

**PURCHASE AGREEMENT - SELLER FINANCING**

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

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

- IF CHECKED, THIS PROPERTY IS BEING SOLD AND PURCHASED IN "AS-IS" CONDITION.**
- IF CHECKED, THIS AGREEMENT IS AN ADDENDUM TO PURCHASE AGREEMENT DATED \_\_\_\_\_.**
- THE PROVISIONS OF THIS AGREEMENT SHALL PREVAIL OVER ANY AGREEMENT TO WHICH IT IS ATTACHED.**

**CONTRACT SALES PRICE**            \$ \_\_\_\_\_

**CASH DOWN PAYMENT**        (-) \_\_\_\_\_            (amount to be paid at closing)

**BALANCE DUE**                    \$ \_\_\_\_\_            (amount to be financed)

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

**EXISTING MORTGAGE(S):** (if any)

1<sup>st</sup> Mortgage Company \_\_\_\_\_ Balance approximately \$ \_\_\_\_\_

Monthly payment \$ \_\_\_\_\_ (P&I) + \$ \_\_\_\_\_ (T&I) = TOTAL \$ \_\_\_\_\_

Interest rate: \_\_\_\_\_ %  Fixed  Adjustable    Next payment due date: \_\_\_\_\_

2<sup>nd</sup> Mortgage Company \_\_\_\_\_ Balance approximately \$ \_\_\_\_\_

Monthly payment \$ \_\_\_\_\_ (P&I) + \$ \_\_\_\_\_ (T&I) = TOTAL \$ \_\_\_\_\_

Interest rate: \_\_\_\_\_ %  Fixed  Adjustable    Next payment due date: \_\_\_\_\_

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

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

- None required     Purchaser will make monthly escrow payments to Administrator as required.
- Required by mortgage holder. Purchaser will make payments as required.

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

**ADMINISTRATOR:** All payments under this contract shall be made to Administrator. The total monthly payment shall include the principal and interest payments AND the tax and insurance payment, as specified above, PLUS the Administrator's service fee.

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

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

**CLOSING FEES PAID BY:** \_\_\_\_\_ **CLOSING DATE REQUESTED:** \_\_\_\_\_

**ADDITIONAL PROVISIONS:** \_\_\_\_\_

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

**PURCHASER(S)**

**SELLER(S)**

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Signed: \_\_\_\_\_

Signed: \_\_\_\_\_

# INFORMATION AND DOCUMENTS REQUIRED FOR CLOSING

## AUTHORIZATION

Address of Property: \_\_\_\_\_  
Mortgage in Name(s) of: \_\_\_\_\_  
First Mortgage Company: \_\_\_\_\_ Loan # \_\_\_\_\_  
Address: \_\_\_\_\_ Phone: \_\_\_\_\_  
Second Mortgage Company (if any): \_\_\_\_\_ Loan # \_\_\_\_\_  
Address: \_\_\_\_\_ Phone: \_\_\_\_\_

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

**Date:** \_\_\_\_\_  
**Signed:** \_\_\_\_\_ SS # \_\_\_\_\_  
**Signed:** \_\_\_\_\_ SS # \_\_\_\_\_

## OWNER / SELLER'S INFORMATION

Name: \_\_\_\_\_ SS # \_\_\_\_\_  
                    First                    Middle/Maiden                    Last

Name: \_\_\_\_\_ SS # \_\_\_\_\_  
                    First                    Middle/Maiden                    Last

Home Phone: \_\_\_\_\_ Work No. (his): \_\_\_\_\_ (hers): \_\_\_\_\_

Never Married    Married    Divorced    Married, Previously Divorced (*Provide complete information.*)

**Mailing Address** (after closing): \_\_\_\_\_

**Email Address** \_\_\_\_\_

## PURCHASER'S INFORMATION

Name: \_\_\_\_\_ SS # \_\_\_\_\_  
                    First                    Middle/Maiden                    Last

Name: \_\_\_\_\_ SS # \_\_\_\_\_  
                    First                    Middle/Maiden                    Last

Home Phone: \_\_\_\_\_ Work No. (his): \_\_\_\_\_ (hers): \_\_\_\_\_

Will purchaser occupy property?  Yes    No

Never Married    Married    Divorced    Married, Previously Divorced (*Provide complete information.*)

**Mailing Address** (after closing): \_\_\_\_\_

**Email Address** \_\_\_\_\_

Listing Agent/Broker: \_\_\_\_\_ Phone: \_\_\_\_\_

Selling Agent/Broker: \_\_\_\_\_ Phone: \_\_\_\_\_

Desired Closing Date: \_\_\_\_\_ Commission (listing): \_\_\_\_\_ (selling): \_\_\_\_\_

Insurance Agent: \_\_\_\_\_ Policy # \_\_\_\_\_ Phone: \_\_\_\_\_

### The Following Documentation Is Required With This Completed Form:

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

**NEED HELP? JUST GIVE US A CALL!**

**Escrow Services, Inc.**  
**(985) 626-3727   Toll-Free: 1-800-654-7870**

**Fax: (866) 436-7159**  
**Email: [service@escroservinc.com](mailto:service@escroservinc.com)**

## INSTRUCTIONS FOR SELLER FINANCING AGREEMENTS

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

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

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

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

If the Owner/Seller has an **EXISTING "HOMEOWNER"** policy, it should be converted to a "rental dwelling policy" a/k/a extended coverage. If the Homeowner's policy cannot be converted, a new "rental dwelling policy" should be provided if possible. "Homeowner" policies issued in the name of the Purchaser are not accepted by mortgage companies and may require conversion to a "rental dwelling policy" in the owner's name.

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

**PAYMENT DUE DATE:** Make sure that all mortgages are current and a mortgage payment is not skipped. When picking a due date, remember Seller is responsible to pay mortgage in advance. We recommend purchaser's due date to be 15 days before due date of mortgage, if any.

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

**NEED HELP COMPLETING YOUR FORMS? CALL US!**

**Escrow Services, Inc.**

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