

ABC Real Estate Services, Inc.
REO and Notes Purchase Procedures

PROOF of FUNDS: Buyer agrees not to place an order if they cannot consummate the transaction. The party who actually owns the account from which the funds will be drawn for closing should be the party that completes this contract. A Bank Letter (below) is required. Should the buyer have any other financial instrument such as, but not limited to, a Letter of Credit they should go to their bank and have that bank write the letter that is required in this contract.

CLOSING COSTS: To Be Paid by Buyer.

PROCEDURE: (This is a general procedure)

Step 1: Buyer's Mandate/Buyer sends to ABC Real Estate Services, Inc. via email/fax/upload a copy of this completed agreement.

Step 2: ABC Real Estate Services, Inc. transmits this executed document to Escrow and the Broker of Record.

Step 3: Escrow responds back to the buyer/mandate with the following:

Quote I have in my possession certain paperwork that affirms that the Broker of Record has the authority to accept and present your offer for the purchase of certain bulk REOs owned by a Major National Lender. As per your signed agreement please cause your bank to fax the following (*coordinates to be provided*) to me, within a 3 day period of the date of this fax: (718) 221-1717

Written by a top 100 USA FDIC Bank on their Letterhead:

"To Escrow Officer _____ at fax # _____ Re: Escrow #: _____. We hereby confirm, with full bank responsibility that our Client _____ has \$ _____ in good, clean, cleared funds on deposit and/or an unsecured credit line with our bank equal to or exceeding this same amount. We are ready, at our Client's instructions, to transmit these funds to the Escrow Company's banking coordinates as provided by our Client. You may confirm the validity of this fax by calling _____. "

Signed by 2 bank officers *Any unauthorized calls concerning this transaction will not be accepted.*

Step 4: Buyer's bank transmits the above document into Escrow.

Step 5: Escrow Officer verifies the funds by contacting Buyer's bank and then notifies the Broker of Record (assuming positive results).

Step 6: Broker of Record forwards the offer with the bank proof of funds to the REO bank, who puts it into queue to be sold to the highest bidder.

Step 7: The selling REO Bank, (assuming the buyer bid is selected)

- a. Sends the tape to the Seller's Agent for delivery to the buyer
- b. Blocks the tape in the Buyer's name for a **3 day period**.

Step 8: Buyer has an exclusive **48 hour period to (vary from seller to seller):**

- a. **Examine** the tape and decide if he/she wants to proceed in performing his due diligence on it.
- b. **Wire** to Escrow's banking coordinates (will be provided) a deposit equal to at least the amount of the commission as described herein (assuming he/she wishes to proceed). This money, when received, continues the blockage on the tape for the buyer's benefit. Each seller's requirement will vary.

Step 9: Buyer has:

- a. **(3)** Banking days from the time he/she has wired the deposit for any order of **\$25 Million or less**.
- b. **(5)** Banking days from the time he/she has wired the deposit for any order over **\$25 Million**.

To complete the sale by wiring Purchase Price as stated herein to Escrow for the package he/she has chosen.

Initials of all signatories: _____

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Procedures, Confidentiality, Non-Circumvention and Fee Agreement

Step 10: The Escrow Officer will arrange for Title Insurance, transfer documents, and all other forms necessary to close escrow. All payees are to e-mail the Broker of Record their banking coordinates so their commission checks can be sent to them. Escrow closes and pays all concerned.

Note (VARIES): Substitutions, if applicable, as described above are made at step 9; with an additional two banking days for Buyer to complete his/her inspection. The Broker of Record or Escrow Officer will assist the Buyer in any way he/she can to expedite this process.

(AFTER STEP 10): If the Buyer does not wish to proceed, he/she notifies Escrow of his/her request. Escrow will refund 90% of the deposit. The non-refundable amount shall be liquidated damages. The bank will then make the REOs available to the next highest bidder (if any). Escrow will notify the Seller's Representative, who in-turn notifies all payees, should the transaction fail to close.

CONFIDENTIALITY and NON-CIRCUMVENTION AGREEMENT (THIS IS BINDING)

The parties of this agreement are the undersigned.

Whereas, the individual parties are involved in the separate pursuit of various business opportunities; and Whereas, the parties contemplate co-operating with each other and parties of their introduction to effect such business opportunities and benefit now and in the future; And Whereas, each party contemplates disclosing and furnishing to the other parties, certain confidential and proprietary information, material or dealings to effect such business opportunities now and in the future; Now, therefore, as witnessed by signature below, the parties agree as follows:

This Agreement is made to protect Confidential and/or Proprietary Information, materials and/or dealings with or about sources, actual and potential, of investors, lenders, lender's agents, financial institutions, trust, mortgagors, banks, brokers, traders, Buyers, and those parties or entities, public or private generally interested in such including but not limited to their names and plans, transactions, and other pertinent information and material which is transferred verbally or in writing or by other means between the signatories below and parties or entities of their introduction and/or disclosure. The signatories below agree confidential and/or proprietary information, materials and/or dealings as generally described in this paragraph are confidential and can be referred to hereinafter as Confidential Information.

The Parties acknowledge that any information or data, whether printed, written, oral or electronically stored or reproduced and whether provided in response to specific inquiry or voluntarily provided ("Evaluation Materials") is confidential, and that both intend that such information remain confidential;

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, All the Parties hereto agree as follows:

- 1 Not to directly or indirectly contact anyone connected to this transaction (beyond my immediate contacts) now or a period of three (3) years.
- 2 Not to show Materials or discuss the contents of same with anyone or employee, without first requiring that person to maintain the confidentiality to the same degree I am bound.
- 3 Irrevocably not to circumvent, avoid, bypass, or obviate anyone connected with this contract.
- 4 Not to become involved, in any transaction with any principal of this contract without written permission from all signatories herein. (Exception: anyone that they were in direct contact prior to this agreement).
- 5 This shall also apply to the ultimate supplier of the REO and the Broker of Record and the buying party.
- 6 They will not contact any party to this transaction after this deal is completed, unless directly through each introducing party.
- 7 That integrity and confidentiality will be maintained for future business transactions.

Initials of all signatories: _____

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- 1 That if the buyer should elect to purchase additional REO property that all listed herein will be paid the same commission as outlined in the "Fee Agreement."
- 2 Confidential information contains brief, selected information pertaining to the business and affairs of all concerned and no one has made any representation or warranty, expressed or implied, as to the accuracy or completeness of any of the information as it pertains to the REO Package, and no legal liability is to be assumed or implied with respect thereto.
- 3 This Agreement to maintain the confidentiality of all concerned and shall survive any termination of discussions and shall be binding upon the undersigned, their respective successors and assignees.
- 4 All agrees that a breach of any material provision of this Agreement by them would result in irreparable harm to the Injured Party, that any remedy at law is inadequate, and accordingly, in the event of any breach or threatened breach of any material provision herein by anyone the Injured Party shall have the right to seek immediate injunctive relief in addition to any other remedies available at law or equity. This Agreement shall be governed and construed in accordance with the laws of the State of New York and be limited to the sole purpose of discussing and transacting business pertaining to the purchase or sale of REO Portfolios and Pools of Notes.

GENERAL FEE AGREEMENT (FEES MAY VARY FOR EACH TRANSACTION)

This agreement is made by and between the **Buyer** and each of the following payees **Buyer's Mandate**, and **Seller's Representative(s)** as included herein.

Compensation (VARIES): Upon the successful closing of this transaction the Buyer irrevocably instructs Escrow to release 3% of the selling price as outlined herein payable 1% to the Buyer's Mandate (where applicable), 1% to the Seller's Representative/Mandate (where applicable) and 1% to ABC Real Estate Services, Inc. Buyer agrees to pay the full commission to ABC Real Estate Services, Inc. in a case where the portfolio is being sold directly by the seller or through a seller's mandate, in which case the fee will be equally split.

All Payees Agree without limitation or qualification to accept the fees paid pursuant to this Agreement as their full and complete compensation for their respective marketing efforts and indemnify and hold **Buyer** harmless for and against any and all other claims or expenses they may incur as a result of their participation with this transaction or their association with Buyer.

Exception: Any additional successful negotiation between the buyer and the seller shall cause the Buyer to pay **the commission as outlined herein**.

The Fees due as set forth above shall be paid by electronic funds via wiring instructions that shall be provided to **Buyer** at or prior to the closing.

Buyer shall hold **Facilitators, Seller's Representative and/or Buyer's Mandate** harmless from any and all liability, expenses or claims arising from the accuracy, disclosure or use of information provided within the parameters of this agreement.

Applicable Law: This Agreement is governed by and construed under the laws of the State of New York.

Attorney Fees and Costs: In the event of any such action, the prevailing party shall recover all costs and expenses thereof, including reasonable attorney's fees from the losing party.

Successors and Assigns: The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the parties and their respective successors and permitted assigns. No party herein may assign their rights or delegate their obligations under this Agreement without the prior written consent of the other parties.

Modification and Waiver: None of the terms or conditions of this Agreement may be waived except in writing by the party entitled to the benefits thereof. No supplement, modification or amendment of this Agreement shall be binding unless

Initials of all signatories: _____

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Executed in writing by all the Parties herein: No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision (whether or not similar) nor shall such waiver constitute a continuing waiver.

Invalid Provisions: If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws by any court of competent jurisdiction, such illegality, invalidity or unenforceability shall not affect the legality, enforceability or validity of any other provisions or of the same provision as applied to any other fact or circumstance and such illegal, unenforceable or invalid provision shall be modified to the minimum extent necessary to make such provision legal, valid or enforceable, as the case may be.

Facsimile/Electronic Transmissions: Facsimile or electronic transmissions of this Agreement shall be considered an original of this Agreement, shall have the same effect and force as signed hard-copy originals of this Agreement, and shall be binding and legally enforceable.

Entire Agreement: This agreement, contains the entire understanding between the parties relating to the subject matter hereof. There are no representations, arrangements, understandings, or agreements; oral or written, relating to the subject matter of this Agreement, except those expressed in this Procedures, Confidentiality and Non-Circumvention, and Fee Agreement.

No Third Party Beneficiaries: Except for the parties to this Agreement and any seller referred pursuant thereto, no other person or entity shall have any rights or obligations arising from or in respect of this Agreement, shall be entitled to enforce any of the terms, conditions or provisions herein, or is an intended third party beneficiary of this Agreement in any respect whatsoever. The undersigned parties, having read this Agreement as revised, acknowledge their knowing and voluntary agreement to be bound by its terms and have executed this Agreement as of the dates set forth below.

Separate Counterparts. This Agreement may be executed in separate counterparts, each of which shall be an original, but all of which taken together shall constitute one and the same instrument. Each party listed herein will type above the line, sign, fax, or scan and e-mail their respective section to their proper recipient.

IN WITNESS WHEREOF, this Agreement is executed by all the Parties as listed below and will be lodged in Escrow. Escrow Officer is to follow the instructions as contained herein. (*Type contact information above the line, sign and **e-mail***)

Signature:

Dated:

Buyer: Company & Name Signed with full corporate responsibility (if a corporation) and under penalty of perjury that I am the actual signatory/owner of the account from which the funds will be drawn for closing.

Buyer's Company Address:

Buyer's Phone

Fax

E-mail address

Dylan E. F. Williams, President/CEO

ABC Real Estate Services, Inc. (Facilitator): Print Name

Signed

Dated:

Phone

Fax

E-mail address

Broker of Record or Seller's Rep

Signed

Dated:

Phone

Fax

E-mail address

Initials of all signatories: _____

ABC Real Estate Services, Inc.
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Additional Signatories (where applicable)

Buyer's Mandate

Signed

Dated:

Phone

Fax

E-mail address

Fifth Signatory (where applicable)

Signed

Dated:

Phone

Fax

E-mail address

Sixth Signatory (where applicable)

Signed

Dated:

Phone

Fax

E-mail address

Initials of all signatories: _____

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Buyer Profile Form

Buyer's Contact Information

Buyer's Name:	
Company Name:	
Company Address:	
City/State/Zip:	
E-Mail Address:	
Phone Number:	
Fax Number:	
Buyer's Mandate/Rep Name:	
Buyer's Mandate/Rep Phone Number:	

Experience Information

How many years of investing?	First Yr <input type="checkbox"/> 1-3 yrs <input type="checkbox"/> 3-5yrs <input type="checkbox"/> 5+ yrs <input type="checkbox"/>
Preferred average asset value?	\$
Monthly / quarterly purchase amount, if applicable?	\$1-5mil <input type="checkbox"/> \$5-10mil <input type="checkbox"/> \$50mil+ <input type="checkbox"/>
Current purchase quantity?	10-20 <input type="checkbox"/> 20-50 <input type="checkbox"/> 50+ <input type="checkbox"/> Other _____
What is your next 12 months purchase goal?	Quantity: Dollar Amount:
Type of properties you buy?	Residential <input type="checkbox"/> Commercial <input type="checkbox"/> Both <input type="checkbox"/>
What is your exit strategy?	Buy to Hold/Lease <input type="checkbox"/> Buy to Resale <input type="checkbox"/>
What is the typical holding period?	Under 45 days <input type="checkbox"/> 45-90 days <input type="checkbox"/> Under 1yr <input type="checkbox"/> Over 1yr <input type="checkbox"/>
What is your funding method?	Cash <input type="checkbox"/> Non-contingent Line of Credit <input type="checkbox"/>
Where do your funds wire from?	Domestic USA <input type="checkbox"/> International <input type="checkbox"/>
Can you provide a POF Letter?	Yes <input type="checkbox"/> Attached (remove the account #) No <input type="checkbox"/>
What property condition do you buy?	No Rehab <input type="checkbox"/> Cosmetic Rehab <input type="checkbox"/> Major Rehab <input type="checkbox"/>
Status of property?	Pre-Foreclosure <input type="checkbox"/> REO <input type="checkbox"/> Notes <input type="checkbox"/>
Type of Notes requested?	Performing <input type="checkbox"/> Non Performing <input type="checkbox"/>
What region of the USA do you prefer?	All <input type="checkbox"/> West <input type="checkbox"/> East <input type="checkbox"/> South <input type="checkbox"/> North <input type="checkbox"/>
What are your primary Sates?	
States not Preferred?	

Buyer's Signature: _____ Date: _____

*****Please attach any additional paperwork, including proof of funds letter from your bank.**

You may also fax these documents to us at (718) 221-1717.

Initials of all signatories: _____