

Loan Number _____

**RESIDENTIAL PURCHASE AND SALE AGREEMENT
AND JOINT ESCROW INSTRUCTIONS**

This Residential Purchase and Sale Agreement and Joint Escrow Instructions (the “**Agreement**”) dated _____, 2009, is entered into by and between the parties herein provided, and is effective the date it is executed by the Buyer (the “**Effective Date**”).

1. PARTIES: **HomEq Servicing as Agent for Seller**, (the “**Seller**”) agrees to sell and convey to

_____ (the “**Buyer**”), whose address is as follows:

_____ (Street)

_____ (City, State, Zip Code)

Home Telephone: (____) _____

Work Telephone: (____) _____

Cell Phone: (____) _____

Email Address. _____

Buyer hereby agrees to purchase from Seller the Property described in Section 2 herein.

2. DESCRIPTION OF PROPERTY: All property sold under this Agreement is called the “**Property**”.

Being all that certain real property located at: _____ (the street address) and more particularly described in Exhibit "A" attached hereto, or if not provided herein referred to as Assessor Parcel Number _____ and made a part hereof for all purposes, together with all improvements and fixtures thereon owned by Seller. Buyer acknowledges that he has reviewed the legal description prior to signing this Agreement and acknowledges that a copy has been provided and attached by initialing below. If the legal description of the Property has not been provided or is not complete or is inaccurate, this Agreement shall remain valid and the legal description shall be completed or corrected to meet the requirements of the title company issuing the owner’s title policy referenced below.

3. PURCHASE PRICE: The Purchase Price is the sum of the amount of the high bid received at auction, as confirmed and accepted by the Seller (the “**High Bid Amount**”) plus any Seller Closing Costs Credits in the amount below:;

High Bid Amount: \$ _____

+ Seller Closing Cost Credits (for NRCC) \$ _____

PURCHASE PRICE: \$ _____

Buyer Initial _____

Seller Initial _____

Buyer Is Responsible for Payment of Buyer’s Premium:

The Auction Terms and Conditions provide that a 5% Buyer’s Premium will be added to the high bid amount (“High Bid”), and that Buyer is responsible for payment of the Buyer’s Premium. Buyer and Seller acknowledge the Total Consideration, consisting of the Buyer’s High Bid at the auction and the Buyer Premium’s is as follows:

High Bid: \$ _____ Buyer Initial _____

Buyer’s Premium: \$ _____ Buyer Initial _____

Total Consideration to be Paid \$ _____ Buyer Initial _____

Buyer and Seller acknowledge that the Purchase Contract has been written with a purchase price equal to the High Bid amount, and agree that, although the purchase price as written in the Purchase Contract does not include the Buyer’s Premium, the Buyer is responsible for and shall pay the Buyer’s Premium along with other normal settlement charges at closing. Zetabid Operations, Inc. (“Zetabid”) shall be a third party beneficiary to the Purchase Contract, including this Addendum. Escrow/Closing Agent is hereby instructed to collect the Buyer’s Premium from Buyer prior to Closing, and to pay the Buyer’s Premium to Zetabid through escrow with Buyer’s funds at closing, and the payment of Buyer’s Premium to Zetabid is a condition to closing. BUYER ACKNOWLEDGES THAT SUCH BUYER’S PREMIUM MAY NOT BE FINANCABLE, IN WHICH EVENT BUYER WILL HAVE TO PAY THE BUYER’S PREMIUM WITH FUNDS OTHER THAN THOSE PROVIDED BY BUYER’S LENDER. IT IS THE RESPONSIBILITY OF THE BUYER TO ARRANGE FOR AND TO PROVIDE THE NECESSARY FUNDS AT CLOSING TO COMPLETE THE TRANSACTION FOR THE TOTAL CONSIDERATION.

4. CLOSING: The Closing of the sale between Seller and Buyer shall be **ON OR BEFORE 45 DAYS OR, IF CHECKED HERE - THEN _____ Days FROM THE DATE OF SELLER EXECUTION** (the “Closing Date” or “Closing”). Subject to the following provisions extending the Closing Date, if either party fails to close this sale by the Closing Date, the non-defaulting party shall be entitled to exercise the remedies in Section 33 of this Agreement immediately and without notice; provided, however, if Seller is unable to close on the Closing Date because the Title Company will not issue an owner's policy of title insurance, the Closing Date shall be automatically extended up to thirty (30) days; and such inability of Seller to deliver title to Buyer as required in this Agreement at or prior to the Closing Date, shall be deemed no fault of Seller. Additionally, if Seller fails to perform within the extended time, then Buyer may terminate this Agreement and receive the Earnest Money Deposit as its sole and exclusive remedy. IF BUYER DESIRES TO EXTEND THE CLOSING DATE, BUYER MUST REQUEST IN WRITING TO SELLER. IF THE EXTENSION IS APPROVED BY SELLER, THEN BUYER WILL PAY TO SELLER A DAILY PER DIEM OF \$100.00 FOR EACH DAY PAST THE ORIGINAL CLOSING DATE UP TO THE NEW CLOSING DATE. THIS DAILY PER DIEM WILL BE COLLECTED FROM BUYER AND PAID TO SELLER ON THE SETTLEMENT STATEMENT. IF BUYER FAILS TO PERFORM WITHIN THE NEW EXTENDED TIME, SELLER MAY TERMINATE THIS AGREEMENT AND RECEIVE THE EARNEST MONEY DEPOSIT AND

Buyer Initial _____

Seller Initial _____

ADDITIONAL FEE(S) AS ITS SOLE AND EXCLUSIVE REMEDY. SELLER SHALL BE ENTITLED TO SUCH FEE WITHOUT CONDITION PURSUANT TO SECTION 55 HEREOF.

5. EARNEST MONEY DEPOSIT: Buyer hereby tenders an Earnest Money Deposit in the amount of \$ _____ (the “**Earnest Money Deposit**”). The Earnest Money Deposit shall be deposited with _____ (the “**Escrow Agent**”), upon execution of this Agreement by Seller and Buyer. If the purchase and sale hereunder is consummated in accordance with the terms and provisions hereof, the Earnest Money Deposit shall be applied to the cash portion of the Purchase Price at Closing, in all other events, the Earnest Money Deposit shall be disposed of by Seller as herein provided.

6. TITLE: Seller shall furnish to Buyer, at Seller’s expense, an Owner's Policy of Title Insurance (the “**Title Policy**”) issued by _____ (the “**Title Company**”) (if the issuer line contained herein remains blank then Seller’s choice of issuer shall apply herein) in the amount of the Purchase Price, dated as of the Closing Date.

7. FINANCING:

Check one of the following:

Cash Buyer. Buyer has provided Seller with verifiable evidence that Buyer has sufficient funds that are available to pay all amounts required of Buyer under this Agreement to complete the Purchase on or before the Closing Date. This sale is **NOT CONTINGENT** upon Buyer obtaining any financing nor will Closing be extended for that purpose. If Buyer fails to close the escrow for any reason related to Buyer’s inability to fully pay the Purchase Price and/or all other sums required under this Agreement or for any reason other than Seller’s default, Buyer will be in default under this Agreement and subject to immediate Release of Earnest Money Deposit as outlined in Section 55.

Buyer Initials _____

Seller Initials _____

Financing with Designated Auction Lender. Buyer has been pre-qualified for a loan prior to executing this Agreement through the designated Auction lender

_____ (“**Designated Lender**”).

Buyer shall have **TWENTY ONE (21) DAYS** (“**Financing Contingency Period**”) from the date of acceptance to qualify for a loan through the Designated Lender. Buyer may cancel this Agreement within the Financing Contingency Period if Buyer provides to Seller (1) a written denial letter from the Designated Lender and (2) a written cancellation request. Denials based on required repairs which are less than \$10,000, or insufficient appraisal valuation are not valid reasons for cancellations within the Financing Contingency Period. If cancellation is valid, the Seller shall then direct Escrow/Agent to return Buyer’s Earnest Money Deposit.

If Buyer has not provided a valid denial letter by the end of the Financing Contingency Period, Buyer agrees that the agreement is **NO LONGER CONTINGENT** upon

Buyer Initial _____

Seller Initial _____

10. NO REPAIRS OR IMPROVEMENTS: Buyer acknowledges and agrees that Seller shall make no repairs or improvements of any kind to the Property and that nothing disclosed by Seller shall require Seller to correct or improve any conditions disclosed or make repairs of any kind to the Property.

11. DISCLOSURES: Seller acquired the Property either as a result of a foreclosure action, result of a like or similar action, i.e. deed in lieu or as part of a purchase from a prior servicer and that the total price set forth in the Agreement may reflect deferred maintenance. Accordingly, Seller has not conducted its own inspections nor has any personal knowledge of the condition of the Property other than as may be disclosed in the Inspection Report(s), if any. Buyer acknowledges that there has been no representation(s) by Seller, or any other person acting as Seller's representative and/or Buyer's representative regarding the condition of the Property, any of the appliances or structural components that may be contained therein, its fitness for general or specific use, or any other matter affecting the Property. If an inspection report has been obtained by or on behalf of Seller or Seller's representative (the "**Inspection Report**"), such Inspection Report may be provided to Buyer for Buyer's information only and shall not be deemed a part of the Agreement. If the Inspection Report has been provided to Buyer, no representation or warranty is made as to the accuracy and completeness of such report.

Neither Seller nor any person acting as Seller's representative has occupied the Property and neither warrants or represents that the Property or any alterations or additions which may have been made to the Property conform to local building codes, zoning requirements or any other applicable laws, rules or regulations.

Buyer acknowledges that Buyer has the opportunity to inspect, examine and make a complete review of the Property prior to the execution of the Agreement. Buyer will rely solely on Buyer's inspection and review to evaluate the condition of the Property.

12. SELLER OPTIONS: Seller may determine in its sole and absolute discretion, to accept or reject any offer. All offers become the property of Seller, and rejected offers will not be returned to Buyer. Buyer agrees that the submission of this offer to Seller and Seller's receipt of same shall not create or cause to arise in favor of Buyer any claim to, or interest in, the Property. The Buyer agrees Seller's acceptance of this offer may be evidenced solely by Seller's endorsement hereon of Seller's acceptance of this offer pursuant to Seller's procedures therefore.

13. CERTIFICATION OF NON-AFFILIATION: Buyer represents and warrants to Seller that Buyer or any person acting on behalf of Buyer, has no relation or affiliation with the prior owner of the Property. Buyer further represents that Buyer has not made any agreements, written or oral, expressed or implied, with the prior owner or any person or entity affiliated or connected with the prior owner for the payment or retention of any additional amounts to or from prior owner; and the purchase and sale of the Property is an arms length transaction. Buyer acknowledges that Seller is relying on this representation and warranty from Buyer in approving and executing this Agreement.

14. AUCTION TERMS AND CONDITIONS: Buyer represents and warrants that Buyer has received, read, understood and accepts the auction terms and conditions ("**Terms and Conditions**") pertaining to the sale of the Property which are (i) set forth in an auction brochure, or (ii) listed on the website www.zetabid.com, which Terms and Conditions are incorporated herein by reference. In the event of any conflict or inconsistency between the provisions of this Agreement and the Terms and Conditions, the provisions of this Agreement shall control and prevail in all respects.

Buyer Initial _____

Seller Initial _____

15. OCCUPIED PROPERTY: Seller makes no representations or warranties as to whether the Property is occupied as of the Closing Date.

16. "AS IS PROPERTY CONDITION": BUYER ACKNOWLEDGES AND AGREES THAT SELLER HAS NOT MADE AND HEREBY SPECIFICALLY DISCLAIMS ANY WARRANTY, GUARANTY, OR REPRESENTATION, ORAL OR WRITTEN, PAST, PRESENT, OR FUTURE, OF, AS TO, OR CONCERNING (i) THE NATURE, SQUARE FOOTAGE, CONDITION, VALUE, OR QUALITY OF THE PROPERTY, INCLUDING BUT NOT BY WAY OF LIMITATION, THE WATER, THE SOIL, AND GEOLOGY, AND THE SUITABILITY THEREOF AND OF THE PROPERTY FOR ANY AND ALL ACTIVITIES AND USES WHICH BUYER MAY ELECT TO CONDUCT THEREON; (ii) THE MANNER OR QUALITY OF THE CONSTRUCTION OR MATERIALS, IF ANY, INCORPORATED INTO THE PROPERTY, CONDITION, QUALITY, THE STATE OF REPAIR OR LACK OF REPAIR OF ANY OF THE PROPERTY; (iii) EXCEPT FOR ANY WARRANTIES CONTAINED IN THE DEED, THE NATURE AND EXTENT OF ANY RIGHT-OF-WAY, LEASE, POSSESSION, LIEN, ENCUMBRANCE, LICENSE, RESERVATION, CONDITION, OR OTHERWISE; (iv) THE COMPLIANCE OF THE PROPERTY OR ITS OPERATION WITH ANY LAWS, RULES, ORDINANCES, OR REGULATIONS OF ANY GOVERNMENT OR OTHER BODY; (v) THE INCOME TO BE DERIVED FROM THE PROPERTY. (vi) THE EXISTENCE OF ANY VIEW FROM THE PROPERTY OR THAT ANY EXISTING VIEW WILL NOT BE OBSTRUCTED IN THE FUTURE; (vii) THE HABITABILITY, MERCHANTABILITY, MARKETABILITY, PROFITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROPERTY; (viii) THE STRUCTURAL INTEGRITY OF ANY IMPROVEMENTS ON THE PROPERTY; (ix) THE CONFORMITY OF THE IMPROVEMENTS TO ANY PLANS OR SPECIFICATIONS FOR THE PROPERTY THAT MAY BE PROVIDED TO BUYER; (x) THE CONFORMITY OF THE PROPERTY TO APPLICABLE ZONING OR BUILDING CODE REQUIREMENTS; (xi) THE EXISTENCE OF SOIL INSTABILITY, PAST SOIL REPAIRS, SUSCEPTIBILITY TO LANDSLIDES, SUFFICIENCY OF UNDER-SHORING, SUFFICIENCY OF DRAINAGE, OR ANY OTHER MATTER AFFECTING THE STABILITY OR INTEGRITY OF THE LAND OR ANY BUILDINGS OR IMPROVEMENTS SITUATED THEREON; (xii) WHETHER THE PROPERTY IS LOCATED IN A SPECIAL STUDIES ZONE UNDER THE PUBLIC RESOURCES CODE OR A SEISMIC HAZARDS ZONE OR A STATE FIRE RESPONSIBILITY AREA, OR A SPECIAL FLOOD HAZARD ZONE; OR (xiii) ANY OTHER MATTER WITH RESPECT TO THE PROPERTY. BUYER ACKNOWLEDGES THAT THE PROPERTY MAY NOT BE IN COMPLIANCE WITH APPLICABLE ZONING, BUILDING, HEALTH OR OTHER LAW OR CODES, AND NEITHER SELLER NOR ANY PERSON ACTING AS SELLER'S REPRESENTATIVE OR AGENT HAS OCCUPIED THE PROPERTY AND THAT THE PROPERTY MAY NOT BE IN HABITABLE CONDITION. BUYER HEREBY EXPRESSLY ACKNOWLEDGES AND AGREES THAT BUYER HAS THOROUGHLY INSPECTED AND EXAMINED THE PROPERTY TO THE EXTENT DEEMED NECESSARY BY BUYER IN ORDER TO ENABLE BUYER TO EVALUATE THE PURCHASE OF THE PROPERTY. BUYER HEREBY FURTHER ACKNOWLEDGES AND AGREES THAT BUYER IS RELYING SOLELY UPON THE INSPECTION, EXAMINATION, AND EVALUATION OF THE PROPERTY BY BUYER AND THAT BUYER IS PURCHASING THE PROPERTY ON AN "AS IS, WHERE IS" AND "WITH ALL FAULTS" BASIS AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY SELLER AND BUYER

Buyer Initial _____

Seller Initial _____

EXPRESSLY ACKNOWLEDGES THAT, IN CONSIDERATION OF THE AGREEMENTS OF SELLER HEREIN, SELLER MAKES NO WARRANTY OR REPRESENTATION EXPRESS OR IMPLIED, OR ARISING BY OPERATION OF LAW, INCLUDING, BUT IN NO WAY LIMITED TO ANY WARRANTY OR CONDITION, HABITABILITY, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE EXCEPT AS OTHERWISE SPECIFIED HEREIN. IT IS FURTHER AGREED THAT SELLER HAS NOT WARRANTED, AND DOES NOT HEREBY WARRANT THAT THE PROPERTY OR ANY IMPROVEMENTS LOCATED THEREON NOW OR IN THE FUTURE WILL MEET OR COMPLY WITH THE REQUIREMENTS OF ANY SAFETY CODE OR REGULATION OF THE STATE, COUNTY, OR CITY WHERE THE PROPERTY IS LOCATED, OR ANY OTHER AUTHORITY OR JURISDICTION. BUYER FURTHER ACKNOWLEDGES AND AGREES THAT WITHOUT LIMITATION, SELLER HAS NOT MADE, DOES NOT MAKE, AND SPECIFICALLY DISCLAIMS ANY REPRESENTATIONS REGARDING COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT OR WITH ANY ENVIRONMENTAL PROTECTION, POLLUTION OR LAND USE LAWS, RULES, REGULATIONS, ORDERS OR REQUIREMENTS, AS DEFINED BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY REGULATIONS OR THE DISPOSAL OR EXISTENCE, IN OR ON THE PROPERTIES, OF ANY HAZARDOUS SUBSTANCE, AS DEFINED BY THE COMPREHENSIVE ENVIRONMENTAL RESPONSE COMPENSATION AND LIABILITY ACT OF 1980, AS AMENDED, AND REGULATIONS PROMULGATED THEREUNDER.

BUYER HAS KNOWLEDGE AND EXPERIENCE IN FINANCIAL AND BUSINESS MATTERS THAT ENABLE BUYER TO EVALUATE THE MERIT AND RISKS OF THE TRANSACTION CONTEMPLATED HEREBY. BUYER IS NOT IN A DISPARATE BARGAINING POSITION VIS-A-VIS SELLER, AND BUYER HEREBY WAIVES, TO THE MAXIMUM EXTENT PERMITTED BY LAW, ANY AND ALL RIGHTS, BENEFITS AND REMEDIES UNDER THE DECEPTIVE TRADE PRACTICES - CONSUMER PROTECTION ACT WITH RESPECT TO ANY MATTERS PERTAINING TO THIS AGREEMENT AND THE TRANSACTION CONTEMPLATED HEREBY.

IT IS FURTHER AGREED THAT SELLER DOES NOT MAKE ANY REPRESENTATION OR WARRANTIES REGARDING ENVIRONMENTAL PROTECTION, POLLUTION, OR LAND USE LAWS, REGULATIONS, ORDERS OF REQUIREMENTS, INCLUDING BUT NOT LIMITED TO SOLID WASTE DISPOSAL ACT AND THE REGULATIONS ADOPTED THEREUNDER OR THE U.S. ENVIRONMENTAL PROTECTION AGENCY REGULATIONS AT 40 C.F.R., PART 261, OF THE DISPOSAL OR EXISTENCE IN, ON OR EMANATING FROM THE PROPERTY, OF ANY HAZARDOUS SUBSTANCE, AS DEFINED BY THE COMPREHENSIVE REGULATIONS PROMULGATED THEREUNDER. BUYER HEREBY ASSUMES ALL RISKS AND LIABILITY AND AGREES THAT SELLER SHALL NOT BE LIABLE FOR ANY SPECIAL, DIRECT, INDIRECT, CONSEQUENTIAL, OR OTHER DAMAGES RESULTING OR ARISING FROM OR RELATING TO THE OWNERSHIP, USE, CONDITION, LOCATION, MAINTENANCE, REPAIR OR OPERATION OF THE PROPERTY. BUYER FURTHER ACKNOWLEDGES AND AGREES THAT SELLER IS NOT IN A POSITION TO MAKE ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, AS TO THE PROPERTY.

SELLER IS NOT LIABLE OR BOUND IN ANY MANNER BY ANY VERBAL OR WRITTEN

Buyer Initial _____

Seller Initial _____

STATEMENTS, REPRESENTATIONS OF INFORMATION PERTAINING TO THE PROPERTY, OR THE OPERATION THEREOF, FURNISHED BY ANY REAL ESTATE BROKER (“BROKER”), AGENT, EMPLOYEE OR OTHER PERSON. THE PROVISIONS OF THIS SECTION SHALL SURVIVE THE CLOSING.

UPON CLOSING, BUYER ACKNOWLEDGES AND AGREES THAT SELLER AND ITS AGENTS AND ASSIGNS HAVE NO FURTHER RESPONSIBILITY, OBLIGATION OR LIABILITY TO BUYER. BUYER AGREES THAT SELLER AND ITS AGENTS AND ASSIGNS SHALL HAVE NO LIABILITY FOR ANY CLAIM OR LOSSES BUYER OR BUYER’S SUCCESSORS AND ASSIGNS MAY INCUR AS A RESULT OF DEFECTS THAT MAY NOW OR MAY HEREAFTER EXIST WITH RESPECT TO THE PROPERTY, AND BUYER SHALL HOLD HARMLESS, INDEMNIFY AND DEFEND SELLER FROM ANY SUCH CLAIM.

BUYER AND ANYONE CLAIMING BY, THROUGH OR UNDER THE SAME HEREBY FULLY AND IRREVOCABLY RELEASE SELLER AND ITS EMPLOYEES, OFFICERS, DIRECTORS, REPRESENTATIVES, ATTORNEYS, AUCTION COMPANY, BROKERS AND AGENTS FROM ANY AND ALL CLAIMS THAT HE/SHE/IT OR THEY MAY NOW HAVE OR HEREAFTER ACQUIRE AGAINST SELLER AND ITS EMPLOYEES, OFFICERS, DIRECTORS, REPRESENTATIVES, ATTORNEYS, AUCTION COMPANY, LISTING BROKERS AND AGENTS FOR ANY COST, LOSS, LIABILITY, DAMAGE, EXPENSE, DEMAND, ACTION OR CAUSE OF ACTION ARISING FROM OR RELATING TO ANY CONSTRUCTION DEFECTS, ERRORS, OMISSIONS OR OTHER CONDITIONS, INCLUDING ENVIRONMENTAL MATTERS AFFECTING THE PROPERTY, OR ANY PORTION THEREOF. THIS RELEASE INCLUDES CLAIMS OF WHICH BUYER IS PRESENTLY UNAWARE OR DOES NOT PRESENTLY SUSPECT TO EXIST, WHICH, IF KNOWN BY BUYER, WOULD MATERIALLY AFFECT BUYER’S RELEASE TO SELLER

17. EMINENT DOMAIN: In the event that the Seller’s interest in the Property, or any part thereof, shall have been taken by eminent domain, or shall be in the process of being taken on or before the Closing Date, either party may terminate the Agreement and the Earnest Money Deposit shall be returned to the Buyer and neither party shall have any further rights or liabilities hereunder, except as provided for in the Agreement.

18. FEES: At Closing, Seller agrees to pay Brokers representing Seller (“**Listing Broker**”) and Broker representing Buyer (“**Buyer’s Broker**”), fees, pursuant to separate agreements, which shall be listed on the settlement statement prepared for the Closing by the Escrow Agent or Title Company and shall be paid through the Escrow Agent.

19. “Prorations” shall include such items as:

1. Real property taxes (including assessments and like charges);
2. Collected rents (if applicable);
3. Condominium assessments (if applicable);

Buyer Initial _____

Seller Initial _____

4. Homeowner association fees (including special and emergency dues and assessments, if applicable); all pertaining to the Property that has accrued or been imposed prior to Closing Date;
5. Payments on bonds;
6. Mello-Roos payments and other special assessment district bonds; and
7. Other known and identified charges and assessments.

All such Prorations shall be calculated for Buyer as of 12:01 a.m. on the date of Closing for the current calendar year and shall be prorated and paid to the appropriate party based upon the best available estimates of the amount(s) that will be due and payable on the Property during the current calendar year. Seller and Buyer shall pay in cash at the Closing their prorated portions of such taxes and assessments. Seller shall provide Closing agent with any rent rolls in Seller's possession that would assist Closing/Escrow Agent in prorating rents. All past due but unpaid rents owing by tenants of the Property prior to the Closing shall remain the property of the Seller and Seller shall have the right to collect same for its own account. If the regular homeowner association dues were paid prior to the Closing Date for a period of time subsequent to the Closing Date, then Buyer shall pay to Seller that portion of the assessment attributed to the period of time after the date of the Closing. Any homeowners association transfer fees or document fees payable in connection with the sale of the Property from Seller to Buyer shall be paid by the Buyer. Insurance premiums will not be prorated. Seller cannot endorse or assign existing insurance policies to Buyer, and Seller may cancel any existing insurance on the Property as of the Closing Date.

20. SELLER'S EXPENSES: Seller shall be responsible and shall pay for:

1. Any and all Seller's attorney fees;
2. The premium for the owner's title insurance policy including any title search and examination fees, provided that the Policy is purchased through, and the settlement/Closing conducted by Seller's designated attorney or agent,
3. Seller's share of Prorations under Section 19 above;
4. Any documentary transfer tax that may be imposed by the County and/or City in which the Property is located pursuant to local custom;
5. Tax certificates,
6. Preparation of the conveyance deed,
7. Seller's escrow fees;
8. Broker's fees or commissions; and

Buyer Initial _____

Seller Initial _____

Closing Agent/Title Company is hereby authorized to pay from Seller's proceeds Seller's expenses set forth in this Section 20. If Seller contributes to Buyer's Closing costs any excess beyond the approved amount will be credited back to the Seller.

21. BUYER'S EXPENSES: Buyer shall be responsible and shall pay for

1. Any and all lender fees including but not limited to the costs of credit reports, loan fees, loan points and other costs of obtaining the new first trust deed loan;
2. Buyer's escrow fees and charges;
3. Tax service fees;
4. Recordation fees for the grant deed and any deed of trust;
5. Buyer's share of Prorations under Section 19 above;
6. Pro rata portion of any and all property taxes, assessments and like charges and levies for the applicable tax year and first month's condominium/homeowner's association membership fees and assessments, if any; and
7. Other closing costs of Buyer, including any Buyer attorney fees, escrow fees, recording fee, stamps and any express or overnight, wire transfer fees and courier fees .

Any and all termite clearances and reports and any inspections required by any lender, and not limited to any roof certifications shall be at the sole cost and expense of Buyer. The foregoing costs and expenses shall be paid by Escrow Agent on Buyer's behalf from funds deposited in Escrow by Buyer.

22. POST-CLOSING ADJUSTMENTS: Buyer agrees to pay any shortages in taxes directly to the taxing authority. All Prorations at Closing reflected on the settlement or Closing statement signed by the Seller are final including Prorations for taxes. No adjustments or payments will be made by the Seller after Closing.

23. FINAL FUNDS TO CLOSE ESCROW: All parties acknowledge that Closing Funds are required for Closing. "**Closing Funds**" are defined as cash or electronic transfer (wired funds) and Escrow Agent can disburse the funds on the same business day as the business day of the deposit. In the case of deposit with the Escrow Agent in the form of cashier's or certified checks drawn on a local financial institution, the Escrow Agent can disburse the funds on the next business day after the business day of receipt. Out-of-state checks and all drafts do not constitute Closing Funds and will cause Buyer to be deemed in default as per provisions of this Agreement

24. TITLE APPROVAL:

a. The Title Policy to be furnished to Buyer shall insure Buyer's title to the Property to be good and marketable title to the Property free and clear of all liens, encumbrances and charges whatsoever except for those exceptions shown in the Title Policy (the "**Permitted Exceptions**"). Seller shall deliver to

Buyer Initial _____

Seller Initial _____

Buyer, or have available for Buyer's review, the title commitment of the Title Company (the "Commitment") and legible copies of any documents creating title exceptions, at least ten (10) days prior to Closing. Buyer may only object to any exceptions reflected in the Commitment other than those Permitted Exceptions if applicable, and only if the Commitment was not available for review prior to the auction. Buyer will have five (5) days after receipt of such Commitment and documents to make written objection(s) to Seller.

b. If the Commitment reveals a defect in title which is not one of the Permitted Title Exceptions, allowing that said Commitment was not available for review prior to the auction, or if, prior to the Closing, a new defect in title is disclosed by an updated endorsement to the Commitment, which defect is not one of the Permitted Title Exceptions, Buyer may either waive such defect or give written notice to Seller and Closing Agent, pursuant to Section 46 of this Agreement, of such defect in title, whereupon Seller may, at its option, attempt to cure such defect prior to the Closing or decline to cure such defect. If Seller is unable or unwilling to cure, on or before the Closing Date, any defect as to which Buyer has notified Seller as hereinabove provided and if Buyer does not waive such defect, this Agreement shall be terminated without liability to either party and the Earnest Money Deposit shall be returned to Buyer. Notwithstanding the foregoing, Seller shall have the right, at its sole election, to extend the Closing Date by not more than thirty (30) days to attempt to cure any defect in title objected to by Buyer in accordance with this Section 24. Seller shall give Buyer five (5) days notice of the new Closing Date.

c. Seller shall furnish to Buyer on the Closing Date the following: (1) Seller's form of Special Warranty Deed (the "Deed") executed by Seller, conveying the Property to Buyer, subject to all matters of record affecting the Property; (2) an affidavit of Seller certifying that Seller is not a "foreign person", as defined in the Federal Foreign Investment in Real Property Tax Act of 1980, and the 1984 Tax Reform Act, as amended; and (3) any other Seller related documents deemed necessary by Title and Escrow Agents.

25. CONDOMINIUM/PUD/HOMEOWNERS ASSOCIATION: If the Property is a condominium, planned unit development, homeowner's association or co-operative, unless otherwise required by law, Buyer, at Buyer's own expense, is responsible for obtaining and reviewing the covenants, conditions, restrictions and/or bylaws of the relevant entity within seven (7) days of the Seller's acceptance. Seller's Real Estate Agent or Seller's closing entity agrees to use reasonable efforts to assist Buyer in obtaining a copy of said documents. Buyer will be deemed to have accepted the covenants, conditions, restriction and /or bylaws if Buyer does not notify Seller in writing within ten (10) days of Sellers acceptance, of Buyer's objection to the same.

26. INSPECTION: Buyer shall not directly or indirectly cause any inspection to be made by any government building or zoning inspector or government employee without the prior written consent of Seller, unless such inspection is required by law.

27. ESCROW: The Earnest Money Deposit to be and having been deposited with the Escrow Agent with the understanding that (a) the Escrow Agent does not assume or have any liability for performance of any signatory; (b) is not liable for interest or other charges on the funds held; and c) is liable only for gross negligence or willful misconduct. At Closing, the Earnest Money Deposit shall be applied toward the Purchase Price. Buyer and Seller authorize Escrow Agent to accept and rely on copies by any means (including photocopy, NCR, facsimile and electronic) and signatures (including electronic copy of signature complying with local state law) as originals to open Escrow and for other purposes of Escrow. The validity of this Agreement as between Buyer and Seller is not affected by whether or when Escrow Agent signs the Agreement.

Buyer Initial _____

Seller Initial _____

28. FORM OF DEED: The deed to be delivered at Closing shall be, as determined by Seller, a Special Warranty Deed, Quit Claim Deed or a similar form of deed for the specific jurisdiction in which the Property is located and shall be a deed that covenants that grantor grants only that title which grantor may have and that grantor will only defend title against persons claiming by, through, or under the grantor, but not otherwise. Any reference to the term “**deed**” herein shall be construed to refer to such form of deed.

29. COSTS OF SURVEY: If a survey is required to close, it will be the sole responsibility herein and will be at the Buyer’s expense.

30. PERSONAL PROPERTY: Seller is not hereby conveying any personal property other than as provided in this Agreement and makes no representations or warranties regarding same. Any items of personal property remaining after the sale of the Property are deemed to add no value to the transaction and are not a part of the actual transaction, and are given to Buyer in “AS IS” condition with no Seller representation or warranty regarding condition or ownership. No bill of sale will be provided for such items.

31. CASUALTY LOSS: If any part of the Property is damaged or destroyed by fire or other casualty loss, Seller may, but shall not be obligated to, restore the same to its previous condition as soon as reasonably possible, but in any event by Closing Date. If Seller is unable or unwilling to do so, Buyer may terminate this Agreement and the Earnest Money Deposit shall be refunded to Buyer, or Buyer may waive such restoration and purchase the Property on the Closing Date in which latter event the proceeds of any insurance not exceeding the Purchase Price and covering such damages shall be assigned to Buyer.

Seller’s insurance is not transferable and will be cancelled at the time of Closing. Seller cannot endorse existing insurance policies to Buyer. Any proceeds from insurance companies for destruction or damage through no fault of the Seller or Buyer shall be retained by the Seller.

If the Property is a Unit and any part of the common element or any unit adjoining the Unit described in Section 2 of this Agreement is damaged or destroyed by fire or other casualty loss, Buyer shall have five (5) days from receipt of notice of such casualty loss within which to notify Seller in writing that this Agreement will be terminated, unless Buyer receives written confirmation from the association that the damaged condition will be restored to its previous condition within a reasonable time at no cost to Buyer. Unless Buyer gives such notice within such time, Buyer has five (5) days from the date of receipt of Buyer's notice within which to cause to be delivered to Buyer such confirmation. If required by Buyer and written confirmation is not delivered to Buyer as required above, Buyer may terminate this Agreement and the Earnest Money Deposit will be refunded to Buyer as Buyer's sole and exclusive remedy. NOTICE TO BUYER: CONSULT YOUR INSURANCE AGENT PRIOR TO THE CLOSING DATE DUE TO THE UNIQUE REQUIREMENTS OF THIS TYPE OF PROPERTY.

32. POSSESSION: The possession of the Property shall be delivered to Buyer at Closing and funding in its present "AS IS - WHERE IS" CONDITION WITH ALL FAULTS. Occupancy of the Property shall **NOT** be permitted prior to Closing and funding. Buyer shall install new locks on the Property immediately after Closing, and Buyer shall hold Seller and Seller’s representatives harmless from and indemnify Seller and Seller’s representatives against any and all damages, claims, liens, losses,

Buyer Initial _____

Seller Initial _____

liabilities, costs, injuries, attorney fees and expenses of every kind and nature that may be made against Seller as a result of Buyer's failure to install new locks on the Property.

33. DEFAULT:

a. If Seller breaches this Agreement, Buyer may terminate this Agreement and thereupon shall be entitled to the immediate return of the Earnest Money Deposit as Buyer's sole exclusive remedy and relief hereunder. In no event shall Seller be liable to Buyer for any actual, punitive, consequential or other damages. Buyer and Seller hereby agree that such amount will be liquidated damages for Seller's default because of the difficulty, inconvenience, and uncertainty of ascertaining actual damages.

b. If Buyer breaches this Agreement, Seller shall be entitled to recover the Earnest Money Deposit more particularly described in Section 55 herein, as liquidated damages (and not as penalty), or enforce specific performance of this Agreement as Seller's sole and exclusive remedy.

34. SURVIVAL: All terms and conditions of the Agreement shall survive the Closing.

35. EFFECT: This Agreement may be executed in counterpart originals. This Agreement sets forth the complete understanding of Seller and Buyer and supersedes all previous negotiations, representations and Agreements between them and their agents. This Agreement can only be amended or modified by a written agreement signed by Seller and Buyer.

36. CAPTIONS: The captions and headings used in this Agreement are for convenience only and do not in any way limit, amplify, or otherwise modify the provisions of this Agreement.

37. TIME OF ESSENCE: Time is of the essence in performance of this Agreement. However, if the final date of any period which is set out in any provision of this Agreement falls on Saturday, Sunday or legal holiday under the law of the United States or the State in which the Property is located, in such event, the time of such period shall be extended to the next day which is not a Saturday, Sunday or legal holiday.

38. GOVERNING LAW: This Agreement shall be governed by the laws of the State in which the Property is located, and the laws of the United States pertaining to such transactions.

39. SUCCESSORS AND ASSIGNS: This Agreement shall bind and insure to the benefit of Seller and Buyer and their respective heirs, executors, administrators, personal representatives, successors and assigns.

40. INVALID PROVISION: If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provisions shall be fully severable, this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement; and, the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by such illegal, invalid or unenforceable provision or by its severance from this Agreement.

41. TITLE COMMITMENT: Buyer acknowledges that at the time of execution of this Agreement, Listing Broker advised Buyer, that Buyer should have the commitment covering the Property examined

Buyer Initial _____

Seller Initial _____

by an attorney of Buyer's own selection or that Buyer should be furnished with or obtains a policy of title insurance.

42. SECURITY DEPOSITS: At the Closing: (1) Seller shall deliver to Buyer all security deposits, if any, held by Seller, and (2) Buyer shall deliver to Seller a signed notice for each tenant for whom such security deposit is held which states the exact amount of the security deposit that Buyer has received and acknowledges that Buyer is responsible for such tenants security deposit. Buyer acknowledges that Seller has acquired the Property by foreclosure, that Seller may not have in its possession all or any security deposits held by the former owner of the Property and that Seller is not liable to Buyer for any security deposits not delivered to Seller by current tenants or the prior owner of the Property. These agreements shall survive the Closing.

43. SURVIVAL OF INDEMNIFICATION/DEFENSE/HOLD HARMLESS: Any indemnification, defense or hold harmless obligation of Buyer for the benefit of Seller in this Agreement shall survive the Closing Date and/or termination of this Agreement.

44. PROHIBITED SALE: The directors, officers, agents, employees and family members of any real estate agency, vendor, or the employees of Seller, its affiliates or subsidiaries are strictly prohibited from directly or indirectly purchasing any property owned or managed by Seller.

45. FINAL AGREEMENT: THIS WRITTEN AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN AGREEMENTS BETWEEN THE PARTIES.

46. NOTICES: All notices, demands, and requests which may be given or which are required to be given by either party to the other, hereunder shall be in writing. Such notices shall be deemed delivered when personally delivered to the address of the party to receive such notice set forth below or, whether actually received or not, five (5) days after having been deposited in any post office or mail receptacle regularly maintained by the United States Government, certified or registered mail, return receipt requested, postage prepaid, properly addressed as follows:

If to Buyer: See Page 1

If to Seller: Notice to Seller shall be deemed delivered when received by Seller's broker or attorney.

47. CONSULT YOUR ATTORNEY: Neither Listing Brokers nor Buyer's Brokers can not give legal advice. This is intended to be a legally binding Agreement. READ IT CAREFULLY. If you do not understand the effect of this Agreement, consult your attorney BEFORE signing.

48. ASSIGNMENT: Buyer may NOT assign his right, title or interest in this Agreement. Any attempted assignment by Buyer shall void and shall constitute a material breach of this Agreement. The Seller may assign the Agreement at its sole discretion without prior notice to, or consent of the Buyer.

49. SEVERABILITY/INTERPRETATION: The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement,

Buyer Initial _____

Seller Initial _____

all of which shall remain in full force and effect.

50. FULL PERFORMANCE: Seller’s delivery of the Deed to the Property to Escrow Agent shall be deemed to be full performance and discharge of all of Seller’s obligations under the Agreement.

51. FORCE MAJEURE: No Party shall be responsible for delays or failure of performance resulting from acts of God, riots, acts of war, epidemics, power failures, earthquakes or other disasters, providing such delay or failure of performance could not have been prevented by reasonable precautions and cannot reasonably be circumvented by such party through use of alternate sources, workaround plans or other means.

52. AGENCY AND BROKER COMPENSATION: Real Estate Brokers are not parties to the Agreement between Buyer and Seller. Specific Commission Instructions will be provided to Escrow Agent in a separate document provided to the Escrow Agent. Seller agrees to pay compensation to the listing Real Estate Broker as specified in a separate agreement between the Seller and the listing Real Estate Broker.

53. AGREEMENT OF PARTIES: This Agreement contains the entire agreement of the parties and cannot be changed except by their written agreement.

54. CONDITIONS OF SALE: Buyer acknowledges that Seller obtained the Property by foreclosure, deed in lieu of foreclosure, forfeiture or similar process. The Agreement is subject to each of the following conditions: (i) final acquisition of the Property by Seller; (ii) the ability of Seller to provide insurable title; (iii) the mortgage insurance company's approval of the sale; and (iv) if required by Seller, the repurchase of the Property by the prior mortgage servicer from Seller. In the event any of these conditions are applicable, at Seller’s option and at Seller’s sole discretion, then Seller may notify Buyer that the Agreement is canceled and the deposit shall be returned to Buyer and Seller shall have no further obligation to sell or convey the Property to Buyer. The final acceptance of the Agreement and the effectiveness thereof is subject to committee approval, which will be provided when Seller’s signature is affixed hereon and a fully executed counterpart of the Agreement has been delivered to Buyer.

55. LIQUIDATED DAMAGES: In the event Buyer does not proceed to Closing for any reasons other than an uncured default by Seller or under conditions outlined in Section 7 “Financing with Designated Auction Lender” if checked or otherwise notated as applicable, Buyer’s Earnest Money deposit in the possession of the Escrow Agent shall be delivered to and retained by Seller as Seller’s sole remedy and right of damages, subject to any state maximum liquidated damage limits. Seller shall notify Escrow Agent in writing of such failure or default by Buyer and **ESCROW AGENT SHALL ACT WITHOUT ANY FURTHER INSTRUCTION OR CONSENT BY EITHER PARTY AND IS HEREBY IRREVOCABLY INSTRUCTED TO ACT ON SUCH NOTICE OR REQUEST AND SHALL DELIVER THE EARNEST MONEY DEPOSIT TO SELLER WITHOUT ANY FURTHER NOTICE OR APPROVAL FROM THE BUYER.** By execution of this Agreement, Buyer hereby acknowledges and agrees to the release by the Escrow Agent to the Seller of the Earnest Money Deposit and any additional fees pursuant to Section 5 of this Agreement.

Buyer and Seller agree to hold Escrow Agent free and harmless from any and all liability in connection with a release of funds referred to above and for the recovery of said funds in the event this sale is not

Buyer Initial _____

Seller Initial _____

consummated. Any and all disputes between Buyer and Seller regarding these funds shall be handled outside of escrow. No unilateral instructions by Buyer contrary to the provisions of this Section 56 shall be of any force or effect.

Buyer Initials _____ Seller Initials _____

56. SPECIAL PROVISIONS:

57. OTHER TERMS AND CONDITIONS including attached State addendum/supplements:

- A Exhibit A- Legal Description
- B. Exhibit B HomEq Seller Addendum and HomEq Lead Based Paint Addendum

Buyer Initial _____

Seller Initial _____

The Parties have executed this Agreement on the dates set forth immediately below their respective signatures.

Seller:

[_____]

By: _____

Name: _____

Title: _____

Date _____, **2009**

Buyer:

By: _____

Name: _____

By: _____

Name: _____

Date _____, **2009**

(As used in this Agreement, the term "**date of this Agreement**" or "**date hereof**" or "**Effective Date**" shall mean and refer to the date this Agreement is executed by Buyer).

Buyer Initial _____

Seller Initial _____

Exhibit A
Legal Description

Buyer Initial _____

Seller Initial _____

Exhibit B
Seller Addendums

HE 9.1.2009

BN 2693472v6

ESCROW AGENT ACKNOWLEDGEMENT

Escrow Agent hereby acknowledges receipt of (i) an Earnest Money Deposit in the amount of \$ _____ and (ii) a fully executed original or counterparts of that certain Residential Purchase and Sale Agreement and Joint Escrow Instructions dated _____, 2009, by and between Seller and Buyer and agrees to act as Escrow Agent thereunder and to be bound by and strictly perform the terms thereof as such terms apply to Escrow Agent.

Escrow Agent is advised that the date of Confirmation of Acceptance of the Agreement as between Buyer and Seller is

_____, 2009

Escrow # _____

Escrow Agent Name: _____

Escrow Agent's Company: _____

Escrow Agent's Address: _____

Escrow Agent's City, State and Zip Code _____

Escrow Agent's Phone Number: _____

Escrow Agent's Email Address _____

Buyer's Broker's Information

Buyer's Broker Name: _____

Company: _____

Address: _____

City, State and Zip Code _____

Phone Number: _____

Email Address _____