally by the undersigned, and the invalidity or partial invalidity of one or more provisions of this Agreement shall not render the remaining provisions invalid or unenforceable.

BINDING UPON HEIRS, ASSIGNS. This Agreement and all terms hereof, shall be binding on the heirs, devisees, executors, personal representative, conservators, successors, and assigns of the undersigned Buyer and Seller.

WARRANTY OF TITLE. Seller hereby warrants, jointly and severally, that each of the undersigned, as Seller, is the lawful owner of any ownership interest in the Property, and that collectively the Seller has the right and authority to convey said ownership to Buyer. This warranty, and all warranties, terms and conditions hereof, shall survive the delivery and recordation of any deed to Buyer, and the close of any escrow.

CONDITION OF PROPERTY. Seller warrants the Property is free of all defects in its structure and operating systems such as foundations, roof, heating, air cond., plumbing, electrical, gas, sewer, pool, etc. except for the following:

Seller agrees to pay for all damages and repairs found by termite and roof inspectors. Buyer takes the Property subject to the above-disclosed defects. Seller hereby warrants that the Property is free of other defects, as of the delivery date of both the title and possession of the Property to the Buyer.

SALES COMMISSIONS. Seller hereby represents that there is no licensed real estate salesperson or broker representing Seller in any way in connection with this purchase and sale, and Seller agrees to hold Buyer harmless and defend Buyer from any claim to commission in connection with this purchase and sale.

UNCONSCIONABILITY. Seller hereby represents that all negotiations and dealings with Buyer have been and are at arm's length and that no duress or undue influence has been exerted by Buyer over Seller or Seller's family in connection with this purchase. Seller is aware that the Buyer may be purchasing Property for immediate resale.

SELLER'S ACKNOWLEDGMENT. Seller is aware and understands that the present fair market value of the Property probably is higher than the purchase price set forth herein. Seller hereby expressly waives any and all claim to any potential or actual income, profits, or other sums in excess of the above-cited purchase price, which may be realized by Buyer or others as a result of any transaction involving the Property. Seller acknowledges that the purchase price stated herein is fair and equitable and is in the Seller's best interests, and that Seller's decision to sell was not made in reliance on any representations of Buyer which are not expressly contained herein.

NOTICE REQUIRED BY CALIFORNIA LAW

**Until your right to cancel this contract has ended, _____
_____ (Buyer) or anyone working for
_____ (Buyer) CANNOT ask you to
sign or have you sign any deed or any other document.**

You may cancel this contract for the sale of your house without any penalty or obligation at any time before _____ (Date and time of day). See attached NOTICE OF CANCELLATION form for an explanation of this right.

✓ _____ Seller	_____ Date	✓ _____ Seller	_____ Date
✓ _____ Buyer	_____ Date	✓ _____ Buyer	_____ Date