

# Equity Purchase Agreement

0501

THIS AGREEMENT is made this \_\_\_\_\_ day of \_\_\_\_\_ between:

\_\_\_\_\_ (Seller)

and \_\_\_\_\_ and/or assigns ("Buyer")

whose business address is \_\_\_\_\_  \_\_\_\_\_.

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".

**PRESENT FAIR MARKET VALUE.** Determined by current comparables to be approximately \$\_\_\_\_\_

**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's vacant, clean and in good condition. For additional terms and details see attached Addendum "A".

**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 title to be free of any and all liens, encumbrances, easements, restrictions, rights, covenants and conditions of record other than the following:

1st \_\_\_\_\_

2nd \_\_\_\_\_

3rd \_\_\_\_\_

Impounds, if any, and the fire/casualty insurance policy, shall be assigned to the Buyer without charge.

Buyer shall take title to the Property, subject to all said Encumbrances and amounts past due. Furthermore, Buyer understands this Property may have one or more loans that are now in or are nearly in default and that said delinquencies will need to be cured prior to any scheduled Trustee's Sale.

**BUYER'S RESCISSION RIGHT.** This Offer is contingent upon approval of Buyer's attorney or accountant and receipt by Buyer from Seller of a current title report on said Property within seven (7) days of Seller's acceptance hereof.

**ACCESS TO PROPERTY.** Prior to title transfer to Buyer, Seller agrees to provide reasonable access to the premises, during daylight hours, to Buyer and inspectors, appraisers, and all other professionals representing Buyer.

**PHYSICAL POSSESSION.** Title of the Property shall be transferred to Buyer on \_\_\_\_\_. 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. Seller hereby warrants that no other persons live in the premises who claim either a possessory or ownership interest in said premises and that the Property shall be vacated by all inhabitants and keys delivered to Buyer on or before \_\_\_\_\_ (move-out date). Buyer will pay a bonus of \$100 per day for each day Seller moves out prior to the agreed vacate date. Any continued possession, occupancy, or tenancy by the Seller after said date shall call for a holdover penalty to be paid by Seller to Buyer at \$\_\_\_\_\_ per day. 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.

**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.

**MEDIATION OF DISPUTES.** If a dispute arises out of or relates to this Agreement or its breach, by initialing in the "agree" spaces below the parties agree to first try in good faith to settle the dispute by voluntary mediation before resorting to court action.

[ ] [ ] Seller agrees [ ] [ ] Seller does not agree  
[ ] [ ] Buyer agrees [ ] [ ] Buyer does not agree

**VENUE.** 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, said legal or equitable action shall be filed and tried in the County of \_\_\_\_\_, State of California.

**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.

**TIME.** Time is of the essence of the Agreement. The word "days" means calendar days unless otherwise specified.

**WARRANTY OF TITLE.** Seller hereby warrants, jointly and severally, that each of the undersigned, as Seller, has the right and authority to convey said ownership to Buyer. Furthermore, Seller warrants that there are no pending lawsuits or judgments or claims against the property or any person having title interest in same.

**CONDITION OF PROPERTY.** Seller warrants the Property is free of all defects in its structure and operating systems such as foundations, roof, heating, air conditioning, plumbing, electrical, gas, sewer, pool, etc. except for those items listed in Addendum "\_\_\_\_\_".

**RIGHT OF OFFSET.** Buyer may choose to deduct from the total consideration due Seller the amount of any non-disclosed liens or repair of property defects or, in the alternative, cancel this agreement at no expense to 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.

**COUNTERPARTS.** This Agreement may be executed in one or more counterparts, each to be deemed an original.

**HOLD HARMLESS.** Seller agrees to indemnify and hold Buyer harmless for any actual or considered damages or loss that Seller may incur in connection with this transaction and waives all rights and claims to legal or injunctive relief against Buyer.

**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 may be 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 midnight \_\_\_\_\_ (Date and time of day). See  
attached NOTICE OF CANCELLATION form for an explanation of this right.**

✓ \_\_\_\_\_ Date Seller \_\_\_\_\_ Date  
✓ \_\_\_\_\_ Date Buyer \_\_\_\_\_ Date