

# Residential Real Estate Sale Contract

This Residential Real Estate Sale Contract (the "Contract") is made by and between

and

The Effective Date shall be the date of signature by the later party to sign this Contract.

## 1. Property to be Sold.

A. Buyer agrees to purchase and Seller agrees to sell the real property and the improvements thereon (the "Property") commonly known as:

B. The legal description of the Property is:

C. The sale of the Property shall include the following fixtures and personal property associated with the Property, all of which (if any) are owned by Seller free and clear of all liens and encumbrances: gas heaters; propane tanks, including propane (if owned); central heating, ventilation and air conditioning equipment and fixtures; attached TV antennas and cables; lighting and light fixtures; plumbing equipment and fixtures; attached mirrors; linoleum; wall-to-wall carpet; window and porch shades; blinds; storm windows and doors; screens; curtain and drapery rods; awnings; automated garage door openers and remote control units; keys; attached humidifiers; attached outside cooking units; attached fireplace screens and/or glass doors; attic and ceiling fans; built-in kitchen appliances; and:

D. The following items are specifically excluded from the sale and shall not be transferred as a part of the Property to Buyer:

## 2. Purchase Price.

A. The Purchase Price for the Property is

B. Buyer shall pay an earnest money deposit ("Earnest Money") of \_\_\_\_\_ to \_\_\_\_\_ upon signing this Contract.

C. The amount to be financed by Buyer (not including financed mortgage insurance premiums, or closing costs, if any) is \_\_\_\_\_, of which Seller agrees to provide financing in the amount of \_\_\_\_\_. Seller financing, if any, shall be provided as follows:

D. The balance of the Purchase Price to be paid in good funds (certified or cashier's check) by Buyer on or before the Closing Date (defined below) is:

## 3. Earnest Money and Other Deposits.

A. Any Earnest Money paid by Buyer pursuant to the Contract shall be deposited within five (5) business days of the Effective Date. Any additional deposits shall likewise be deposited within five (5) business days of receipt. If Earnest Money is held by someone other than Seller, that holder shall be instructed to deposit the funds in an insured escrow account. \_\_\_\_\_ may retain any interest earned on escrowed funds.

B. Notwithstanding any other terms of this Contract providing for the forfeiture or refund of Earnest Money, it is agreed that any third party holding any Earnest Money will be directed not to disburse the Earnest Money without the written consent of Buyer and Seller, unless permitted to do so by applicable law. If Buyer and Seller are unable to agree in writing upon the disbursement of the Earnest Money or any other funds, the third party holder may commence an interpleader or similar action and is authorized to pay the funds to the Clerk of the Court where the Property is located for disposition according to the order of the Court.

C. Buyer and Seller agree that, if there is neither a dispute regarding disbursement of the Earnest Money nor a written consent to distribution and either party fails to: (i) respond in writing within \_\_\_\_\_ days of receipt of a written notice of pending disbursement sent by certified or registered mail from the third party Earnest Money holder, if any, or (ii) make written demand for return or forfeiture of the Earnest Money within \_\_\_\_\_ days of receipt of written notice of cancellation of this Contract (as the case may be), then such failure shall constitute consent to disbursement of the Earnest Money as provided in such notice.

#### **4. Sale Contingencies.**

A. This Contract is contingent upon Buyer securing financing as follows:

B. This Contract is contingent upon the sale and closing of Buyer's property located at

\_\_\_\_\_ on or before \_\_\_\_\_. Seller may continue to offer the Property for sale. If Seller accepts another bona fide offer before the sale and closing of Buyer's property, Buyer shall have \_\_\_\_\_ from receipt of Seller's written notice about the other offer to exercise the option of continuing this Contract, provided that any contingency regarding sale of Buyer's property and/or financing shall be deemed waived by Buyer. To exercise this option, Buyer must pay to Seller a non-refundable fee of \_\_\_\_\_ and agree in writing to remove both (as applicable) the contingency respecting the sale of Buyer's property and any financing contingency of this Contract. If Buyer does not, within the required time, both confirm the removal of these contingencies in writing and pay Seller the non-refundable fee, this Contract shall be canceled and the Earnest Money shall be returned to the Buyer. At the closing, the full amount of the non-refundable fee shall be applied toward Buyer's payment of the Purchase Price. Buyer agrees not to exercise the option to continue this Contract unless:

(1) Buyer's property is covered by a bona fide contract for sale and Buyer's financing for the purchase of the Property is approved by Buyer's lender subject only to the sale of Buyer's property;

or

(2) Buyer is financially able to complete the purchase of the Property without selling Buyer's property.

#### **5. Physical Condition of Property.**

A. Buyer acknowledges that Buyer has made at least a casual inspection of the Property. Subject to additional professional inspections, if any, as provided in this Contract, Buyer accepts the Property for purchase in its current condition, except as follows:

Seller shall maintain the Property in its present condition through the date of possession. In the event of any material change in the condition of the Property before closing, Seller shall promptly notify Buyer.

#### **6. Mechanical, Pest and Other Inspections.**

A. Buyer, and/or Buyer's representatives shall have the right to conduct inspections of the Property including, but not limited to, appliances, plumbing, electrical and mechanical systems, central heating, ventilation and air conditioning, foundation, basement, crawl space, roof, attic, structural components, environmental hazards, and pest infestation or damage and all other physical matters which may affect the value of the Property. Seller shall make the Property reasonably available to Buyer and Buyer's representatives to inspect any repairs made as a result of previous inspections. Buyer shall pay for the cost of any inspection and any damage to the Property resulting from any inspection.

[Radon Testing if applicable]

B. A copy of a pest inspector's written report shall be provided to Seller. If an inspection reveals that there is active pest infestation, Seller agrees to pay to have the Property treated for control of the infestation by a reputable, licensed pest control firm selected by Seller. Seller will provide Buyer with a certificate evidencing such treatment and Buyer agrees to accept that certificate. If Buyer is obtaining financing, inspection, treatment and repairs will be done within thirty (30) days before closing.

C. If any of Buyer's professional inspectors discovers any other unsatisfactory condition, then Buyer shall give written notice to Seller, together with a copy of the written report(s) by the inspector(s) within \_\_\_\_\_ days of the Effective Date of this Contract. If notice of an unsatisfactory condition is not timely given, the physical condition of the Property shall be deemed to be acceptable to Buyer. If written notice of any unsatisfactory condition (other than pest infestation) signed by Buyer and supported by the written opinion of qualified inspector(s) is given to Seller as set forth in this section, Buyer and Seller agree to pay for repairs necessary to remedy the unsatisfactory condition(s) as follows:

(1) Seller agrees to pay the first \_\_\_\_\_.

(2) Buyer agrees to pay the next

If the cost of repairs exceeds the total of the amounts agreed to by Buyer and Seller set forth above, then either or both parties may elect to pay any or all of the excess amount. Buyer and Seller shall have \_\_\_\_\_ days after Seller's receipt of the notice to enter into a written agreement providing for the payment of the excess amount. If Buyer and Seller do not reach agreement on payment of the excess amount within this period of time, this Contract shall terminate and the Earnest Money shall be refunded to Buyer.

#### **7. Utilities.**

Seller [Will or Will Not] leave all utilities on until the date of possession. If the utilities are left on, \_\_\_\_\_ will pay the utility bills until the date of possession.

#### **8. Property Maintenance and Casualty Loss.**

A. Seller agrees to perform ordinary and necessary maintenance and upkeep of the Property and to keep the improvements on the Property fully insured until delivery of Seller's deed to Buyer. If improvements on the Property are damaged or destroyed by fire or other causes before closing (including those causes that could be covered by what is commonly referred to as fire and extended coverage insurance), the parties agree that the risk of that damage or destruction shall be allocated as follows: If the damage is minor, Seller shall repair the Property at Seller's cost. If the damage is substantial, Buyer may elect to either enforce this Contract or cancel it by written notice to Seller within ten (10) days after receiving notice from Buyer of the damage or destruction of the Property. If Buyer elects to enforce this Contract, the Purchase Price shall not be reduced and the Property shall be conveyed its then existing condition. At closing, Seller also shall credit to Buyer an amount equal to Seller's insurance deductible amount and shall assign to Buyer the right to Seller's insurance proceeds. If Buyer elects to cancel this Contract pursuant to this paragraph, any Earnest Money shall be returned to the Buyer.

B. \_\_\_\_\_ agrees to pay for a home buyer's warranty plan from a reputable warranty plan provider, subject to a per claim deductible not to exceed \_\_\_\_\_. This warranty plan will be a limited service contract covering repair or replacement of the working components of the Property for one (1) year from the Closing Date. The warranty plan cost shall not exceed \_\_\_\_\_. The charge for the warranty plan will be paid at closing.

C. [Title Protection]

D. [Lien Affidavit]

#### **9. Professional Survey.**

Buyer may obtain a survey of the Property before the Closing Date to assure that there are no defects, encroachments, overlaps, boundary line or acreage disputes, or other such matters, that would be disclosed by a survey ("Survey Problems"). The cost of the survey shall be paid by [Survey Payer]. Not later than ten (10) days prior to the Closing Date, Buyer shall notify Seller of any Survey Problems which shall be deemed to be a defect in the title to the Property. Seller shall remedy defects that can be remedied prior to the Closing Date. If Seller does not remedy any defect discovered by the survey, Buyer shall have the option of:

(1) completing this purchase and accepting the title Seller is able to convey without reduction in the Purchase Price, or

(2) canceling this Contract, in which case the Earnest Money shall be returned to the Buyer.

#### **10. Delivery of Deed.**

On or before the Closing Date, Seller shall execute and deliver a warranty deed and take all other steps reasonably necessary to complete the closing. The warranty deed shall convey to Buyer a marketable fee simple title to the Property free and clear of all liens and encumbrances, except as provided in this Contract. On or before the Closing Date, Seller and Buyer agree to deliver to the closing agent a cashier's check, certified check or other good funds sufficient to satisfy their respective obligations in this Contract.

**11. Tax and Other Prorations.**

A. The parties agree that all of the following items which accrue or become due during the calendar year in which Seller's warranty deed is delivered shall be prorated between the parties as of the Closing Date and, for all years thereafter, all of the following, to the extent permitted by applicable law, shall be assumed and paid by the Buyer:

- (1) interest on existing loans to be assumed by Buyer (if any),
- (2) all general, state, county, school and municipal real estate taxes, homes association dues and fees, and
- (3) any other contractual obligations of Seller to be assumed by Buyer.

B. [Special Assessments]

C. If the amount of any item to be prorated for the current year cannot be ascertained from public records, the amount of the item for the preceding year will be used for the current year's amount. However, if the Property was materially improved following the determination of the assessed value upon which the prior year's taxes were based, taxes will be estimated based on the preceding year's levy at the more current assessed value, if ascertainable, and the estimated amount prorated.

[Change in Taxes]

**12. Closing.**

The closing of this Contract for the sale and purchase of the Property shall be not later than \_\_\_\_\_, or such other date as may be agreed by the parties ( the "Closing Date"). The closing shall be conducted at a mutually convenient time during business hours.

**13. Defaults and Remedies.**

Seller or Buyer shall be in default under this Contract if either fails to comply with any material covenant, agreement, or obligation within the time limits required by this Contract. Following a default by either Seller or Buyer, the parties may pursue any remedies or damages available to them at law or in equity. Time is of the essence of this Contract.

**14. Parties.**

If Seller or Buyer constitutes two or more persons, the terms "Seller" or "Buyer" shall be construed to read "Sellers" or "Buyers" whenever the sense of the Contract requires. Unless identified as Seller or Buyer, no real estate professional, escrow or closing agent is a party to this Contract.

**15. Entire Agreement.**

This Contract (including all attachments, if any) constitutes the complete agreement of the parties concerning the Property, supersedes all previous agreements, and may be modified only by a further written agreement signed by the parties.

**16. Notices.**

Any notice required or permitted under this Contract shall be deemed sufficiently given if hand delivered, or if sent by United States certified mail, return receipt requested, or registered mail, as follows:

If to Seller:

If to Buyer:

Seller and Buyer shall each have the right from time to time to change the place notice is to be given under this section by written notice thereof to the other party.

**17. Expiration of Offer.**

If this Contract is first prepared and signed by one party and delivered to the other, it shall (before signed by the receiving party) constitute an offer that expires on \_\_\_\_\_ at \_\_\_\_\_ unless earlier accepted by signing and returning it to the offering party. The offer may be withdrawn by the offering party before acceptance by written notice to the other party before acceptance.

**18. Headings.**

Headings used in this Agreement are provided for convenience only and shall not be used to construe meaning or intent.

**19. Governing Law.**

This Agreement shall be construed and enforced in accordance with the laws of the state where the Property is located. IN WITNESS WHEREOF, the parties hereto have signed this Residential Real Estate Sale Contract effective on the last date of signature set forth below.

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

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