

PURCHASE OFFER NO:

Department of Veterans Affairs OFFER TO PURCHASE AND CONTRACT OF SALE

Privacy Act Notice: VA and the Service Provider will not disclose information collected on this form to any source other than what has been authorized under the Privacy Act of 1974 or Title 38, Code of Federal Regulations 1.576 for routine uses (i.e., The information collected on this form will serve as an offer to purchase a VA-acquired property. The acquisition and sale of such property is authorized by law (38 U.S.C. 3720 (a) (5)).) as identified in the VA system of records, 55VA26, Loan Guaranty Home, Condominium and Manufactured Home Loan Applicant Records, Specially Adapted Housing Applicant Records and Vendee Loan Applicant Records - VA, and published in the Federal Register. Your obligation to respond is required to obtain or retain benefits.

Respondent Burden: We need this information to consider your offer to purchase a VA acquired property. Title 38, United States Code, allows us to ask for this information. We estimate that you will need an average of 20 minutes to review the instructions, find the information, and complete this form. VA and the Service Provider cannot conduct or sponsor a collection of information unless a valid OMB control number is displayed. You are not required to respond to a collection of information if this number is not displayed. Valid OMB control numbers can be located on the OMB Internet Page at www.whitehouse.gov/omb/library/OMBINV.VA.EPA.html#VA. If desired, you can call 1-800-827-1000 to get information on where to send comments or suggestions about this form.

INSTRUCTIONS TO BROKER - Follow the instructions of the Service Provider to submit offer.

1A. ADDRESS OF PROPERTY TO BE PURCHASED (Include No., Street or rural route, City or P.O. Box, State and ZIP Code)	1B. PROPERTY IDENTIFIER
---------------------------------------------------------------------------------------------------------------------------	--------------------------------

SECTION I - PURCHASER(S) INFORMATION

2A. NAME OF PURCHASER	2B. ADDRESS OF PURCHASER (Include No., Street or rural route, City or P.O. Box, State and ZIP Code)	2C. HOME PHONE ()
		2D. BUSINESS PHONE ()
3A. NAME OF PURCHASER	3B. ADDRESS OF PURCHASER (Include No., Street or rural route, City or P.O. Box, State and ZIP Code) (If same as above write "SAME")	3C. HOME PHONE ()
		3D. BUSINESS PHONE ()

4. STATE EXACT NAME(S) IN WHICH TITLE IS TO BE CONVEYED	5. DO YOU PLAN TO OCCUPY THE PROPERTY? <input type="checkbox"/> YES <input type="checkbox"/> NO
----------------------------------------------------------------	--------------------------------------------------------------------------------------------------------

5A. IS ANY PURCHASER A VETERAN? <input type="checkbox"/> YES <input type="checkbox"/> NO (If "YES", complete Items 5B and 5C)	5B. SERVICE/SERIAL NUMBER	5C. DATES OF LATEST SERVICE
-----------------------------------------------------------------------------------------------------------------------------------------	----------------------------------	------------------------------------

6. IS THE PROPERTY BEING PURCHASED DIRECTLY OR INDIRECTLY BY OR FOR ANY OF THE FOLLOWING PERSONS OR THEIR CLOSE RELATIVE?
(If any answer(s) for Items 6A through 6D is/are "YES," give a detailed statement of circumstances on a separate sheet. The term "Close relative" as used means the spouse, parents, children, brother or sister, or any other relative who is a member of the purchaser's household.)

	YES	NO
A. ANY PERSON WHO AT ANY TIME OBTAINED OR ASSUMED THE PAYMENT OF ANY LOAN MADE OR HELD BY VA OR GUARANTEED OR INSURED BY VA UNDER CHAPTER 37, TITLE 38, U.S. CODE?	<input type="checkbox"/>	<input type="checkbox"/>
B. ANY PERSON WHO HAS BEEN EMPLOYED BY THE SERVICE PROVIDER OR ANY OTHER ENTITY UNDER COMMON OWNERSHIP WITH THE SERVICE PROVIDER WITHIN THE LAST 6 MONTHS. (If "YES," is checked please give relationship)	<input type="checkbox"/>	<input type="checkbox"/>
C. ANY PERSON WHO AT ANY TIME WAS THE OWNER OF THE PROPERTY?	<input type="checkbox"/>	<input type="checkbox"/>
D. ANY PERSON WHO PREVIOUSLY PURCHASED A PROPERTY FROM VA?	<input type="checkbox"/>	<input type="checkbox"/>

SECTION II - TERMS OF PURCHASE, CERTIFICATIONS AND CONDITIONS OF TRANSMITTAL OF OFFER

7. CASH OFFER <input type="checkbox"/>			8. TERM OFFER <input type="checkbox"/>		
A. OFFERED PRICE	\$		A. OFFERED PRICE	\$	
DEDUCTIONS:			B. LESS (-) DOWNPAYMENT	\$	
B. DISCOUNT POINTS	\$		C. AMOUNT OF VENDEE LOAN REQUESTED (Item A - Item B)		\$
C. LOAN ORIGATION FEE	\$		D. TIMES (X) CASH EQUIVALENT FACTOR		%
D. CLOSING COSTS	\$		E. CASH EQUIVALENT VALUE (CEV) OF LOAN AMOUNT (Item C x Item D)		\$
E. COMMISSION	\$		F. PLUS (+) FUNDING FEE (% of Item C)	\$	
	\$		G. PLUS (+) DOWNPAYMENT (Item B)	\$	
F. SALES BONUS	\$		H. ADDITIONS TO CEV OF LOAN AMOUNT (Item F + Item G)		\$
G. TOTAL DEDUCTIONS (Item B through Item F)	\$		I. CASH EQUIVALENT VALUE OF TOTAL OFFER (Item E + Item H)		\$
H. NET TO VA (Item A - Item G)	\$		J. LESS (-) COMMISSION	\$	
				SALES	\$
			LISTING	\$	
			K. LESS (-) SALES BONUS	\$	
			L. TOTAL DEDUCTIONS (Item J + Item K)		\$
			M. NET TO VA (Item I - Item L)		\$
I. PURCHASER(S) AGREE TO CLOSE WITHIN DAYS AFTER OFFER IS ACCEPTED BY VA.			N. INTEREST RATE	%	
			O. NO. OF YEARS		
			P. MONTHLY P @ I PAYMENT	\$	

9. AMOUNT OF EARNEST MONEY ▶ \$ _____

BASED ON CORRECT CALCULATIONS, THE OFFER WHICH PROVIDES THE HIGHEST NET RETURN TO VA WILL BE ACCEPTED. ERRORS IN THE COMPUTATION OF THE NET TO VA MAY RESULT IN THE OFFER BEING REJECTED AND ANOTHER OFFER ACCEPTED.

The "Conditions of Sale" on the reverse of this Offer to Purchase and Contract of Sale and any required Attachments and Addendums to it executed by the purchaser(s) are incorporated herein and are a part hereof. All parties hereto acknowledge they have read and understand the "Conditions of Sale" on the reverse of this Offer to Purchase and Contract of Sale (and any required Attachments and Addendums) as evidenced by their signature(s) herein below.

PENALTY- The law provides severe penalties which include fine or imprisonment, or both, for the willful submission of any statement or evidence of a material fact, knowing it to be false.

10A. SIGNATURE OF PURCHASER	10B. DATE SIGNED	11A. SIGNATURE OF SPOUSE OR CO-PURCHASER	11B. DATE SIGNED
------------------------------------	-------------------------	-------------------------------------------------	-------------------------

12A. NAME AND ADDRESS OF REAL ESTATE FIRM	12B. NAME OF PRINCIPAL BROKER
	12C. TAX ID OR SOCIAL SECURITY NUMBER
	12D. NAME OF SALES PERSON
	12E. TELEPHONE NUMBER ()

13A. SIGNATURE OF PRINCIPAL BROKER OR AUTHORIZED REPRESENTATIVE	13B. DATE SIGNED
------------------------------------------------------------------------	-------------------------

SECTION III - ACCEPTANCE BY THE DEPARTMENT OF VETERANS AFFAIRS

Acceptance of this offer is hereby evidenced by my signature below and by the return to the Purchaser or Sales Broker of a copy hereof, so signed. (If the offer is not accepted it will not be signed in Item 14A on behalf of VA and the prospective purchaser will be notified of the rejection.)

14A. THE SECRETARY OF VETERANS AFFAIRS BY: _____ TITLE: _____	14B. DATE ACCEPTED _____
-----------------------------------------------------------------------------	------------------------------------

SECTION IV - CONDITIONS OF SALE

1. This Contract of Sale contains the final and entire agreement between the parties hereto and they shall not be bound by any terms, conditions, statements, or representations, oral or written, not contained in this contract. This Contract of Sale is not assignable by the Purchaser(s).

2. Funding Fee Notice: Title 38, U.S. Code, Section 3729 requires that VA collect a funding fee from each person who obtains a vendee (VA/ Seller financed) loan to purchase a VA-acquired property. This fee must be paid in cash or certified funds at closing. The fee may not be collected from a veteran who is receiving compensation (or who, but for the receipt of retirement pay would be entitled to receive compensation) or from a surviving spouse as described in 38 U.S.C. 3701(b)(2).

3. Risk of loss or damage by fire or other causes is assumed by the Seller until the sales transaction is closed.

4. Seller may rescind this contract and return the Purchaser's earnest money deposit under any of the following conditions:

- a. The property is damaged prior to the date of closing.
- b. The Seller is unable to deliver the property vacant if so advertised.
- c. The Seller is unable or unwilling to remove valid objections to title prior to closing.
- d. The Seller has not, and is unable to timely acquire title to the property.
- e. The property is subject to outstanding redemption rights and such rights are exercised. (In such cases the Seller shall be entitled to the redemption money and shall return to the Purchaser(s) all payments made by him/her to the Seller on account of this sale, without interest, less the fair rental value.)
- f. Vendee financing is requested and the Seller determines the Purchaser(s) is/are not (an) acceptable borrower(s).

5. The return of the earnest money deposited by the Purchaser(s) shall release the Seller from any and all claims arising from this transaction.

6. The seller may retain all or a portion of the earnest money deposited herewith as liquidated damages if the Purchaser(s) refuse(s), or otherwise fails to perform in accordance with this Contract of Sale. Purchaser's failure to obtain mortgage financing to complete the purchase will not be considered a failure to perform and the earnest money deposit will be returned if the Purchaser(s) can show he/she reasonably and diligently pursued such financing without undue extensions of time.

7. Purchasers who request, but do not qualify for a VA Vendee (VA/Seller) loan agree that the vendee loan processing fee will not be refunded.

8. If Vendee financing is requested, the Purchaser(s) will inform the Seller of any changes in employment and/or financial position, including bankruptcy, judgments, pending litigation, income tax liens, garnishments, and other similar matters.

9. Closing shall be as soon as possible and within a reasonable time after indication by the Seller of readiness to close. Seller will indicate place of closing for Vendee financed loans. Purchaser(s) agree(s):

- a. To pay sufficient money at closing, as determined by an escrow analysis as required by Title 24 CFR 3500, for Seller to properly establish escrow accounts to pay taxes, assessments, ground rents (if any), and hazard and flood insurance required by the Seller.
- b. To pay monthly, in addition to the monthly installments of principal and interest shown for seller-financed sales, 1/12 of the annual charges that the Seller reasonably anticipates paying from the escrow account for hazard insurance, ground rents (if any), and any and all taxes and assessments now or hereafter levied against the property, in order that the Seller may pay such charges when due.
- c. To pay for any examination of title or continuation of policies as he/she may require, documentary stamps on the deed of conveyance by the Seller and on all other closing instruments, recording taxes, recording fees, and any other expenses incidental to the closing. Copies of any title evidence in the possession of the Seller will be made available to the Purchaser(s) for examination upon request. Said evidence will be delivered to Purchaser(s) when loan is paid in full.
- d. That all assessments, rents (if any), ground rents (if any), and taxes shall be prorated as of the closing date, and the purchaser(s) will assume all taxes, assessments, and ground rents (if any), due on and after the closing date.
- e. To furnish hazard insurance (and flood insurance if required) policies satisfactory to the Seller, with loss-payable clauses in favor of the Seller, successors or assigns. Policies will be effective as of the closing date and will be delivered to the Seller at closing along with receipts for the payment of the first year premium.

10. The Seller/Service Provider will prepare, the instruments required for closing the sale. At that time, the Seller/Service Provider, at the Seller/Service Provider's option, will deliver the deed of conveyance. The deed will contain a covenant which warrants against the acts of the Seller/Service Provider and all claiming by, through, or under him or her conveying good title to said real estate subject to easements, restrictions, and agreements of record. In a sales transaction financed by VA, the deed will be delivered simultaneously with the execution and delivery by the Purchaser(s) to the Seller/Service Provider of a mortgage, or deed of trust, and note covering the balance of the purchase price. In a cash sales transaction, the deed will be delivered simultaneously with the balance of the purchase price.

11. This sale is subject to the rights of any parties in possession.

SALES BROKER CERTIFICATION

12. I, the undersigned sales broker, have received from the prospective purchaser(s) the deposit shown on the reverse which I am holding for the Department of Veterans Affairs. I certify and agree that:

- a. I am acting as Trustee of these funds which will be placed in my Trust Escrow Account. If the purchase offer is not accepted by VA, the deposit shall be returned to the prospective purchaser(s), without interest.
- b. The statements of the prospective purchaser(s) shown on the reverse and in the attached credit statement, if required, are believed to be true and correct. I do not know of any loans, gifts, or financial assistance being made to the prospective purchaser(s). I will disclose to VA any such information coming to my attention if seller financing is involved.
- c. The sales commission shall not be deemed earned unless and until the sale is actually closed, and that the sales commission shall be payable in amount and time as established by the Service Provider. In addition, sales commissions may not be payable, if the purchaser(s) or co-purchaser(s) is/are a person having an identity of interest in one of the following categories:

- (1) Selling broker who has knowledge or has received a copy of either the foreclosure or marketing appraisal;
- (2) Person who has control over marketing decisions has knowledge or has received a copy of the marketing analysis;
- (3) Person who processes or evaluates offers;
- (4) Spouses, parents, in-laws, children, stepchildren; brothers and sisters of, and persons who reside with any of the above; and,
- (5) The identity of interest's partners, employees and sales associates.

d. I am duly licensed to sell real estate by the appropriate governmental agency in the area where this property is located.

e. Neither the broker nor any of his/her sales, management, or rental personnel, employees, or others authorized to act for the broker will, in violation of Title VIII of the Civil Rights Act of 1968 as amended (The Fair Housing Act), or Executive Order 11063, decline to show or will discriminate in the sale or rental of any property now or here after listed with him/her. It is further agreed that the undersigned will:

- (1) Instruct the staff in the policies of nondiscrimination and applicable laws;
- (2) Prominently display the Fair Housing Poster in all offices in which sale or rental activity takes place;
- (3) Use the approved Equal Housing Opportunity logo, slogan, or statement in all advertising in conformance with Advertising guidelines for Fair Housing;
- (4) When advertising VA-acquired properties located in predominantly white areas, utilize any available minority media (solely or in addition to other media); and,
- (5) Maintain a nondiscriminatory hiring policy in affirmatively recruiting from both minority and majority groups for staff.

f. Non-compliance by the broker or any employee of his or her organization with the laws, executive orders, or regulations, against discrimination in the sale or rental of any property, or with this certification will be proper basis for barring the undersigned from participation in the program of selling, renting, or managing HUD or VA owned properties. I also understand that such determination of debarment by either HUD or VA shall be honored by both.

PURCHASER(S) CERTIFICATIONS

13. I offer to purchase the property herein described at the price and terms shown on the reverse, subject to all the applicable conditions of this Contract of Sale shown above and on the reverse which I have read and which constitute part of my offer. I understand this property is subject to prior sale, change of price or withdrawal from the market, and to approval and acceptance by the Department of Veterans Affairs Service Provider.

14. Neither I, nor anyone authorized to act for me, will refuse to sell or rent, after the making of a bona fide offer, or refuse to negotiate for the sale or rental of, otherwise make unavailable or deny the dwelling or property covered by this offer to purchase to any person because of race, color, religion, sex, familial status or national origin. I recognize that any restrictive covenant on this property relating to race, color, religion, sex, familial status, or national origin is illegal and void and any such covenant is hereby specifically disclaimed. I understand that civil action for preventative relief may be brought by the Attorney General of the United States in any appropriate U.S. District Court against any person responsible for the violation of the applicable law.