



**SUBJECT TO:  
CREATIVELY FINANCING**

## Legal Information Is Not the Same as Legal Advice

This book provides information about real estate investing, private money borrowing, lending, and/or brokering. It is designed to help users safely determine their own legal needs. Please understand that legal information is not the same as legal advice. The application of law varies with an individual's specific circumstances. Laws vary from state to state and are in constant change, and although we do everything we can to make sure our information is accurate and useful, we recommend you consult a lawyer if you want professional assurance that this information, and your interpretation of it, is appropriate to your situation.

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## SUBJECT TO: CREATIVELY FINANCING

### What We Will Cover

- Recognize the current housing market opportunity
- Find deals and motivated sellers
- Negotiate the best terms
- Apply subject to and creative financing
- Plan your exit or possession strategies

### Recognizing the Opportunity

#### The Current Housing Market

Existing homes in July were sold at a seasonally-adjusted annual rate of 4.81 million, the lowest level since November 2015 (excluding the market's freeze at the beginning of the pandemic). New-home sales have also dropped, declining to their lowest level in six years. Goldman Sachs projects:

Sharp declines this year in:

- New home sales (22% drop)
- Existing home sales (17% drop)
- Housing GDP (8.9% drop)

Further declines next year in:

- New home sales (another 8% drop)
- Existing home sales (another 14% drop)
- Housing GDP (another 9.2% drop)

“

Real Estate investing, even on a very small scale, remains a tried and true means of building an individual's cash flow and wealth.

”

– Robert Kiyosaki, Businessman and Author



## SUBJECT TO: CREATIVELY FINANCING

### Why Buy and Hold?

The home rental market is booming. The average apartment renter is now earning \$70,000 a year, and wages of renters is rising strongly (3.3%). Combine that with more buyers shut out of the home purchase market, vacancy rates will not be falling in 2022 or 2023, perhaps even for the next 5 years, and the market is stocked with capable and willing-to-pay renters.

For landlords, it looks like the rental market has improved greatly with rent prices rising fast in 2022. National Association of Realtors (NAR) predicts rent prices will rise faster than home prices, at 7.1%. That rise may encourage more house and apartment developments. The millennial cohort is contributing to the generational trend of renting longer.

Some millennials prefer to rent instead of buy, and developers are creating communities of single-family rental homes to meet this growing demand.

For property managers, according to Fortune Business Insights, the global property management market is projected to grow from \$15.10 billion in 2021 to \$28.21 billion in 2028 at a Compound Annual Growth Rate (CAGR) of 9.3% in forecast period.

1. **Cashflow:** The income your property generates on a monthly basis via rent payments.
2. **Leverage:** If you re-invest your cashflow, tax savings, and rent appreciation, your money grows quickly! Your cash-flow properties can provide for new assets, which, in turn, yield more cash flow!
3. **Equity:** This is the share of the property you own. You can gain equity in one of two ways: When your tenants pay your mortgage over 15 or 30 years or when the property appreciates
4. **Tax Savings:** Depreciation is one of the biggest benefits to real estate investing. It can reduce reportable net income and therefore, your taxes.
5. **Rent Appreciation:** While rent appreciation rates vary depending on market conditions and location, it's reasonable to assume that rents will go up each year (especially right now)

Notes:



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### Subject To Overview

Subject to is a creative financing strategy where a buyer can take over mortgage payments of a seller without officially notifying lender. In subject-to deals, the remaining balance of the mortgage—the portion of the loan that the seller still owes—is considered part of the buyer's purchase price.

The seller's debt is counted against the agreed-upon price, since the buyer will now be “subject to” that debt.

#### Subject To Advantages:

- Buy without need to qualify for new loan
- Gives potential to capitalize on equity gains
- As interest rates rise, subject-to deals allow taking advantage of seller's fixed, lower rates from years past (verify mortgage is fixed or ARM. While an ARM can be modified, be aware of distinction and limitations)
- Deal usually happens relatively fast, with no buyer financing on the line

#### Subject To Tools:

- Subject to financing in place
- Seller carry/ financing
- Wrap and Wally Wrap (Texas only)
- Warranty deed
- Deed of trust
- AITD

#### Notes:



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## Subject To Example Property

2324 E Sanson Ave, Spokane, WA  
SFH, 2 Br 1 Ba

The owners had recently purchased the property, and while there were no late payments or fees, there was low equity. The sellers still owed \$222,000 and were very motivated to get out from under the mortgage.



### SendFuse Title Report property characteristics:

PROPERTY CHARACTERISTICS					
Year Built / Effective Year Built:	1951 / 2000	Lot Size:	6250	Number of Units:	0
Bedrooms:	2	Square Feet:	885 / 885	Number of Stories:	1.00
Total Bathrooms:	1.00	Ground Floor Sqft:	885	Garage:	001
Quarter Bath(s) / Half Bath(s) / Partial Bath(s):	0 / 0 / 0	Basement Sqft:	0	Property Type	0
Total Rooms:	4	Fireplace:	0	Use Code:	SINGLE UNIT
Pool:		Building Style:	A0G	Zoning:	
Latitude:	47.706597	Longitude:	-117.375068		

**Subject To Example Property**

**Inspection Report:**



**1.0 Roof Coverings - Inspected, Repair or Replace**

Lower portions of roof penetrations do not appear to be equipped with proper flashings throughout exterior. This may be an indication of multiple layers of roof coverings. Rafters appear to be sagging at areas inside attic. It is important that roof systems are installed properly and roof structural framing members are not overloaded to prevent moisture intrusion and further structural settlement. Recommend licensed roofing/general contractor evaluate roof systems and attic in their entirety and repair/replace as needed.

**1.1 Skylights, Chimneys and Roof Penetrations - Inspected, Repair or Replace**

Masonry chimney appears to have multiple defects outside of home. Mortar appears to be deteriorating on chimney masonry joints. Chimney flue does not appear to be equipped with a rain cap. Chimney/roof transitions do not appear to be equipped with proper flashings. Chimney should be maintained and appropriate flashings should be present to ensure proper functions, prevent moisture/pest infiltration and prevent safety hazards. Recommend licensed chimney specialist evaluate chimney and chimney flashing systems in their entirety and repair as needed.

INSPECTED BY  
Samuel Rea  
Safe Family Home  
Inspections LLC  
935

INSPECTION DATE  
5/25/2022  
01:00 PM



8.0 Item 1 (Picture)



8.0 Item 2 (Picture)





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## Subject To Example Property

The inspection report and the **Dealio.Pro Hammerpoint** rehab estimator indicated \$37,066.44 to bring the property to an ARV of \$280,000. However, we marketed the property as a turnkey rental.

Item	Repair Type	Number of Units	Unit of Measure	Unit Cost	Repair Cost
Exterior - Roof	Roof (rip and replace) - Architectual Shingle	885	Square Feet	\$10.00	\$8,850.00
Exterior - Finish	Vinyl Siding	300	Square Feet	\$5.00	\$1,500.00
Exterior - Masonry	Cap Chimney	1	Each	\$300.00	\$300.00
Interior - Hardwood	Laminate hardwood flooring	200	Square Feet	\$4.60	\$920.00
Interior - Carpet / Vinyl	Carpet	400	Square Feet	\$3.20	\$1,280.00
Interior - Carpet / Vinyl	Vinyl or linoleum flooring	200	Square Feet	\$2.30	\$460.00
Interior - Appliances - (Grouped)	Median Price Home Appliances	1	Each	\$5,175.00	\$5,175.00
Interior - Insulation	Floor insulation	884	Square Feet	\$1.44	\$1,272.96
Interior - Insulation	Attic insulation, blown-in	884	Square Feet	\$0.92	\$813.28
Interior - Doors & Trim	Interior door - prehung hollow-core door	2	Each	\$550.00	\$1,100.00
Interior - Foundation	Repair existing foundation - (\$10k min - get quote)	1	Each	\$7,000.00	\$7,000.00
Mechanicals - HVAC	Replace forced air ductwork only	1	Each	\$2,645.00	\$2,645.00
Mechanicals - HVAC	Service heating & cooling system only	1	Each	\$575.00	\$575.00
Mechanicals - Plumbing	Plumbing work in wet locations with fixtures (not replumbing entire house)	1	Each	\$1,725.00	\$1,725.00
Mechanicals - Electrical	Basic electrical work for house & lighting fixtures (1500 sq. ft. house)	1	Each	\$3,450.00	\$3,450.00
<b>TOTAL REPAIR COSTS</b>					<b>\$37,066.24</b>

### Purchase Price Calculator:

Lee Arnold Team
Purchase Price Calculator

2324 E Sanson Ave Spokane, WA 99217

Is the Property Occupied?	<input type="checkbox"/>	Yes	
Is there a Mortgage Wrap?	<input type="checkbox"/>	No	Total Sq Ft
Commission to LAT on the HUD?	<input type="checkbox"/>	No	885.00
Ernest Money Deposit	<input type="checkbox"/>		Wholesale (Yes or No)
After Repaired Value	325,000		<input type="checkbox"/> No
Mortgage Wrap	<input type="checkbox"/>		Holding Cost for Wholesale (9%/365 x Days Held)
Monthly Mortgage Payments	<input type="checkbox"/>		-
Number of Months to pay Mortgage	<input type="checkbox"/>		Rehab Level
Total Investment (Cash-to-Close + Mortgage Pymts + Mortgage Payoff)	\$ 230,155.25		<input type="checkbox"/> C. Mid-Rehab
Purchase Price (Cash Needed at Closing)	\$ 230,155.25		Rehab (Override)
Closing Costs To Purchase	-		<input type="checkbox"/>
Acquisition Fee (2.4% PP)	2.4%	5,523.73	Borrowing Purchase Funds?
Cost to Evict		5,000.00	<input type="checkbox"/> No
Assignment Fee/Buyer Fee/Finders Fee	<input type="checkbox"/>		Interest Rate
Cost Basis		240,678.98	<input type="checkbox"/>
			Number of Months
			<input type="checkbox"/>
			Loan Amount (PP + Rehab)
			<input type="checkbox"/>
			Interest Expense
			-
			Adjusted Cost Basis
			\$ 271,653.98
			Sale Price
			Override <input type="checkbox"/> ARV
			325,000.00
			Closing Costs to Sale
			<input type="checkbox"/> Washington
			35,750.00
			Net Sale Price (Net Mortgage Payoff)
			289,250.00
			ROI (Goal is 21%)
			17,596.02 <input type="checkbox"/> 6.48%
			Suggested Purchase Price (Range)
			<input type="checkbox"/> 218,242.38



**Subject To Example Property**

**Purchase and Sale Agreement terms:**

Seller warrants the unpaid balance of said obligation is \$222,155.25 as of May 13, 2022, which is payable in regular monthly payments of \$1,299.65, with the total balance due in full on or before the 1 day of July 2051, plus interest at the rate of 3.375% per annum on the declining balance thereof; and a like amount on or before the 1<sup>st</sup> day of each and every month thereafter until paid in full. Purchaser shall make payments directly to the holders of said encumbrances and make no payments to Seller (except for the \$8,000 purchase price paid as described above). Purchaser may elect to make payments in excess of the minimum required payments on the assumed obligations herein, and may prepay such amounts in full in its sole and absolute discretion. Seller warrants that there are no prepayment penalties under the assumed obligations.

**Rentometer Average Rent Report**



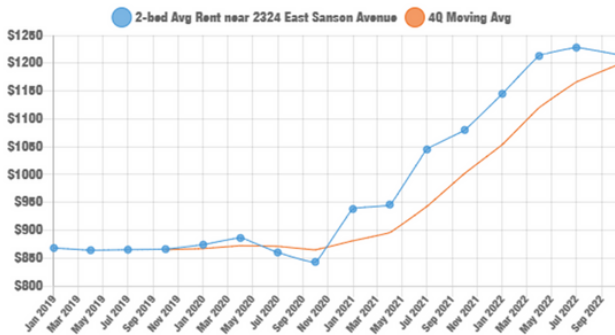
**2324 East Sanson Avenue** Spokane, WA



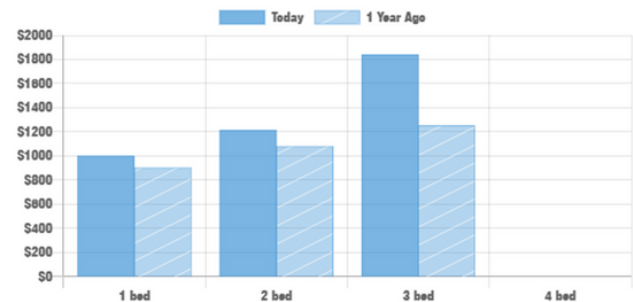
Results based on 25, 2-bedroom, single bath rentals seen within 12 months in a 1.50 mile radius.

AVERAGE	MEDIAN	25 <sup>TH</sup> PERCENTILE	75 <sup>TH</sup> PERCENTILE
\$1,214 ±4%	\$1,295	\$1,050	\$1,379

Historical Trend Line



Average Rent by Bedroom Type



**Subject To Example Property**

Zillow turnkey rental listing



Zillow [Save](#) [Share](#) [More](#)

**\$284,900** 2 bd | 1 ba | 885 sqft

Price cut: \$5K (8/24)  
2324 E Sanson Ave, Spokane, WA 99217

For sale | Zestimate®: \$274,700

Est. payment: \$1,802/mo [Get pre-qualified](#)

[Request a tour](#)  
as early as today at 5:30 pm

[Contact agent](#)

[Overview](#) [Facts and features](#) [Home value](#) [Price and tax](#)

- Residential
- Built in 1951
- Gas hot air furnace
- No data
- 1 Covered parking space
- 6,098 sqft
- \$322 price/sqft
- 3% buyers agency fee

**Overview**

**STYLISH COUNTERS** **DETACHED GARAGE**



**Real Estate Master IIIx\***

For calculating loan amount, payment, term, or interest.

**Important:** use any combination of three of these values to calculate the fourth value.

- To calculate a payment amount (see table below):
- Press Shift key then X key to clear previous calculation
- Enter loan amount using numerical keypad, then press Loan Amt key
- Enter term in years and press Term key
- Enter interest amount and press Int key
- Press Pmt key



\*App can be purchased from your phone's app store

Loan Amt	Pmt	Term	Int
126,383.83	1,300	30	12%

To calculate a loan amount for a different yield (interest rate), *do not clear out previous calculation*. Enter the new interest amount, then press Loan Amt key.

Loan Amt	Pmt	Term	Int
102,811.99	1,300	30	15%

**Practice calculations:**

Loan Amt	Pmt	Term	Int
260,000.00	2,156.00	30	
260,000.00		30	12%
	2,156.00	30	14%



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### Calculating Yield

Yield: The earnings generated and realized on an investment over a particular period of time

Calculations:



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### You as a Buyer

Before you begin looking for properties, sellers, and deals, it is important to determine who you are as a buyer. By answering the following questions, you will put yourself in a stronger negotiating position and recognize when an opportunity is the right one (or the wrong one!) for you. Remember, the most important words to remember are: *unsuccessful people say "I can't" and successful people say "how can I?"*

- What can you afford?
- How much cash do you have?
- How much cash do you have reserved for rehab?
- What is your timeframe?
- Do you have a support team? Who are they?
- Have you set up a legal entity for investing?

Money is attracted to deals, so find the deals! You can afford anything as long as the rate of return is what you want.

Notes:

## Legal Considerations

As you start out, don't get fixated on having your entities (LLC, etc.) ready to go. Just find the deals! When you do get your LLC in your state and your business is gaining momentum, consider having two LLCs: one for acquisition and one for holding.

Notes:

## Searching for Properties

Finding that good property with a motivated seller is your next step, using Dealio.Pro, Craigslist FSBO, Zillow FSBO, Facebook Marketplace, Penny Saver/ Nickel Nick, Driving for Dollars as key resources. Follow the Rule of 56 (see next page) for a marketing strategy.

Use the CASHFLOW/COGO BOX below as a property guide. Remember, the smaller the property, the higher the returns.

# CASHFLOW/COGO BOX





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### The Motivated Seller

Most sellers that agree to a subject to deal are in some sort of distress. They may be behind on their mortgage payments and facing foreclosure. Some need immediate cash due to some personal distress such as sickness. Other reasons include divorce and needing to relocate for job. In these scenarios, a subject to deal can help provide a quick solution to whatever problem they face as subject to deals usually happen relatively fast.

In addition, sellers may be motivated by the possibility of improving their own credit and/or avoiding broker fees.

### RULE OF 56!

Make twenty-five (25) phone calls a week to prospective property sellers.

Send twenty-five (25) marketing pieces a week to prospective property sellers.

Conduct two (2) networking appointments per week.

Write four (4) offers per week on properties that when accepted would be a good investment opportunity.



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Notes:





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### Do Your Due Diligence

Once you find a property with a motivated seller, you need to conduct thorough research, using all the tools you have at your disposal, including Google, Zillow, [SendFuse](#), and [Dealio.Pro](#).

#### Questions that should be answered in your due diligence process:

- Is there a mortgage or free and clear?
- If a mortgage, how much equity?
- Is the seller upside-down or low or no equity?
- Are they behind with late fees?
- If rented, is it currently cashflowing and are leases in place?
- Is the seller motivated?

Based on your answers, create a scope of work to use as a negotiating tool.

#### Information Needed to Determine Purchase Price

- Do you need to evict?
- Is there a mortgage wrap?
- Earnest money deposit
- ARV
- Monthly mortgage payments/ number of months remaining
- Total square feet
- Estimated rehab costs
- Monthly rental rate

#### Estimated annual holding costs:

- Utilities
- Taxes
- Insurance
- Property management
- Repair maintenance



Using a **Buy and Hold Purchase Price Calculator** will simplify the process to help you determine the ROI. **Important:** You must determine your desired ROI in advance to help guide your deal. *If you can't meet your desired ROI, go back to negotiations on the purchase price and/or terms or don't go through with the deal.*



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Notes:



## SUBJECT TO: CREATIVELY FINANCING

### What Does the Seller Want and Need?

To negotiate the best terms for both parties, find out what are the seller's wants and needs. Knowing how to ask the right questions will allow you to "reverse engineer" the deal.

Ask:

- What do you need?
- How much money down do you need?
- How much money per month do you need?

**Note:** Write the offer "subject to inspection" which gives you some negotiating room during the due diligence phase.

The entire negotiating process is straightforward: use Dealio.Pro to find a property, use SendFuse to write and print out the three-tiered offer, have the seller sign the offer, then order the inspection. Your inspection is used to negotiate the price. Remember, the initial offer is not the place to negotiate!

Your job is to provide value to the seller. If you don't, they are unlikely to do business with you.

Notes:



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### Writing Offers

There are no rules for negotiating good deals as long as both the buyer and seller get what they need. Any combination of terms for purchase can work, including:

- All cash
- Some cash down
- No cash down
- Seller financing
- Underlying loan payment only
- Underlying payment with additional
- Balloon term

### Three-Tiered Offer

Starting with the Three-Tiered Offer gives multiple options to the seller. It is a strong **starting place for beginning negotiations** because if the seller is motivated, at least one of the deal terms will help propel the deal forward. The Three-Tiered Offer is comprised of three different terms that you can "play" with:

1. All cash (low ball, around 50% of fair market value (FMV))
2. Seller carry (15% cash down with financing 65% FMV at lower rate, balloon payment)
3. Seller financing (no cash down with financing 80% FMV at higher rate, balloon payment)

**Option #1:** Buyer to pay all cash and close within 14 days of acceptance at any time before the expiration of the contract dated 05/05/2022

**Purchase price to be \$340,000 CASH**

**Option #2: Purchase price to be \$415,000**

Buyer to pay \$105,000 down plus \$500 in earnest money, Seller to Carry 1<sup>st</sup> mortgage in the amount of \$310,000 at 2% Fully amortizing for 30 years with monthly payments in the amount of \$1,145.00/month and a 5 year balloon, 60 payments of \$1,145.00 x 60 = \$68,700.00 with a balloon payment of \$270,385.27. **Total revenue after 5 years of payments \$444,085.27.**

**Option #3: Purchase price to be \$466,000**

Buyer to pay \$0 down, Seller Carry 1<sup>st</sup> Mortgage in the amount of \$466,000 at 6% fully amortizing, with monthly payments in the amount of \$2,793.00 Per month and a 5 year balloon of \$433,696.48. 60 Payments \$2,793.00 = \$167,580.00. **Total revenue after 5 years is \$601,276.48.**



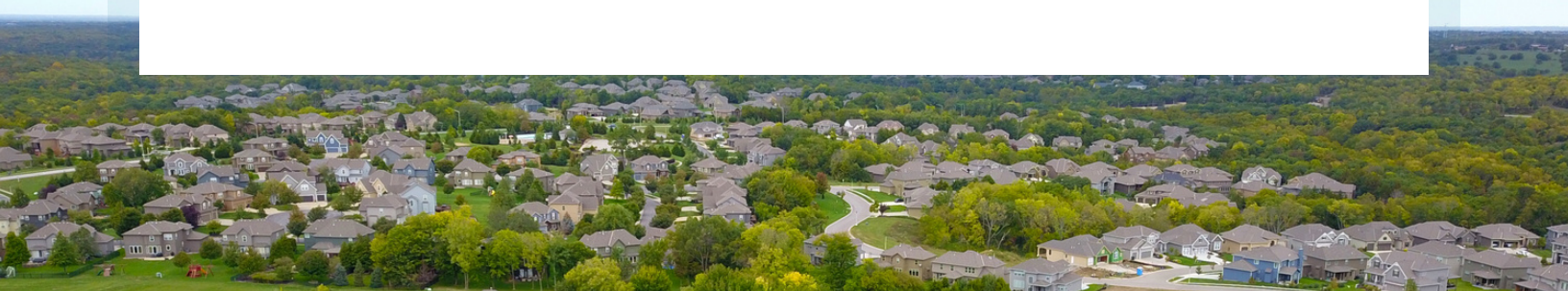
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### Cash on Cash Return

#### Cash on Cash Return:

A rate of return often used in real estate transactions that calculates the cash income earned on the cash invested in a property.

#### Calculations:





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### Companies That May Be Involved

- Title/ escrow
- Lending company
- Insurance company
- Property inspector
- Real estate attorney
- Real estate agent

### Must Do's

- Inspections
- Title insurance
- Scope of work, if rehab is needed

### CashFlow

You have a variety of options for your exit/ possession strategy on a property, depending on your investment goals. You can:

- Sell retail
- 2nd seller carry (sandwich)
- Sell with a lease purchase
- Reinvest the cash in your next deal

**Note:** Include in your support team a great accountant to assist you with resolving investment tax concerns.

Notes:



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### What's Next?

Now that you have the knowledge, resources, and tools available to find, negotiate, and purchase a subject to property, take some time to plan out your next steps.

### Things To Do After This Masterclass

#### Suggestions:

- Decide what kind of property I would like to invest in.
- Research sources listed in "Searching for Properties" section for FSBO properties in my market.
- Send offers through [SendFuse](#) to homeowners that fit my criteria.

#### My ideas:



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Notes:

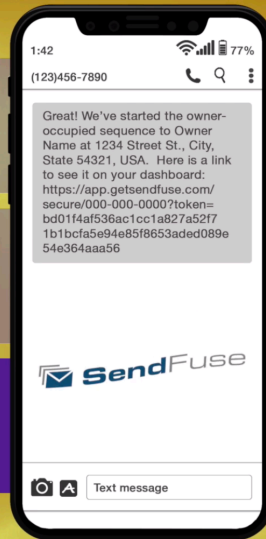


## Just Follow the Prompts

Text 'Research' (and the property address) to SendFuse and get the details about the property — size, last sold price, owner, and more. (example: 'Research 1121 W Mullan St., Peoria, IL 61820')

Text 'Title' (and the property address) to SendFuse and get a full title report, included where available, secured loans, comparables, and most everything you need to make an informed decision. (example: 'Title to 1121 W Mullan St., Peoria, IL 61820')

Text 'Send Mail To' (and the property address) to SendFuse and start sending postcards from you to the owner offering to buy the property. (example: 'Send Mail to 1121 W Mullan St., Peoria, IL 61820')



**WORKS ON ANY PHONE THAT CAN SEND AND RECEIVE TEXT MESSAGES**

## **SendFuse is the Rule of 56 DONE FOR YOU!**

### **Drive for Dollars**

Drive around your investing area — or any area! When you see a property you want more information on, send a text message to the phone number provided when you enroll.

*'Research 1121 W Mullan St., Peoria, IL 61820'*

### **Need info about existing loans/title?**

From texting *research* you found out the property is owner occupied. Great! But does the owner want to sell? Text *Title* and get the loan and status you need to decide whether an offer is appropriate. An email with a multi-page report, complete with comps, will be emailed to your email address on file."

*'Title for 1121 W Mullan St., Peoria, IL 61820'*

### **Start the marketing ball rolling**

Things are looking interesting: you know it is owner occupied and the title report informed you that the home is currently in foreclosure. But knocking on the door? That might be a bit scary! So you text *Send Mail* and a series of 8 postcards are mailed to the owner telling him or her that you are ready to buy — IN CASH!

*'Send Mail 1121 W Mullan St., Peoria, IL 61820'*

SendFuse is a subscription based product with a \$50/month subscription fee which includes 200 FuseCoins™. FuseCoins™ do not expire. Your initial license payment includes the first month's subscription. Monthly billing at \$50/month starts 30 days after enrolling.

It's all via text message.

When you signup, you'll receive a text message to the phone number you signed up with.

A subscription based platform with credits that only expire when you use them

**It's as easy as typing in the following requests:**

- To send mail, type "Send mail for [Insert property address]"
- To pull basic property info, type "Research [Insert property address]"
- To pull a full title report, type "Title report for [Insert property address]"

**Your SendFuse bot will intuitively talk you through everything to make sure you don't mess anything up. That means you can give it to birddogs and they can't mess up either!**



Secured Investment Corp  
701 E. Front Ave., 2nd Floor, Coeur d'Alene ID 83814  
© 2019

800-341-9918  
support@getsendfuse.com  
getsendfuse.com







Monday, Oct 10, 2022

RE: Proof of funds letter for 3221 N Thor St, Spokane, WA 99217, USA

To Whom It May Concern:

Please be advised that the purpose of this letter is to validate that, subject to final underwriting and a satisfactory appraisal, Secured Investment High Yield Fund II LLC will provide funds to **Jessica Nicholson** in the amount of up to **\$155,935** to purchase real property generally located at **3221 N Thor St, Spokane, WA 99217, USA**. Please be further advised that this letter expires **Wednesday, Oct 26, 2022**.

Feel free to contact me, or your designated loan officer at the phone number listed below if you have any further questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Jaclyn Olsen", written over a light blue horizontal line.

Jaclyn Olsen  
Chief Financial Officer  
Phone - (800) 473-6051  
Fax - (888) 897-0237  
www.cogocapital.com

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**COGO Capital, 701 E. Front Ave. 2 nd Floor, Coeur d'Alene, ID 83814 Toll Free: (800) 473-6051**

Not available where prohibited by law, or in states where Cogo Capital does not trade. Loans are available only on non-owner-occupied real property. NMLS #1760709; Arizona Mortgage Broker License #0950084; California Finance Lenders License 60DBO-101344. Loans also are available in California through Cogo Capital Orange County, Inc. - California BRE License #01928542; NMLS #1051036.

**\*This is not a guarantee for financing. Subject to submitting a completed and fully executed contract to purchase a residential, non-owner-occupied property, a satisfactory appraisal and final underwriting.**

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## REAL ESTATE SIMPLIFIED. WORK SMARTER.

Dealio.Pro is designed to guide you through each step of the real estate investing process. We start with lead generation and lead management, take you through the process of deal analysis and acquisition, then guide you through the steps to wholesale, rehab, and sell your properties. Dealio.Pro includes all the state-of-the-art tools real estate investors need to do business in one intuitive platform.

### Here are some of our users' favorites...

#### CONTACT MANAGEMENT:

Manage all your contacts and build organized lists for Buyers, Sellers, Lenders, Renters, and General Contacts.

#### LEADPIPES:

Fresh leads are delivered directly to each Dealio.Pro account as they become available.

#### WEBSITES:

Create your own website with over 600 different combinations of mobile optimized designs and pre-written content packs. No HTML required!

#### AUTOMATED DIRECT MAIL SYSTEM:

Customize direct mail campaigns and set them on autopilot in minutes.

#### MOBY:

Our mobile marketing system includes SMS Text Messaging, Voice Broadcasting, and a 24/7 On Demand Voice Mailbox System.

#### CRM:

Gather property and seller info, pull comps 24/7, streamline tasks, synch calendars, track and store all business docs, and follow a clear path for each deal from beginning to end.

#### HAMMERPOINT:

Create quick repair estimates or complete rehab plans, including labor and material costs and SKU's.

#### PAPERLESS OFFICE:

Save valuable time and energy on every deal using the Auto-Fill Paperwork tool.

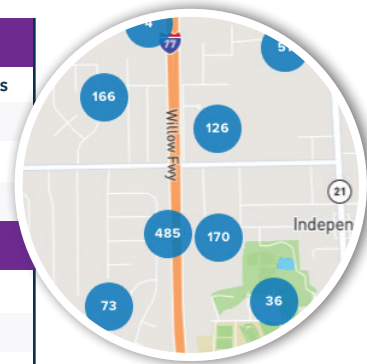
#### POWER LINKING:

"Link" and "Share" your deals between real estate agents, attorneys, title companies, and other investors.



35+ apps and over 150,000 users

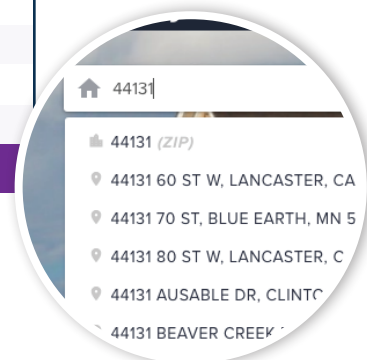
LEAD GENERATION	
Nationwide Leadpipes	Standard Lead Types
Automated Direct Mail System	✓
Websites / Squeeze Pages	✓
Marketing Library	✓
LEAD & BUSINESS MANAGEMENT	
CRM (Customer Relationship Mgt) Database	✓
Email Marketing	✓
Pre-Written Auto Responders	✓
Paperless Office	✓
Short Sale Manager	✓
Calendar	✓
Task Manager	✓
Cloud File Storage	✓
Power Linking	✓
DEAL ANALYSIS & ACQUISITIONS	
Property Comps	✓
Deal Analyzer	✓
Hammerpoint Repair Estimator	✓
Hammerpoint Rehab Planner	✓
SELLING PROPERTIES	
Power Matching	✓
Moby Mobile Marketing Platform	✓



LEADS



DIRECT MAIL



PUBLIC INFO SEARCH

All plans include Email, Phone, and Live Chat support, as well as comprehensive training.

# FREQUENTLY ASKED QUESTIONS

## How do I know I am ready for Dealio.Pro?

(If one or more of these apply, Dealio.Pro is right for you!)

- You're an active investor
- You need buyer and seller leads
- You don't have a full time marketing assistant
- You need to spend less time on each deal
- You want to better project your profit on each transaction
- You don't want to use 8 different tools to manage your business

## What are your direct mail costs?

Postcards:

- 4 x 6 - .35/ea
- 6 x 9 - .59/ea
- 6 x 11 - .65/ea

Letters

- Handwritten = .79/ea
- Personally Penned = 1.69/ea

-First class postage included

## What kinds of leads can I access in Dealio.Pro?

### Standard Lead Types

- Absentee Owners
- Free and Clear
- High Equity
- Low Equity
- Upside Down
- Cash Buyers
- Private Lenders
- Pre-Foreclosure

\*Purchase credits for this lead type

### Leadpipes Premium

- Active Listing
- Bored Investor
- Foreclosures
- Long Term Owner
- Potentially Inherited
- Vacancy
- Zombie Property
- Bankruptcies
- Renters

If you have any questions or need assistance with setting up your account or kickstarting your business using Dealio.Pro, please contact us at [support@Dealio.Pro](mailto:support@Dealio.Pro)



**REAL ESTATE PURCHASE AND SALE AGREEMENT**

**THIS AGREEMENT** made this \_\_\_\_ day \_\_\_\_\_ 20\_\_\_\_, by of and between \_\_\_\_\_, "Seller" of \_\_\_\_\_, whose phone number is \_\_\_\_\_ and whose mailing address on the property profile is \_\_\_\_\_ and \_\_\_\_\_, "Buyer", whose phone number is \_\_\_\_\_, hereby agree that the Seller shall sell and Buyer shall buy the property located at: \_\_\_\_\_

**I. DESCRIPTION:**

- a) Legal description of real estate ("Property") located in \_\_\_\_\_ County, State of \_\_\_\_\_.
- b) Street address, if any, of the Property being conveyed is: \_\_\_\_\_
- c) Personal property including all buildings and improvements on the property and all right, title and interest of Seller in and to adjacent streets, roads, alleys and rights-of-way, and: \_\_\_\_\_

**II. PURCHASE PRICE: See Addendum #1**

PAYMENT:

- a) Cash Deposit(s) to be held in escrow at \_\_\_\_\_ the amount of \_\_\_\_\_ to be deposited within 3 days of settlement.
- b) Subject to assumption of Mortgage in favor of \_\_\_\_\_ bearing interest at \_\_\_\_\_% per annum and payable as to principal and interest at \$ \_\_\_\_\_ per month, having an approximate present principal balance of \$ \_\_\_\_\_.
- c) Purchase money mortgage and note bearing interest at \_\_\_\_\_ % on terms set forth herein below, in the principal amount of \$ \_\_\_\_\_.
- d) Balance to close, (U.S. Cash, certified or cashier's check) subject to adjustments and perorations: **See Addendum #1**

TOTAL: See Addendum #1

**II.FINANCING:** If the purchase price or any part thereof is to be financed by a third-party loan, this Contract for Sale and Purchase ("Contract"), is conditioned upon the Buyer obtaining a firm commitment for said loan within any time before the scheduled closing.

**IV. TITLE EVIDENCE:** Within five 5 days from the date of Contract, Seller shall, at his expense, deliver to Buyer or his attorney, in accordance with Paragraph XI, a commitment for title insurance with fee owner's title policy premium to be paid by Seller at closing.

**V. TIME FOR ACCEPTANCE AND EFFECTIVE DATE:** If this offer is not executed by both parties hereto on or before \_\_\_\_\_, on \_\_\_\_\_, the aforesaid deposit(s) shall be, at the option of the Buyer, returned to him and this offer shall thereafter be null and void. The date of Contract ("Effective Date") shall be the date when the last one of the Seller and Buyer has signed this offer.

**VI. CLOSING DATE:** This transaction shall be closed and the deed and other closing papers delivered on the chosen day of the month subject to Addendum #1.

Buyers Initials: \_\_\_\_\_ Date: \_\_\_\_\_

Sellers Initials: \_\_\_\_\_ Date: \_\_\_\_\_

**VII. RESTRICTIONS, EASEMENTS, LIMITATIONS:** The Buyer shall take title subject only to:

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

**VIII. OCCUPANCY:** Seller represents that \_\_\_\_\_ tenants currently occupying the property.

**IX. ASSIGNABILITY:** Buyer may assign this Contract at any time, prior to settlement.

**X. TYPEWRITTEN OR HANDWRITTEN PROVISIONS:** Typewritten or handwritten provisions inserted herein or attached hereto as Addenda shall control all printed provisions in conflict therewith as long as they have been initialed and dated by both parties, prior to settlement.

**XI. EVIDENCE OF TITLE:** Within five (5) days from the date hereof, Seller, at Seller's sole cost and expense, shall cause a title insurance company mutually acceptable to the Parties ("Title Company") to issue and deliver to Buyer an ALTA Form B title commitment ("Title Commitment") accompanied by one copy of all documents affecting the Property, and which constitute exceptions to the Title Commitment. Buyer shall give Seller written notice on or before twenty (20) days from the date of receipt of the Title Commitment, if the condition of title as set forth in such Title Commitment and survey is not satisfactory in Buyer's sole discretion. In the event that the condition of title is not acceptable, Buyer shall state which exceptions to the Title Commitment are unacceptable. Seller shall, at its sole cost and expense promptly undertake and use its best efforts to eliminate or modify all unacceptable matters to the reasonable satisfaction of Buyer. In the event Seller is unable with the exercise of due diligence to satisfy said objections within thirty (30) days after said notice, Buyer may, at its option: (i) extend the time period for Seller to satisfy said objections, (ii) accept title subject to the objections raised by Buyer, without an adjustment in the purchase price, in which event said objections shall be deemed to be waived for all purposes, or (iii) rescind this Agreement, whereupon the deposit described herein shall be returned to Buyer and this Agreement shall be of no further force and effect.

**XII. EXISTING MORTGAGES TO BE ASSUMED:** \_\_\_\_\_

**XIII. PURCHASE MONEY MORTGAGES:** See Addendum #1

**XIV. CURRENT SURVEY:** Prior to Closing, buyer may, at his or her sole expense purchase and require a property inspection by a licensed property inspection company.

**XV. TERMITES:** \_\_\_\_\_

**XVI. INGRESS AND EGRESS:** Seller warrants that there is ingress and egress to the Property sufficient for the intended use as described in Paragraph VII hereof of the title to which is in accordance with Paragraph XI above.

**XVII. Leases:** \_\_\_\_\_

**XVIII. LIENS:** To be verified by title insurance company.

**XIX. PLACE OF CLOSING:** \_\_\_\_\_

**XX. TIME:** Offer Valid Until \_\_\_\_\_, on \_\_\_\_\_.

**XXI. DOCUMENTS FOR CLOSING:** To be drawn by closing agent.

**XXII. EXPENSES:** Buyer will be responsible for buyer's side expenses and seller will be responsible for customary seller side closing expenses except as stated on purchase option.

Buyers Initials: \_\_\_\_\_ Date: \_\_\_\_\_

Sellers Initials: \_\_\_\_\_ Date: \_\_\_\_\_



**XXIII. PRORATION OF TAXES:** Taxes for the year of the closing shall be prorated to the date of closing. If the closing shall occur before the tax rate is fixed for the then current year, the apportionment of taxes shall be upon the basis of the tax rate of the preceding year applied to the latest assessed valuation. Subsequent to the closing, when the tax rate is fixed for the year in which the closing occurs, Seller and Buyer agree to adjust the proration's of taxes and, if necessary, to refund or pay, as the case may be, an amount necessary to affect such adjustments. This provision shall survive closing.

**XXIV. PERSONAL PROPERTY INSPECTION, REPAIR:** Seller warrants that all major appliances, heating, cooling, electrical, plumbing systems, and machinery are

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condition as of six (6) days prior to closing. Buyer may, at his expense, have inspections made of said items by licensed persons dealing in the repair and maintenance thereof, and shall report in writing to Seller such items as found not in working condition prior to taking of possession thereof, or six (6) days prior to closing, whichever is first. Unless Buyer reports failures within said period, he shall be deemed to have waived Seller's warranty as to failures not reported. Valid reported failures shall be corrected at Seller's cost with funds therefore escrowed at closing. Seller agrees to provide access for inspection upon reasonable notice.

**XXV. RISK OF LOSS:** If the improvements are damaged by fire or other casualty prior to closing, and the costs of restoring same does not exceed 3% of the assessed valuation of the improvements so damaged, cost of restoration shall be an obligation of the Seller and closing shall proceed pursuant to the terms of Contract with costs therefor escrowed at closing. In the event the cost of repair or restoration exceeds 3% of the assessed valuation of the improvements so damaged, Buyer shall have the option of either taking the Property as is, together with either the said 3% or any insurance proceeds payable by virtue of such loss or damage, or of canceling the Contract and receiving return of deposit(s) made hereunder.

**XXVI. MAINTENANCE:** Notwithstanding the provisions of Paragraph XXIV, between Effective Date and Closing Date, all personal property on the premises and real property, including lawn, shrubbery and pool, if any, shall be maintained by Seller in the condition they existed as of Effective Date, ordinary wear and tear excepted, and Buyer or Buyer's designee will be permitted access for inspection prior to closing in order to confirm compliance with this standard.

**XXVII. PROCEEDS OF SALE AND CLOSING PROCEDURE:** The deed shall be recorded upon clearance of funds and evidence of title continued at Buyer's expense, to show title in Buyer, without any encumbrances or change which would render Seller's title unmarketable from the date of the last evidence, and the cash proceeds of sale shall be held in escrow by Seller's attorney or by such other escrow agent as may be mutually agreed upon for a period of no longer than five (5) days from and after closing date. If Seller's title is rendered unmarketable, Buyer shall within said five (5) day period, notify Seller in writing of the defect and Seller shall have thirty (30) days from date of receipt of such notification to cure said defect. In the event Seller fails to timely cure said defect, all monies paid hereunder shall, upon written demand therefor and within five (5) days thereafter, be returned to Buyer and, simultaneously with such repayment, Buyer shall vacate the Property and convey same to the Seller by special warranty deed. In the event Buyer fails to make timely demand for refund, he shall take title as is, waiving all rights against Seller as to such intervening defect except as may be available to Buyer by virtue of warranties, if any, contained in deed.

**XXVIII. ESCROW:** Any escrow agent receiving funds is authorized and agrees by acceptance thereof to promptly deposit and to hold same in escrow and to disburse same subject to clearance thereof in accordance with terms and conditions of Contract. Failure of clearance of funds shall not excuse performance by the Buyer.

**XXIX. ATTORNEY FEES AND COSTS:** In connection with any litigation including appellate proceedings arising out of this Contract, the prevailing party shall be entitled to recover reasonable attorney's fees and costs.

**XXX. (a) DEFAULT BY SELLER:** In the event that Seller should fail to consummate the transaction contemplated herein for any reason, except Buyer's default; (i) Buyer may enforce specific performance of this Agreement in a court of competent jurisdiction and in such action shall have the right to recover damages suffered by Buyer by reason of the delay in the acquisition of the Property, or (ii) may bring suit for damages for breach of this Agreement, in which event, the deposit made hereunder shall be forthwith returned to Buyer, or (iii) declare a default, demand and receive the return of the deposit. All rights, powers, options or remedies afforded to Buyer either hereunder or by law shall be cumulative

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Buyers Initials: \_\_\_\_\_ Date: \_\_\_\_\_

Sellers Initials: \_\_\_\_\_ Date: \_\_\_\_\_

and not alternative and the exercise of one right, power, option or remedy shall not bar other rights, powers, options or remedies allowed herein or by law.

**XXX. (b) DEFAULT BY BUYER:** In the event Buyer should fail to consummate the transaction contemplated herein for any reason, except default by Seller or the failure of Seller to satisfy any of the conditions to Buyer's obligations, as set forth herein, Seller shall be entitled to retain the earnest money deposit, such sum being agreed upon as liquidated damages for the failure of Buyer to perform the duties and obligations imposed upon it by the terms and provisions of this Agreement and because of the difficulty, inconvenience and uncertainty of ascertaining actual damages, and no other damages, rights or remedies shall in any case be collectible, enforceable or available to Seller other than as provided in this Section, and Seller agrees to accept and take said deposit as Seller's total damages and relief hereunder in such event.

**XXXI. MEMORANDUM OF CONTRACT RECORDABLE, PERSONS BOUND AND NOTICE:** Upon the expiration of the inspection period described in paragraph XXXVI, if Buyer has elected to proceed with purchase of the property, the parties shall cause to be recorded, at Buyer's option and expense, in the public records of the county in which the property is located, an executed Memorandum of Contract as attached hereto. This Contract shall bind and inure to the benefit of the Parties hereto and their successors in interest. Whenever the context permits, singular shall include plural and one gender shall include all. Notice given by or to the attorney for either party shall be as effective as if given by or to said party.

**XXXII. PRORATIONS AND INSURANCE:** Taxes, assessments, rent, interest, insurance and other expenses and revenue of the Property shall be prorated as of date of closing. Buyer shall have the option of taking over any existing policies of insurance on the Property, if assumable, in which event premiums shall be prorated. The cash at closing shall be increased or decreased as may be required by said proration's. All references in Contract to prorations as of date of closing will be deemed "date of occupancy" if occupancy occurs prior to closing, unless otherwise provided for herein.

**XXXIII. CONVEYANCE:** Seller shall convey title to the Property by statutory warranty deed subject only to matters contained in Paragraph VII hereof and those otherwise accepted by Buyer. Personal property shall, at the request of Buyer, be conveyed by an absolute bill of sale with warranty of title, subject to such liens as may be otherwise provided for herein.

**XXXIV. UTILITIES:** Seller shall, at no expense to Seller, actively work with Buyer to assist Buyer in obtaining electricity, water, sewage, storm drainage, and other utility services for development of the Property.

**XXXV. ENGINEERING PLANS AND STUDIES:** Upon the execution hereof, Seller shall furnish to Buyer all engineering plans, drawings, surveys, artist's renderings and economic and financial studies which Seller has, if any, relating to the Property, and all such information may be used by Buyer in such manner as it desires; provided that in the event Buyer fails to purchase the Property for any reason other than Seller's default, all such information shall be returned to Seller together with any information that Purchaser may have compiled with respect to the Property.

**XXXVI. INSPECTION OF PROPERTY:** Inspection by Licensed property inspection at any time prior to settlement with 48-hour notice to seller and seller's tenants. See **Inspection Addendum to Purchase and Sale Agreement**.

**XXXVII. PENDING LITIGATION:** Seller warrants and represents that there are no legal actions, suits or other legal or administrative proceedings, including cases, pending or threatened or similar proceedings affecting the Property or any portion thereof, nor has Seller knowledge that any such action is presently contemplated which might or does affect the conveyance contemplated hereunder.

**XXXVIII. SURVIVAL OF REPRESENTATIONS AND WARRANTIES:** The representations and warranties set forth in this Contract shall be continuing and shall be true and correct on and as of the closing date with the same force and effect as if made at that time, and all of such representations and warranties shall survive the closing and shall not be affected by any investigation, verification or approval by any party hereto or by anyone on behalf of any party hereto.

**XXXIX. ACQUIRING APPROVALS:**

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

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Buyers Initials: \_\_\_\_\_ Date: \_\_\_\_\_

Sellers Initials: \_\_\_\_\_ Date: \_\_\_\_\_

**XL. OTHER AGREEMENTS:** No prior or present agreements or representations shall be binding upon any of the Parties hereto unless incorporated in this Contract. No modification or change in this Contract shall be valid or binding upon the Parties unless in writing, executed by the Parties to be bound thereby.

**XLI. SPECIAL CLAUSES: See Addendum #1**

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Executed by Seller(s) on: \_\_\_\_\_

\_\_\_\_\_  
Signature of Seller

\_\_\_\_\_  
Name of Seller (Printed)

\_\_\_\_\_  
Signature of Seller

\_\_\_\_\_  
Name of Seller (Printed)

Executed by Buyer(s) on: \_\_\_\_\_

\_\_\_\_\_  
Signature of Buyer

\_\_\_\_\_  
Name of Buyer (Printed)

\_\_\_\_\_  
Signature of Buyer

\_\_\_\_\_  
Name of Buyer (Printed)

Buyers Initials: \_\_\_\_\_ Date: \_\_\_\_\_

Sellers Initials: \_\_\_\_\_ Date: \_\_\_\_\_

## Inspection Addendum to Purchase and Sale Agreement

1. a. INSPECTION CONTINGENCY.

(I) Inspection. This agreement is conditioned on Buyer's subjective satisfaction with inspections of the Property and the improvements on the Property. Buyers' inspections may include, at Buyer's option and without limitation, the structural, mechanical, and general condition of the improvements to the Property, compliance with building and zoning codes and inspection of the Property of hazardous materials, a pest inspection, and a soil/stability inspection. The inspection must be performed by Buyer of a person licensed (or exempt from licensing) under Chapter 18.280 RCW.

(II) Sewer Inspection. Buyers' inspection of the Property may; may not (may, if not checked) include an inspection of the sewer system which may include a sewer line video inspection and assessment and may require the inspector to remove toilets or other fixtures to access the sewer line.

(III) Buyers Obligation. All inspections are to be (a) ordered by Buyer, (b) performed by Inspectors of Buyer's choice, and (c) completed at Buyer's expense. Buyer shall not alter the Property or any improvements on the Property without first obtaining Seller's permission. Buyer is solely responsible for interviewing and selecting all inspectors. Buyer shall restore the Property and all improvements on the Property to the same condition they were in prior to the inspection. Buyer shall be responsible for all damages resulting from any inspection of the Property performed on Buyer's behalf.

(IV) Buyers Notice. This inspection contingency shall conclusively be deemed waived UNLESS within \_\_\_\_\_ (3 days if not filled in) of the SETTLEMENT DATE (the "Initial Inspection Period"), Buyer gives notice (1) approving the inspection and waiving this contingency; (2) disapproving the inspection and terminating the Agreement; (3) that Buyer will conduct additional inspections; or (4) proposing repairs to the property or modifications to the Agreement. If Buyer disapproves the inspection and terminates the Agreement, the Earnest Money shall be refunded to Buyer. If Buyer proposes repairs to the property or modifications to the Agreement, including adjustments to the purchase price or credits for repairs to be performed after closing, the parties shall negotiate as set forth in paragraph 1.c., below.

(V) ATTENTION BUYER: If Buyer fails to give timely notice, then this inspection contingency shall be deemed waived, and seller shall not be obligated to make any repairs or modifications. Buyer shall not provide the inspection report, or portions of the report, to Seller, unless Seller requests otherwise or as required by paragraph 1.b.

b. ADDITIONAL INSPECTIONS. If an inspector so recommends, Buyer may obtain further evaluation of any item by a specialist at Buyer's option and expense if, on or before the Initial Inspection Period, Buyer provides seller a copy of the inspector's recommendation and notice that Buyer will seek additional inspections. If Buyer gives timely notice of additional inspections, Buyer shall have \_\_\_\_\_ (5 days if not filled in) after giving the notice to obtain the additional inspection(s) by a specialist.

c. BUYER'S REQUESTS FOR REPAIRS OR MODIFICATIONS. If Buyer requests repairs or modifications under paragraph 1.a. or 1.b., the parties shall negotiate as set forth in this paragraph. Buyers initial request and Seller's response made in accordance with the following procedures are irrevocable for the time period provided.

(I) Seller's Response to Request for Repairs or Modifications. Seller shall have \_\_\_\_\_ (3 days if not filled in) after receipt of Buyer's request for repairs or modifications to give notice that Seller (a) agrees to the repairs or modifications proposed by Buyer; (b) agrees to some of the repairs or modifications proposed by Buyer; (c) rejects all repairs or modifications proposed by Buyer; or (d) offers different or additional repairs or modifications. If seller agrees to the terms of Buyer's request for repairs or modifications, this contingency shall be satisfied, and Buyer's Reply shall not be necessary. If Seller does not agree to all of Buyer's repairs or modifications, Buyer shall have an opportunity to reply, as follows:

(II) Buyers Reply. If Seller does not agree to all of the repairs or modifications proposed by Buyer, Buyer shall have \_\_\_\_\_ days (3 days if not filled in) from either the day Buyer receives Seller's response or, if Seller fails to timely respond, the day Seller's response period ends, whichever is earlier, to (a) accept the Seller's response at which time this

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Buyers Initials: \_\_\_\_\_ Date: \_\_\_\_\_

Sellers Initials: \_\_\_\_\_ Date: \_\_\_\_\_

contingency shall be satisfied; (b) agree with the Seller on other remedies; or (c) disapprove the inspection and terminate the Agreement, in which event the Earnest Money shall be refunded to the Buyer.

(III) ATTENTION BUYER: These time periods for negotiating repairs or modifications shall not repeat. The parties must either reach a written agreement or Buyer must terminate this Agreement by the Buyer's Reply deadline set forth in paragraph 1.c.II. Buyer's inaction during Buyer's Reply period shall result in waiver of this inspection condition, in which case Seller shall not be obligated to make any repairs or modifications whatsoever AND THIS CONTINGENCY SHALL BE DEEMED WAIVED.

d. REPAIRS. If Seller agrees to make the repairs proposed by Buyer, then repairs shall be accomplished at Seller's expense in a commercially reasonable manner and in accordance with all applicable laws no fewer than \_\_\_\_\_ (3 days if not filled in) prior to the Closing Date. In the case of hazardous materials, "repair" means removal or treatment (including but not limited to removal or, at Seller's option, decommissioning of any oil storage tanks) of the hazardous material at Seller's expense as recommended by and under the direction of a professional selected by Seller. Seller's repairs are subject to re-inspection and approval, prior to Closing, by the inspector who recommended the repair, if Buyer elects to order and pay for such re-inspection. If Buyer agrees to pay for any repairs prior to Closing, the parties are advised to seek the counsel of an attorney to review the terms of that agreement.

e. OIL STORAGE TANKS. Any inspection regarding oil storage tanks or contamination forms such tanks shall be limited solely to determining the presence or non-presence of oil storage tanks on the Property, unless otherwise agreed in writing by Buyer and Seller.

f. ON-SITE SEWAGE DISPOSAL SYSTEMS ADVISORY: Buyer is advised that on-site sewage disposal systems, including "septic systems," are subject to strict governmental regulation and occasional malfunction and even failure. Buyer is advised to consider an inspection of any on-site sewage system in addition to the inspection of the Property provided by this APH Inspection Addendum by including an appropriate on-site sewage inspection contingency.

2. NEIGHBORHOOD REVIEW CONTINGENCY. Buyer's inspection includes Buyer's subjective satisfaction

that the conditions of the neighborhood in which the Property is located are consistent with the Buyer's intended use of the Property (the "Neighborhood Review"). The Neighborhood Review may include Buyer's investigation of the schools, proximity to bus lines, availability of shopping, traffic patterns, noise, parking, and investigation of other neighborhood environmental and safety conditions the Buyer may determine to be relevant in deciding to purchase the Property. If Buyer does not give notice of disapproval of the Neighborhood Review within \_\_\_\_\_ (3 days if not filled in) of mutual acceptance of the Agreement, then this Neighborhood Review condition shall conclusively be deemed satisfied (waived). If Buyer gives a timely notice of disapproval, then this Agreement shall terminate, and the Earnest Money shall be refunded to Buyer.

3. PRE-INSPECTION CONDUCTED. Buyer, prior to mutual acceptance of this Agreement, conducted a building, hazardous substances, building and zoning code, pest, or soil/stability inspection of the Property, and closing of this Agreement is not conditioned on the results of such inspections. Buyer elects to buy the Property in its present condition and acknowledges that the decision to purchase the Property was based on Buyer's prior inspection and that Buyer has not relied on representations by Seller, Listing Broker, or Selling Broker.

4. WAIVER OF INSPECTION. Buyer has been advised to obtain a building, hazardous substance, building and zoning code, pest, or soil/stability inspection and to condition the closing of this Agreement on the results of such inspections, but Buyer elects to waive the right and but the Property in its present condition. Buyer acknowledges that the decision to waive Buyer's inspection options was based on Buyer's personal inspection and Buyer has not relied on representations by Seller, Listing Broker or Selling Broker.

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Buyers Initials: \_\_\_\_\_ Date: \_\_\_\_\_

Sellers Initials: \_\_\_\_\_ Date: \_\_\_\_\_

**SELLER FINANCING ADDENDUM**

**This Seller Financing Addendum** (the “**Addendum**”) made MONTH DAY, YEAR, between YOUR COMPANY, LLC, a YOUR STATE limited liability company (the “**Buyer**”), as Buyer, and SELLER'S NAME(S), a MARRIEDCOUPLE/INDIVIDUAL (the “**Seller**”), as Seller, is part of the Residential Real Estate Purchase and Sale Agreement (“**Agreement**”) dated DATE OF P&S AGREEMENT, between Buyer and Seller concerning INSERT ADDRESS (the “**Property**”).

IT IS AGREED BETWEEN THE SELLER AND BUYER AS FOLLOWS:

1. **Purchase Price Amendment.** Seller and Buyer agree that the purchase price is amended to be \$TOTAL, with \$DOWN PAYMENT payable as a down payment at closing, and Seller to carry the remaining balance of \$BALANCE as a Promissory Note and Deed of Trust.
2. **General Loan Terms.** Seller to carry a \$BALANCE first loan for the balance of the purchase price not paid at closing. Buyer to execute a Promissory Note secured by a Deed of Trust on the property, in favor of Seller, for the balance of \$BALANCE payable at \$MONTHLY PAYMENT per month, including interest at RATE% per annum, amortized over LENGTH OF TERM years, and with the entire balance of the loan due and payable upon the sale/transfer of the property or DATE OF BALLOON, whichever occurs earlier. Prepayment is allowed without penalty. Late fees will be assessed if a required payment is not made within 10 calendar days after the payment due date.
3. **Servicing.** Long-term escrow/collection is involved in this transaction and the long-term escrow holder shall be SERVICING COMPANY. Long term escrow fees/costs will be paid by Buyer and Seller according to the then current SERVICING COMPANY pricing matrix.
4. **Commercial Transaction.** The parties acknowledge and agree that this is a non-owner-occupied commercial transaction and no portion of the transaction contemplated hereby is for personal, family, or household purposes. Seller acknowledges and agrees that it is their sole and exclusive duty to verify whether Seller is a “loan originator” as defined by the Dodd-Frank Act.
5. **Closing Date.** The parties agree that the Closing Date shall be extended to on or before CLOSING DATE.

The herein Agreement, upon its execution by both parties, is made an integral part of the aforementioned Agreement.

SELLER Signature \_\_\_\_\_ BUYER Signature \_\_\_\_\_

SELLER (Print Name) \_\_\_\_\_ BUYER (Print Name) \_\_\_\_\_

Date \_\_\_\_\_ Date \_\_\_\_\_

SELLER Signature \_\_\_\_\_

SELLER (Print Name) \_\_\_\_\_

Date \_\_\_\_\_

**Addendum #1 to Contract**

Buyer to purchase property located at:

\_\_\_\_\_

under one of the following three options:

**Option #1:** Buyer to pay all cash and close within \_\_\_\_\_ days of acceptance at any time before the expiration of the contract \_\_\_\_\_.

**Purchase price to be:** \_\_\_\_\_.

**Option #2: Purchase price to be:** \_\_\_\_\_.

Buyer to pay \_\_\_\_\_ down. Seller to Carry 1st mortgage in the amount of \$ \_\_\_\_\_, at \_\_\_\_\_ % interest only. Monthly payments of \$ \_\_\_\_\_ per month for \_\_\_\_\_ years. \_\_\_\_\_ payments of \_\_\_\_\_ = \_\_\_\_\_ total interest paid.

**Total revenue after \_\_\_\_\_ years to be \$ \_\_\_\_\_.** (principal + interest)

**Option #3: Purchase price to be:** \_\_\_\_\_.

Buyer to pay \_\_\_\_\_ down. Seller to Carry 1st mortgage in the amount of \$ \_\_\_\_\_, at \_\_\_\_\_ % amortized for \_\_\_\_\_ yrs., with a \_\_\_\_\_ year balloon payment. Monthly payments of \$ \_\_\_\_\_ per mo. at \_\_\_\_\_ mo = \_\_\_\_\_ or \_\_\_\_\_ year for the next \_\_\_\_\_ years with a balloon payment of \_\_\_\_\_.

**Total revenue after \_\_\_\_\_ years of \$ \_\_\_\_\_.**

=====

Executed by Seller(s) on: \_\_\_\_\_

\_\_\_\_\_  
Signature of Seller

\_\_\_\_\_  
Name of Seller (Printed)

\_\_\_\_\_  
Signature of Seller

\_\_\_\_\_  
Name of Seller (Printed)

Executed by Buyer(s) on: \_\_\_\_\_

\_\_\_\_\_  
Signature of Buyer

\_\_\_\_\_  
Name of Buyer (Printed)

\_\_\_\_\_  
Signature of Buyer

\_\_\_\_\_  
Name of Buyer (Printed)

Buyers Initials: \_\_\_\_\_ Date: \_\_\_\_\_

Sellers Initials: \_\_\_\_\_ Date: \_\_\_\_\_

# Lee's Inner Circle

Buy & Hold Purchase Price Calculator

Address: Street, City, State

Do you need to evict? Yes

Is there a Mortgage Wrap? No

Earnest Money Deposit [ ]

After Repaired Value [ ]

Balloon Payment/Mortgage Wrap [ ]

Monthly Mortgage Payments [ ]  
 Number of Months to pay Mortgage [ ]

Total Investment (Cash-to-Close + Mortgage Pymts + Mortgage Payoff) [ ]

Purchase Price (Cash Needed at Closing) [ ]

Closing Costs To Purchase [ ] -

Cost to Evict 5,000.00

Assignment Fee/Buyer Fee/Finders Fee [ ]

Cost Basis 5,000.00

Total Sq Ft [ ]

Estimated Rehab Costs [ ]

Adjusted Cost Basis \$ 5,000.00

Monthly Rental [ ] -

Estimated Annual Holding Costs -

    Annual Mortgage Payment -

    Utilities (Annual) [ ]

    Annual Taxes [ ]

    Annual Insurance [ ]

    Property Mgmt (10% of Rent) -

    Annual Repair Maintenance (10% of Rent) [ ]

Borrowing Purchase Funds? Borrowing for cash at closing. No

Interest Only Loan [ ]

Interest Rate [ ]

How many months of the year will the money be borrowed? [ ]

Origination Fees [ ]

Loan Amount (Cash Purchase + Rehab) -

Loan Amount (Over-Ride) [ ]

Interest Expense -

Total Income -

Annual ROI (Target > 8%) 0.00%

NOTES:



