

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (MOU) is regarding the sale of real property. All Parties acknowledge that the intent of this MOU is to outline the basic terms of a residential sale of real property for use by the parties in preparing and executing a state appropriate purchase contract for the sale of real property. The Parties shall work in good faith towards memorializing the terms of this MOU into said purchase contract and shall work in good faith to agree on any term that may apply to the sale of said property including any unique features of the Subject Property, or any requirements of local governments including but not limited to city, state, owners association, or other governing body.

Homepie, Inc. is providing this MOU as a courtesy only to outline the general terms which the Parties have digitally agreed to on the Homepie platform. Homepie, Inc. makes no representation as to the legal validity or suitability of any of its provisions for this transaction. You are advised to consult with legal counsel and tax professionals for legal or tax advice concerning this MOU and this transaction. Homepie, Inc. does not provide legal or tax advice.

BUYER(S): (referred to below as "Buyer")

SELLER(S): (referred to below as "Seller")

Buyer(s) and Seller(s) (together "Parties") above intend to memorialize this MOU by preparing and signing a separate legal purchase contract (the "Agreement") for the sale of real property located at:

_____ (the "Property").

The Parties agree to negotiate any other terms needed to successfully complete this sale in good faith. All timeframes below shall begin once the Parties enter into the formal Agreement to sell. The Parties have agreed to and intend to include the following terms in the Agreement:

1. PURCHASE CONSIDERATION:

A. TOTAL PURCHASE PRICE: _____

B. CLOSING TIMEFRAME: _____ Days

C. GOOD FAITH DEPOSIT: _____

D. DOWN PAYMENT: _____

E. BALANCE OF PURCHASE PRICE: _____

F. SELLER CREDIT TO BUYER: _____

G. SELLER PAID HOME WARRANTY: _____

H. TYPE OF FINANCING: LOAN (or) CASH

I. CONTINGENCIES and OTHER TERMS: The following contingencies as marked below shall apply.

i. FINANCING CONTINGENCY applies for _____ Days

ii. APPRAISAL CONTINGENCY applies for _____ Days

iii. INSPECTION CONTINGENCY applies for _____ Days

- iv. **SALE OF BUYER'S PROPERTY CONTINGENCY** applies.
 Buyer's property address _____
 - a. **BUYER'S PROPERTY IS UNDER CONTRACT**
 Scheduled closing date is _____.
 - b. **BUYER'S PROPERTY IS NOT UNDER CONTRACT**
 Buyer has _____ Days to locate a buyer and put the property under contract.
- v. **SELLERS PURCHASE OF REPLACEMENT PROPERTY** shall apply.
 - a. **SELLER IS UNDER CONTRACT ON REPLACEMENT PROPERTY**
 Scheduled closing date is _____.
 - b. **SELLER IS NOT UNDER CONTRACT ON REPLACEMENT PROPERTY**
 Seller has _____ Days to get replacement property under contract.
 - c. **SELLER REPLACEMENT HOME MUST CLOSE CONCURRENTLY**
 - d. **CLOSING ON SALE OF SELLER'S PROPERTY IS A CONTINGENCY**
 - e. **TIME PERIODS:** All time periods for contingencies shall start the Day after Buyer notifies Seller that Buyer's Property is under contract, except the Good Faith Deposit, which shall be delivered by Buyer to the escrow or closing company within 3 business days of acceptance of a finalized contract.
- vi. **SELLER RENT BACK APPLIES**
 - a. Seller will remain in possession of the Subject Property _____ days after closing.
 - b. Seller shall pay buyer the amount of _____, as the equivalent of rent, for the total number of Days stated in 1.I.vi.a.. The Parties understand that this is not a monthly rate, rather, it is one fee for the full term.
 - c. Seller shall provide a security deposit to Buyer in the amount of _____. This deposit shall be returned to seller upon delivering the property to Buyer as agreed.
 - d. Buyer and Seller will execute a lease agreement or other agreement as deemed appropriate for any Seller Rent-Back in the state in which the subject property is located.
 - e. **Seller shall continue to maintain property and pay all utilities until possession is given to Buyer.**

J. IF CHECKED: INCLUDED ITEMS

- i. _____
- ii. _____
- iii. _____
- iv. _____
- v. _____
- vi. _____
- vii. _____
- viii. _____
- ix. _____
- x. _____

K. IF CHECKED: OTHER TERMS

- i. _____
- ii. _____
- iii. _____
- iv. _____
- v. _____
- vi. _____
- vii. _____
- viii. _____
- ix. _____
- x. _____

L OTHER CONTINGENCIES AND CONSIDERATIONS

- i. The Parties agree to consider the following potential contingencies and considerations, if applicable, when memorializing the Agreement:
 - a. Insurability of the property, Buyer’s assumption of any tenant-occupied property leases, Seller’s obligation to ensure any tenants and their belongings have been vacated prior to closing escrow, Buyer’s approval of leased or liend systems attached to the property including but not limited to solar leases or liens, Buyer’s review and approval of the title report, Buyer’s approval of common interest development or homeowners association disclosures, and any other matter impacting the property.

2. PAYMENT OF COSTS: The parties agree to negotiate in good faith to the payment of costs such as attorney fees, escrow and title fees, inspections and certificates, government retrofit costs, other required costs such as smoke detectors, water heater bracing, or other safety devices or otherwise required by law; state, city, or county transfer tax, any private transfer fees, natural hazards zone disclosure reports including environmental reports, HOA document and transfer costs, and any other costs related to the sale. The breakdown of allocation of costs shall be included in the final Agreement.

3. DEFINITIONS: The following words or terminology shall be used for purposes of this Memorandum of Understanding, as follows:

- 1. **“Agreement”** means the Residential Real Estate Purchase Agreement that the parties intend to enter into.
- 2. **“Parties”** or **“Party”** - Buyer and Seller are referred to herein as the “Parties” or “Party”
- 3. **“Close of Escrow”** (also referred to as “COE”) means the date the grant deed or other transfer of title instrument, is recorded with the county recorder’s office.
- 4. **“Days”** means calendar days. However, after the Contract Date, the last Day for performance of any act required by this Agreement (including Close of Escrow) shall not include any Saturday, Sunday, or legal holiday, and instead shall be the next Day.
- 5. **“Law”** means any statute, ordinance, regulation, case law, rule or order, which is adopted by a governing city, county, state or federal legislative, judicial or executive body or agency having jurisdiction.

4. BUYER(S) SIGNATURE(S):

By signing below, Buyer(s) agree to act in good faith in memorializing the basic terms of this MOU into a formal Agreement to sell.

DATE: _____

X _____

X _____

X _____

X _____

IF CHECKED: One or more Buyers is signing in a representative capacity and not in his/her individual capacity.

REPRESENTATIVE CAPACITY: If one or more Buyers is signing this Agreement and signing/initialing this and related documents in a representative capacity then that Buyer shall so state in a Representative Capacity Statement, and shall deliver to the other Party and escrow holder within **3 calendar days** after the Contract Date, evidence of authority to act in that capacity.

5. SELLER(S) SIGNATURES(S):

By signing below, Seller(s) agree to act in good faith in memorializing the basic terms of this MOU into a formal Agreement to sell.

DATE: _____

X _____

X _____

X _____

X _____

IF CHECKED: One or more Sellers is signing in a representative capacity and not in his/her individual capacity.

REPRESENTATIVE CAPACITY: If one or more Sellers is signing this Agreement and signing/initialing this and related documents in a representative capacity then that Buyer shall so state in a Representative Capacity Statement, and shall deliver to the other Party and escrow holder within **3 calendar days** after the Contract Date, evidence of authority to act in that capacity.