

RealtySouth™

General/Financed Contract

Date _____

The undersigned Buyer(s) _____
(Print Name(s))

hereby agree(s) to purchase, and the undersigned Seller(s) _____
(Print Name(s))

hereby agree(s) to sell the following described real estate, together with all improvements, shrubbery, planting, fixtures and appurtenances (the "Property") situated in the City of _____ County of _____, Alabama, on the terms stated below:

Address: _____ Zip Code _____

Legal Description: Lot _____ Block _____ Survey _____ Map Book _____ Page _____ OR complete parcel ID _____

Buyer and Seller acknowledge, in the event this contract is cancelled or not closed, fees or costs paid in advance may be non-refundable.

1. THE PURCHASE PRICE SHALL BE\$ _____

Earnest Money\$ _____

(A) FINANCING: (Check as applicable)

- (1) Buyer will pay cash or obtain a loan for the property with no financing contingency.
- (2) This contract is contingent on Buyer obtaining approval of a Conventional FHA VA USDA Alabama Housing Finance Authority Bond **OR** Other _____ loan in the amount of \$ _____ or _____% of the purchase price (excluding any financed loan costs) at the prevailing interest rate and loan costs. Attach the FHA/VA Amendatory clause if required.

Buyer will apply for financing within _____ days from finalized date (5 days if not specified) and will provide any and all credit, employment, financial and other information required by the lender. Either party may cancel this contract if Buyer, after using diligence and good faith, cannot obtain the financing as specified above. In this event, upon the execution of a mutual release by the buyer and seller, all earnest money shall be promptly refunded. If the purchase price exceeds the appraised value Buyer may elect to cancel this agreement and the earnest money shall be promptly refunded or Buyer and Seller may renegotiate the sales price.

(B) LENDER REQUIRED REPAIRS: If Lender requires any repairs to the property as a condition of Buyer's loan approval, and the Seller declines to pay for the required repairs, then the Buyer may cancel this contract and all earnest money will be refunded upon the execution and delivery of a mutual release. Seller agrees, if Buyer elects to cancel the Contract due to Seller's election not to pay any repairs required by Buyer's lender and, as a result, Buyer elects to cancel the Contract, to execute a mutual release authorizing the return of the Earnest Money to Buyer promptly upon receipt of the Notice of Cancellation and mutual release.

(C) LOAN CLOSING COSTS AND PREPAID ITEMS: Seller agrees to pay \$ _____ of Buyer's closing costs and/or prepaid expenses excluding Seller's half of the settlement fee and title insurance cost.



2. CLOSING & POSSESSION DATES: The sale shall be closed and the deed delivered on or before _____ . Possession is to be given at closing if the property is then vacant; otherwise, possession shall be delivered on _____ at _____ (AM) (PM). In the event Seller retains possession of the property beyond the day of closing Seller does hereby guarantee that at the date of surrender of occupancy by Seller, the property shall be in the same condition as of the day of closing. This provision shall survive the closing and delivery of the deed.

3. EARNEST MONEY & BUYER'S DEFAULT: In the event an offer or counteroffer is not accepted, the earnest money shall be returned to Buyer without a signed release. Seller and Buyer hereby direct the Listing Broker to hold the earnest money until this contract has been accepted and signed by all parties (finalized date), at which time the earnest money shall be promptly deposited into its escrow account. In the event the title is not insurable pursuant to Section 5 of the Contract, or if the terms of purchase are contingent upon Buyer's ability to obtain lender approval, or if other contingencies as specified herein cannot be met, this earnest money deposit is to be refunded. In the event the sale does not close, a separate mutual release signed by all parties to this contract will be required before any Earnest Money will be disbursed.

In the event either Buyer or Seller claim the Earnest Money without the agreement of the other party, the holder of the escrowed funds, in accordance with Alabama Real Estate License Law Administrative Section 790-X-3-.03 (4) (5) must either retain the escrowed funds until there is a written agreement among the parties or interplead the disputed portion of the funds into the appropriate court, and shall be entitled to deduct from the escrowed funds for court costs, attorney fees and other expenses relating to the interpleader. Seller, at Seller's option, may cancel this agreement if the Earnest Money check is rejected by the financial institution. In the event of default by Buyer, all deposits made hereunder may be forfeited as liquidated damages at the option of Seller, provided Seller agrees to the cancellation of this contract, or alternatively, Seller may elect to retain such deposits and pursue his legal or equitable remedies if any hereunder against Buyer.

4. AGENCY DISCLOSURE:

The Listing Company is: _____
 (Two blocks may be checked)
 An agent of the seller
 An agent of the buyer
 An agent of both the seller and buyer, and is acting as a limited consensual dual agent
 Assisting the buyer seller as a transaction broker

Seller(s) Initials

The Selling Company is: _____
 (Two blocks may be checked)
 An agent of the seller
 An agent of the buyer
 An agent of both the seller and buyer, and is acting as a limited consensual dual agent
 Assisting the buyer seller as a transaction broker

Buyer(s) Initials

5. TITLE INSURANCE: Seller agrees to furnish Buyer a standard ALTA form Owner's Title Insurance Policy from a title insurer licensed and authorized to issue title insurance policies in the State of Alabama in the amount of the purchase price, insuring Buyer against loss on account of any defect or encumbrance in the title, subject to exceptions herein, including Sections 6 and 8 below; otherwise, the Earnest Money shall be refunded. In the event both Owner's and Mortgagee's title policies are obtained at the time of closing, the total expense of procuring the two policies will be divided equally between Seller and Buyer, even if the mortgagee is Seller. Seller shall have a reasonable length of time within which to perfect title or cure defects in the title to the property. The title insurance policies specified herein shall be obtained from (check one) TitleSouth; Other.

6. SURVEY: Buyer does does not require a survey by a registered Alabama land surveyor of Buyer's choosing. Available information indicates that the property is is not located in a flood plain, but this will be confirmed by a flood plain certification and/or the surveyor's statement in the survey which is the responsibility of Buyer. Further, unless otherwise agreed herein, the property is purchased subject to utility easements, residential subdivision covenants and restrictions if any, and building lines of record if any. It is the responsibility of Buyer to determine, prior to closing of this contract, whether or not the foregoing or other matters revealed by the survey or title



insurance commitment, materially impairs the use of the property for Buyer's intended purposes. Unless otherwise agreed herein, the survey shall be at Buyers expense. (NOTE: Lender or title insurer may require a survey.)

RealtySouth recommends a new survey on all purchases.

7. PRORATIONS: Ad valorem taxes, as determined on the date of closing, homeowners association and/or condominium association dues, fire district, library district or other dues/fees, if any, are to be prorated between Seller and Buyer as of the date of delivery of the deed. Unless otherwise agreed herein, all ad valorem taxes, except municipal, are presumed to be paid in arrears for the purposes of proration: municipal taxes, if any, are presumed to be paid in advance. Seller represents and warrants that the Property is is not currently subject to Class III residential property tax classification. If Seller states property is classified as Class III Property and this representation is in error, Seller will reimburse to Buyer any additional property tax which is in excess of that which would be due had the property been classified as Class III property for the current tax year. This obligation will survive the closing and delivery of the deed.

8. CONVEYANCE: Seller agrees to convey the property to Buyer by General, or Statutory/Special warranty deed (General Warranty Deed if neither box is checked) free of all encumbrances except as permitted in this contract. Seller and Buyer agree that any encumbrances not herein excepted or assumed may be satisfied at the time of closing from the sales proceeds. The Property is sold and is to be conveyed subject to any mineral and/or mining rights not owned by Seller, utility easements, subdivision covenants and restrictions and subject to present zoning classification _____. Check here if Buyer desires title as joint tenants with right of survivorship.

9. HOME WARRANTY: Subject to limitations, exclusions, and deductibles, Buyer does does not require a Home Warranty Policy effective for one year from date of closing to be paid by Buyer Seller at cost not to exceed \$_____.

10. NECESSITY OF INSPECTIONS: Buyer acknowledges and agrees that Alabama law imposes a duty on Buyer to thoroughly inspect a property, for defects or otherwise, in accordance with the terms of this contract and prior to closing the sale. Buyer further acknowledges and agrees that Buyer is aware that professional inspection services and/or contractors may be engaged for this purpose and that RealtySouth and its sales associates strongly recommend the use of such professionals but endorse none of them. In fulfilling these duties Buyer acknowledges that RealtySouth advises against utilizing previous Seller-acquired inspection reports, allowing the Seller to pay for such inspection reports, or using an inspector recommended by Seller. Buyer understands and agrees that RealtySouth and its sales associates do not possess the expertise to determine the condition of a property, and therefore, Buyer will not rely on any statements or omissions made by RealtySouth or its sales associates regarding the condition of a property. Buyer understands that if a sales associate accompanies Buyer on an inspection or walk-through of the property it will be as a courtesy and not as a person qualified to detect any defects. **After closing of this sale, (subject to Seller's obligations under Section 2 of this Contract, pertaining to Seller's post-closing occupancy of the Property, if any) all conditions of the property are the responsibility of Buyer.**

11. CONDITION OF PROPERTY: Neither Seller nor Broker nor any Sales Associate makes any representations or warranties regarding condition of the Property except to the extent expressly set forth herein. Buyer has the obligation to determine any and all conditions of the Property material to Buyer's decision to buy the Property, including, but not limited to general home inspection, sewer lines inspection, structural inspection, radon testing, EIFS inspection, HVAC inspection, drywall, and/or lead based paint inspection, the condition of the heating, cooling, plumbing and electrical systems and any built-in appliances; the roof and the basement, including leaks therein; the presence of asbestos or toxic mold; the presence of arsenic in treated wood; the school districts for the subject property; the presence of Chinese dry wall; the size and area of the property; construction materials and workmanship; the proper construction of any improvements located upon the Property; structural condition; utility and sewer or septic system availability, condition and location; subsurface and subsoil conditions, sinkholes and mining or other soil conditions including radon or other potentially hazardous gases or toxic materials; presence of, or damage from, wood destroying insects and/or fungus (Wood Infestation Report); Property access, easements, covenants, restrictions, developments, structures and any matters affecting the character of the neighborhood. Buyer shall have



the obligation to determine the condition of the property in accordance with “A” or “B” below. Unless otherwise excepted, Seller will provide access and utilities for Buyer’s inspections, if any, until closing. NOTE: Lenders and/or public authorities may require certain investigations such as termite and septic tank inspections (for which repairs may be required). **THIS DOES NOT REPLACE BUYER’S DUTY TO THOROUGHLY INSPECT THE PROPERTY PRIOR TO CLOSING.**

(A) SALE OF PROPERTY NOT CONTINGENT UPON INSPECTIONS: Buyer agrees to accept the property in “AS IS” condition. Seller gives **no** warranties on any systems or appliances being in good working order either now or at the time of closing and in consideration for this price, Buyer accept total responsibility for all repairs, improvements, and/or defects in the property. This provision does not apply to warranties of title to the Property evidenced by the Warranty Deed delivered to Buyer pursuant to Section 8 of this Contract.

--	--

Seller(s) Initials

--	--

Buyer(s) Initials

(B) SALE OF PROPERTY CONTINGENT UPON INSPECTIONS: Buyer reserves the right to conduct any inspections of the Property either personally or through others of Buyer’s choosing at Buyer’s expense, for a period of _____ days (the “Inspection Period”) from the Agreement Acceptance Date. Buyer and Seller acknowledge that wood infestation, septic inspections and survey do not fall under the time frames of paragraph 11. Unless otherwise excepted, Seller will provide access and utilities for Buyer’s inspections until time of closing.

--	--

Seller(s) Initials

--	--

Buyer(s) Initials

(1) If such inspections reveal conditions that are unsatisfactory to Buyer, Buyer, at Buyer’s sole discretion, may either (a) terminate this contract **or** (b) request that Seller correct the unsatisfactory conditions. Buyer shall exercise either option by written notice delivered to Seller within _____ days (Three (3) days if blank) after the inspections have been completed and inspection reports have been received by Buyer or Buyer’s agent.

(2) If Buyer elects to terminate this contract as a result of any of the Buyer’s inspections, Seller agrees to promptly sign the mutual release directing the return of Buyer’s earnest money to Buyer.

(3) If Buyer instead requests Seller to correct unsatisfactory conditions, Seller shall respond to Buyer by written notice within _____ days (Two days if blank) of receipt of such request as to whether Seller is willing to correct the unsatisfactory conditions. If Seller elects not to correct the unsatisfactory conditions, or if no response is received from Seller within said period, Buyer may elect either (a) to terminate this contract by written notice of cancellation to the Seller and recover the earnest money, or (b) to waive in writing the request for correction of unsatisfactory conditions and proceed to close the sale.

(4) It shall be conclusively deemed acceptance of the property, including ordinary wear and tear until the closing, if Buyer fails to notify Seller in writing of any unsatisfactory conditions **or** fails to notify Seller in writing of his election to terminate this contract as herein provided.

--	--

Seller(s) Initials

--	--

Buyer(s) Initials

NOTE: “Ordinary wear and tear,” as used in “B” above shall not be deemed to include material failure of the heating, cooling, plumbing and electrical systems or built-in appliances.

12. WALK-THROUGH INSPECTION: Buyer has the obligation to conduct a walk-through to inspect the Property prior to closing to determine if the items to be repaired by Seller under Section 11(B) have been satisfied. If Buyer determines any of the following: (a) a condition under Section 11(B) has not been satisfied; (b) systems as described in the “NOTE” portion of Section 11 are not functioning; or (c) new defects have arisen since Buyer’s acceptance of



property under Section 11(B), then Buyer shall immediately notify Seller. If Seller refuses to pay for any repairs or correct any defects requested by Buyer, Buyer may proceed with the closing or cancel the contract and recover the earnest money, or elect to pursue any remedies that the Buyer may have at law or equity for Seller's alleged breach of Seller's obligations under the Contract.

Buyer shall be required to sign a final PRE-CLOSING INSPECTION OF PROPERTY, indicating that the Property is acceptable and that all terms of Section 11(B) have been satisfied unless otherwise noted on form. If Buyer fails to conduct this walk-through inspection, Seller's obligations will be deemed fulfilled. Buyer understands that if a sales associate accompanies Buyer on an inspection or walk-through of the property it will be as a courtesy and not as a person qualified to detect any defects. **After closing all conditions of the property are the responsibility of the Buyer subject to Seller's post-closing occupancy obligations, if any, under Section 2 of this Contract.**

--	--

Seller(s) Initials

--	--

Buyer(s) Initials

13. ADDITIONAL INSPECTIONS AND/OR DISCLOSURES:

(A) SEWER/SEPTIC SYSTEMS: Seller represents that property is is not connected to municipal or private sewer disposal system and all sewer charges, including service, impact and connection fees have been paid. Seller represents that the property is, is not connected to a septic tank waste disposal system. If property is on a septic tank system, Buyer does does not require a septic system cleaning and inspection at Buyer(s) expense. RealtySouth recommends that Purchaser have the septic tank system inspected by a professional. The representations made by Seller in this Section 13(A) shall survive the closing and delivery of the deed.

--	--

Seller(s) Initials

--	--

Buyer(s) Initials

(B) TERMITE AND/OR WOOD INFESTATION/FUNGUS:

(1) CONTRACT: Buyer does does not require a termite contract. If a contract is required and Seller has an existing transferable contract, the contract may be transferred at Seller's expense Buyer's expense. If a new contract is required, the cost shall be at Seller's expense Buyer's expense. RealtySouth makes no representations as to the terms or conditions of the termite contract.

--	--

Seller(s) Initials

--	--

Buyer(s) Initials

(2) WOOD INFESTATION REPORT: Buyer does does not require a wood infestation report. If required by Buyer, Lender, or Termite Company, the cost of a wood infestation report shall be at Buyer's expense.

--	--

Seller(s) Initials

--	--

Buyer(s) Initials

(C) LEAD-BASED PAINT AND/OR LEAD-BASED PAINT HAZARDS: Lead-based paint and/or lead-based paint hazard disclosure is required for property built on or before 1978. Property was was not built prior to 1978 and addendum signed by Sellers and Buyers is attached.

14. BUYER AND SELLER HEREBY ACKNOWLEDGE AND AGREE: That RealtySouth, its officers, directors, employees, brokers, and sales associates shall not be held responsible or liable for any obligations or agreements that Buyer or Seller have to one another hereunder and shall not be held responsible for any representation or the passing of any information to or from Buyer or Seller and, agree to discharge and release RealtySouth, its officers, directors, employees, brokers, and sales associates from any claims, demands, damages, actions, causes of actions or suit at law arising from the sale of said property and shall include but not be limited to the condition of the heating, cooling, plumbing, water and electrical systems and any built-in appliances; the roof and the basement, including leaks therein; the presence of asbestos; the school districts for the subject property; the presence of Chinese



dry wall; the presence of arsenic in treated wood; the presence of toxic mold; the size and area of the property; workmanship or construction materials, including floors; structural condition; utility and sewer or septic system condition, availability and location; the investment or resale value of the property; pending condemnation proceedings, subsurface or subsoil conditions, sinkholes, and mining or other soil conditions, including radon or other potentially hazardous gases or toxic materials; existence of, or damage from, wood destroying insects and/or fungus; property access, easements, covenants, restrictions, developments, structures and any matters affecting the character of the neighborhood; the past, present, or future financial stability of the builder developer or the future insurability of the property; or the compliance of the builder or developer under any builder/developer warranty; builders, developers or Seller's compliance with any covenants and restrictions affecting the Property, appurtenances thereto or any related mortgage terms and conditions.

15. SELLER WARRANTIES that Seller has not received notification from any lawful authority regarding any assessments, pending assessments, pending public improvements, pending condemnation proceedings, repairs, replacements, or alterations to the property that have not been satisfactorily made. Seller warrants that there is no unpaid indebtedness on or affecting Property, or for labor or materials furnished to the Property the property except as described in this contract. These warranties shall survive the closing and delivery of the deed.

16. RISK OF LOSS: If the property is destroyed or materially damaged between the date hereof and the closing, and Seller is unable to restore it to its previous condition prior to closing, the Buyer shall have the option of canceling this contract and recovering the earnest money, provided that the notice of cancellation is delivered to Seller or Seller's agent prior to closing, or accepting the property in its damaged condition. If Buyer elects to accept the property in its damaged condition, any insurance proceeds otherwise payable to Seller by reason of such damage shall be applied to the balance of the purchase price or otherwise be payable to Buyer. It is Buyer's responsibility to ensure that Buyer has procured adequate insurance effective provided at the time of closing.

17. SELECTION OF SETTLEMENT/CLOSING AGENT: Buyer and Seller hereby agree that the closing of this transaction shall be conducted by a closing attorney or title insurance company and Buyer and Seller do do not agree to share equally the settlement or closing charge imposed by the settlement agent. Buyer and Seller acknowledge and agree that such sharing may involve a potential conflict of interest and they may be required to execute an affidavit at closing acknowledging their recognition and acceptance of same. The parties further acknowledge that they have a right to legal representation of their own choosing, at their own expense, at all times in connection with this contract and the closing of this transaction. The closing of the transaction contemplated by this contract shall be performed by (check one) TitleSouth Closing Center; Other.

18. PERSONAL PROPERTY: Any personal items remaining with the property shall be at no additional cost to Buyer; shall not add to the value of the property; shall be in "AS IS" condition with no warranties, unless otherwise agreed herein; shall be unencumbered at the time of closing; and shall be only that which is currently on the premises or on an itemized list or addendum attached hereto (said list to be specific as to description and location of such items). The provisions of this Section 18 shall survive the closing and delivery of the deed.

19. OTHER OFFERS WHILE PURCHASER'S OFFER IS PENDING: Buyer acknowledges that offers other than the Buyer's may have been made or may be made before Seller acts on the Buyer's offer or counteroffer or while Seller is considering Buyer's offer or counteroffer. Seller expressly reserves the right to accept, reject, counter or withdraw any offer or counteroffer at any time prior to one of the offers becoming the primary contract.

20. ENTIRE AGREEMENT: This contract constitutes the entire agreement between Buyer and Seller regarding the property, and supercedes all prior discussions, negotiations and agreements between Buyer and Seller, whether oral or written. Neither Buyer, Seller, Broker, nor any sales associate shall be bound by any understanding, agreement, promise, or representation concerning the property, expressed or implied, not specified herein. **This is a legally binding contract. If you do not understand the legal effect of any part of this contract, seek legal advice before signing.** It is agreed to by all parties to this contract that signatures may be obtained on facsimile copies for the purposes of contractual agreement. Therefore, these facsimile signatures shall be deemed legal and binding.



21. ADDITIONAL PROVISIONS set forth below and on the attached addenda _____ and signed by all parties are hereby made a part of this contract.

Seller (Date)

Buyer (Date)

Seller (Date)

Buyer (Date)

EARNEST MONEY: Receipt is hereby acknowledged of the earnest money as herein set forth.
 Cash Check
AGENCY: _____ **By** _____ **Date** _____
Date Contract Finalized: _____ **(Date on which last party signed or initialed acceptance of final offer).**



BUYER'S DISCLOSURE STATEMENT: VERY IMPORTANT DOCUMENT-PLEASE READ CAREFULLY

This Disclosure Statement has been completed by Buyer and not the Broker or Agent. It is hereby made a part of this purchase agreement regarding the property at _____.

BUYER IS ADVISED EITHER PERSONALLY, OR THROUGH OTHER OF BUYER'S CHOOSING, TO INSPECT THE PROPERTY AND NOT RELY ON ANY VERBAL, PRINTED OR WRITTEN DESCRIPTION OF PROPERTY.

1. Buyer understands that lenders may require certain inspections such as termite inspection, septic tank inspection, well water inspection, re-inspection of repairs required by and completed as per appraisal; and that although the results of these inspections may satisfy the requirements of these authorities, they may not meet the requirements of Buyer. Buyer is responsible for determining any of the above conditions of the property material to Buyer's decision to buy the property. **Buyer's Initials** _____
2. Buyer understands that Seller is not obligated to make repairs to the property except those specifically stated in the purchase agreement. Any lender-required repairs are only repairs required by the lender or the appraiser. Neither Seller nor Buyer is obligated to make repairs required on the appraisal, if any. Buyer should not rely on an appraiser to require or discover needed repairs. An appraiser is not a licensed contractor or a qualified home inspector. **Buyer's Initials** _____
3. Buyer understands that Broker and Agent are not responsible for the performance of any repairs, replacements and/or improvements to the property. **Buyer's Initials** _____
4. A Home Warranty should not be purchased in lieu of a professional home inspection. A Home Warranty is subject to many exclusions, including but not limited to, any conditions that pre-exist the purchase of the property. **Buyer's Initials** _____
5. Note the words "working order" in the purchase agreement. This does not obligate Seller to repair or have work done to put appliances and/or systems in perfect or better working condition i.e. cleaning the heating units, working on plumbing with slow drains or low water pressure, etc. These conditions need to be handled before the inspection contingency is removed and not at the "walk-through" just before closing. **Buyer's Initials** _____
6. Buyer understands that the Wood Infestation Report is a VISUAL inspection of ACCESSIBLE areas. This inspection does not guarantee that there are no termites, other wood destroying insects or fungus in inaccessible areas. There are no warranties after this inspection except those covered under a Termite Protection Plan (contract-with its limitations). Brokers and agents are not liable for infestations, damage, or fungus detected or not detected by termite inspection companies. **Buyer's Initials** _____
7. Buyer understands that any statements as to the square footage and room sizes (living area) of the structure are an estimate only and are not warranted to be exact or accurate by Seller, Broker, or Agent. Buyer is responsible for determining square footage that would be material to Buyer's decision to buy the property. **Buyer's Initials** _____
8. Buyer understands that any statement including, but not limited to easement, encroachments, overlaps, fences off true property lines, boundary line disputes or flood zones are not warranted to be accurate by Seller, Broker, or Agent. Whether a survey is required or not by Lender, Buyer is advised to obtain a current survey of the property to verify the above. **Buyer's Initials** _____
9. Buyer understands that Broker and Agent DO NOT WARRANT the condition of this house, the property on which it is located or any of the heating, cooling, plumbing and electrical systems or any appliances. Buyer understands that Seller DOES NOT WARRANT the condition of this house, the property on which it is located or any of the



heating, cooling, plumbing or electrical systems or any appliances, other than as stated in the purchase agreement.

Buyer's Initials _____

10. Buyer understands and agrees that any recommendations by Broker or Agent or professional contractor or inspectors are strictly as a courtesy to the Buyer; Buyer's choice of contractors or inspectors is the responsibility of Buyer; Brokers and Agents do not warrant the performance of contractors or inspectors; Buyer also agrees that Seller, Brokers and Agents are not responsible or liable for any conditions of the property that may not be detected by inspections performed by Buyers, anyone acting on behalf of Buyers, including but not limited to, contractors and inspectors. **Buyer's Initials** _____

Buyer (Date)

Buyer (Date)

