

MORTGAGE ASSIGNMENT ADDENDUM A
(To Contract for Sale)

Addendum to contract for sale between John Smith
as Seller, and Investor A, as Buyer for the property
located at 2304 Moonbeam Dr., Austin, Travis County,
Texas;

Notwithstanding anything herein to the contrary the following provisions shall govern.

1. Seller hereby grants to Buyer the irrevocable right to assign this Contract for Sale to a third party of Buyer's choosing, with out the consent of Seller. That upon such assignment, Seller agrees to release Buyer from any and all liability under the Contract for Sale and agrees to look solely towards the substituted Buyer. Seller agrees to honor the terms and conditions of the contract as drafted to the substituted Buyer.
2. Consideration under this contract shall be \$10.00 and other good and valuable consideration, including but not limited to Buyers,
 - a. Evaluation of the property;
 - b. Expenditures in marketing and advertising the property;
 - c. Time, toil and talents in procuring a buyer for the property;
3. Buyer and Seller acknowledge the following:
 - a. That this transaction may be via an Assumption or Wraparound Mortgage transaction, which method of purchase shall be at Buyer's sole discretion. Buyer may elect to lease the property under a Rent to Own mechanism in order to defer the transfer of title. Should Buyer elect this method, Seller hereby grants buyer the right to lease the property on their behalf and act as interim manager. Rental payments received thereunder shall be applied to Seller's mortgage payment first, with the Buyer retaining the balance of all funds for their management services.
 - b. That Seller's underlying lien is not assumable without full qualification and that Buyer has, as of this date, not qualified to assume said loan and at the time of ;
 - c. That the Assumption or Wraparound Mortgage will be with out the underlying lenders consent;
 - d. Seller and Buyer acknowledge that the Deed of Trust securing said loan may contain a due on sale clause. If so the underlying lender has the right to call said loan due in the event of a sale. In the event the underlying lender calls the loan due, Seller and or Buyer would be obligated to payoff said underlying lien;
 - e. Seller acknowledges that the liability on the underlying lien is not terminated until such time as the loan is paid off;
 - f. Seller acknowledges that there is a risk of damage to the Property from any occupant thereof, whether an owner occupant or tenant;
 - g. Seller and Buyer accept and acknowledge these risk factors;

4. It is the Buyer's primary intent to assign this Contract for a fee to a third party owner occupant or investor. Seller hereby acknowledges same. However, Buyer may close this transaction whereupon Buyer may sell same under a retail basis or utilizing an owner financed mechanism. It is not the intent of the buyer to pay off the underlying loan regardless of the mechanism of purchase or sale;
 - a. In the event that Buyer assigns this contract to a third party purchaser, Buyer may provide to Seller any of the Assignee's financial information Buyer obtains.
 - b. Buyer may purchase the property direct and resell same utilizing either a retail sale or one of the above mentioned owner financed or Rent to Own transactions. In any event, Seller acknowledges same and grants Buyer the right to resell or lease the property without further authorization from Seller;
5. Seller acknowledges that the Buyer or any shareholder, officer, director or member / manager of Buyer may hold a valid Texas Real Estate Broker or Sales / Agent License, a mortgage broker's license or a law license and is buying the Property for either investment intent or to assign the Contract; that the contract price may not represent market value. That Buyer does not represent Seller in any capacity. Seller accepts and acknowledges same;
6. Seller, hereby grants to Buyer the right to perform the following on or with the property prior to sale:
 - a. List the property for sale in the Multiple Listing Service (MLS) utilizing a licensed real estate agent;
 - b. To place a lock box on the door for showing purposes pursuant to the MLS or otherwise;
 - c. That the Seller shall agree, with reasonable notice, to allow Buyer to show the property to third party buyers as necessary;
 - d. To place signs in the yard in order to market the property;
7. Seller has the right to cancel this Contract at any time by providing written notice to the Buyer, subject to the following provisions:
 - a. In the event Seller elects to cancel said Contract prior to the expiration hereof, Seller will pay Buyer a \$1000 cancellation fee in money order or cashier's check.
 - b. Without payment of said cancellation fee, Seller's cancellation will not be effective.
 - c. Should Seller fail to pay said cancellation fee, besides any remedy set forth in the Contract, Seller hereby acknowledges and authorizes Buyer to file this Contract any corresponding affidavit in the Deed Records of the County where the property is located.
 - d. Should Seller, at anytime prior to the termination of this Contract, receive a bona fide offer to sell the property, where it can be verified that the new purchaser Buyer has the ability to purchase and obtain financing for the property, that upon written notification and verification of new Purchaser's financial ability to purchase the property, Buyer will agree to terminate this Contract for Sale whereupon Buyer and Seller shall have no further obligation, one to another, and there shall be no cancellation penalty.
 - e. If buyer has executed an Assignment of Contract, and notified Seller in writing of same via email or regular mail, this contract may no longer be

terminated by the Seller whereupon Seller, Buyer and Assignee shall set a firm closing date.

8. The terms and conditions of the contract and mortgage being assumed are as follows:

Assumption

Contract Price: \$ 92,083.68
Current Loan Balance: \$ 92,083.68
Down Payment or Fee (if any): \$ 0.00
Current interest rate: 6.50 %
Remaining Term: 276 months
Original Amortization term: 360 months
Principal and Interest pmt: \$ 632.60

2nd. Interest Rate: \$ n/a %
Term: _____
Amortized: _____
PI: \$ _____

Taxes and Insurance Pmt: \$ 320.04
Other mortgage pmts.: \$ 0.00
Total Monthly payment: \$ 952.64

Wrap Around Mortgage

Contract Price: \$ _____
Down Payment (if any): \$ _____
Interest rate: _____ %
Term: _____
Amortization term: _____
Principal and Interest pmt: \$ _____

2nd. Interest Rate: \$ _____ %
Term: _____
Amortized: _____
PI: \$ _____

Taxes and Insurance Pmt: \$ _____
Other mortgage pmts.: \$ _____
Total Monthly payment: \$ _____

Contract Price Adjustment: In the event the contract price should differ from the loan being assumed:

- _____ If the Contract price is less than the loan amount, the loan amount shall Govern;
 X If the Contract price is greater than the loan amount, the loan amount

_____ shall govern;
If the Contract price is greater than the loan amount, the Contract shall govern;

Pro-rata / Next month payment Option:

- X Seller agrees to pay the pro-rata portion of the next monthly payment due after the closing date subject to the date of closing;
_____ Seller agrees to pay the entire next monthly payment due after closing regardless of the date of closing;
_____ Seller shall make no payments regarding the next monthly payment due after closing;

Closing costs: \$ 1,000.00

Seller agrees to pay the above amount toward the closing costs associated with this transaction.

9. Buyer and Seller acknowledge that unless otherwise specified in writing Seller will not provide Buyer with an Owner's Title Policy on the Property. Buyer accepts a simple title run or an Abstract of Title in lieu thereof.
10. Buyer and Seller acknowledge that there has been no independent investigation, representation, or assurance whatsoever regarding ad valorem taxes, or at what value said Property may be assessed. The taxes will be pro-rated, if applicable, pursuant to the contract for sale. If taxes are escrowed with any underlying lender, taxes will not be prorated other than with in the scope of said escrow.
11. Buyer shall provide, Seller, upon Seller's written request, at closing with a 1 year prepaid insurance policy of Buyer's choice insuring the property in an amount not less than the loan balance or Buyer and Seller may agree to have Buyer added as an additional insured under Seller's insurance policy, provided Seller's insurance company allows same.
12. In the event this contract is not consummated with in 120 days from the date of execution, and is not renewed or extended in writing, this contract shall terminate and Buyer and Seller shall have no further obligations, one to the other.
13. In the event Buyer assigns this contract to a third party assignee, regardless of the specified closing date in the Contract, the closing date shall occur with in 30 days from the date of said assignment. Upon execution of any Assignment of Contract relating to this Contract, Buyer shall provide notice of same with in 3 business days from the date of execution of said assignment.
14. It is agreed and understood that even though Buyer may execute an Assignment of Contract with a third party assignee, there is no guarantee that said transaction will be consummated and close. Seller hereby acknowledges same and agrees to indemnify and hold Buyer harmless from any such actions.
15. Seller acknowledges that Buyer does not represent Seller in any capacity, including but not limited to, real estate sales agent, property manager or investment, financial or legal advisor.

THIS CONTRACT IS A VALID, BINDING LEGAL DOCUMENT. IF YOU DO NOT UNDERSTAND THE EFFECT OF THIS CONTRACT OR ANY PROVISION HEREOF, SEEK COMPETENT LEGAL ADVISE FROM AN ATTORNEY OF YOUR CHOICE.

BUYER

_____ Date Executed: _____
By:
Its:

_____ Date Executed: _____
By:
Its:

SELLER

_____ Date Executed: _____
By:
Its:

_____ Date Executed: _____
By:
Its: