



For Sale By Owner Information Packet

Today's Date: _____ Contract Date: _____
Purchase Price: _____ Closing Date: _____
Earnest Deposit: _____ Held by: _____

PROPERTY INFORMATION

Address: _____
Legal Description: _____
Homes Association: _____ Dues: _____ mo / yr
HOA Contact: _____ Phone: _____

ESTIMATED CHARGES

SELLER:

Closing Fee (including document preparation): \$450.00
Additional Fees will apply – please call office for assistance.

BUYER:

Closing Fee (if we closed with CTC): \$450.00

Additional Fees for Title Insurance and other charges will apply – please call office for assistance.

SELLER INFORMATION

Name: _____

Name: _____

Address: _____

Address: _____

Phone: _____

Phone: _____

Email: _____

Email: _____

SSN: _____

SSN: _____

Marital Status: _____

Marital Status: _____

I/WE HEREBY AUTHORIZE **Continental Title Company** TO REQUEST AND ACCEPT PAYOFF DEMAND STATEMENTS ON MY/OUR BEHALF FOR THE FOLLOWING MORTGAGE LOAN(S) AND/OR LINE(S) OF CREDIT:

CURRENT MORTGAGE COMPANY: _____

Loan No. _____ Phone: _____

CURRENT MORTGAGE COMPANY: _____

Loan No. _____ Phone: _____

CREDIT LINE: Please accept this as my/our authorization to payoff and cancel my/our Home Equity Credit Line with (lender) _____, Account Number: _____

I/We understand that I/we will not be able to make any future advances against this credit line. Please release any liens you have against the property securing my/our Credit Line.

_____ _____
Borrower/Seller Borrower/Seller

BUYER INFORMATION

Name: _____

Name: _____

Address: _____

Address: _____

Phone: _____

Phone: _____

Email: _____

Email: _____

SSN: _____

SSN: _____

Marital Status: _____

Marital Status: _____

NEW LENDER INFORMATION:

Company: _____

Contact: _____ Loan Amount: \$ _____

Phone: _____ Fax: _____ Email: _____

Mailing Address: _____

FOR SALE BY OWNER CONTRACT

THIS CONTRACT ("Contract") is made by and between: (PRINT NAMES AND INDICATE MARITAL STATUS)

_____ ("SELLER")
_____ ("BUYER")

and is effective as of the date and time of final acceptance (the "Effective Date") on the signature page of this Contract. The "Standard Terms" attached hereto are an integral part of this contract.

1. **PROPERTY.** BUYER agrees to purchase and SELLER agrees to sell the real property, and the improvements thereon, commonly known as: _____, in the County of _____, State of _____, legally described as:

together with all attached improvements located on the property, including any of the following that are not otherwise excluded: gas heaters, propane tanks including propane (if owned), central ventilating, central air conditioning, attached TV antennas, lighting and light fixtures, heating and plumbing equipment and fixtures, attached linoleum, bathroom mirrors, wall-to-wall carpet, window and porch shades, Venetian blinds, storm windows and doors, screens, curtain and drapery rods, awnings, door keys, electric garage door openers and remote transmitting units, keys, attached humidifiers, attached outside cooking units, soft water conditioner (if owned), fire, smoke, and burglary detection units (if owned), glass fireplace doors, attic and ceiling fans, built-in kitchen appliances and _____.

2. **PURCHASE PRICE.** The purchase price for the Property is \$ _____, which the BUYER agrees to pay as follows:

a. **EARNEST MONEY** in the form of a check or _____ accompanying this Contract and to be deposited in a insured escrow account with Continental Title Company upon acceptance of this Contract in accordance with the provisions of Standard Terms, Paragraph B in the amount of \$ _____.

b. **ADDITIONAL EARNEST MONEY** to be delivered on or before _____, 2____ and deposited in a insured escrow account with Continental Title Company, ("Escrow Agent") in the amount of \$ _____.

c. **AMOUNT FINANCED**, if any, as described in the Financing Conditions of this contract. \$ _____.

d. **APPROXIMATE CASH BALANCE DUE FROM BUYER**, to be paid in guaranteed funds or Cashier's Check, adjusted at closing by inspection fees, pro-rations, closing costs, or other prepaid expenses \$ _____.

3. **CLOSING, POSSESSION, AND COSTS.** Subject to all of the terms and provisions of this Contract, closing shall be completed on or before _____, 2____ ("Closing Date"). SELLER agrees to deliver possession to BUYER on _____, 2____ at _____:____, M.

4. **FINANCING CONDITIONS.** This Contract is conditioned upon BUYER obtaining financing within ____ days (30 days if left blank) of the Effective Date as described below and in accordance with the terms of Standard Terms, Paragraph C. BUYER agrees to make loan application within ____ days (5 days if left blank) of the Effective Date.

- a. BUYER will obtain / assume a _____ loan (the "Loan") in the principal amount of \$ _____ to be amortized in monthly installments over _____ years at an initial rate of ____% per year, secured by a Mortgage / Deed of Trust on the property or as required by the lender.
- b. **Origination Fees** not exceeding ____% of the Loan shall be paid at closing by _____.
- c. **Commitment Fees** not exceeding ____% of the Loan shall be paid at closing by _____.
- d. **Loan Discount Fees** not exceeding ____% of the Loan shall be paid at closing by _____.
- e. **Mortgage Insurance Premium** required by lender not exceeding ____% of the Loan amount shall be paid at closing by _____ and future premiums, if any, shall be added to the monthly payment.
- f. **Loan Transfer / Call Clause Waiver Fee** not exceeding \$ _____ shall be paid at closing by _____.
- g. **FHA / VA / FMHA.** If this contract provides for FHA, VA, or FMHA financing, the SELLER agrees to pay any loan costs which the FHA / VA / FMHA will not permit the BUYER to pay.
- h. **FHA Certification.** The SELLER and BUYER each hereby certify, to the best of their knowledge, that the terms of this Contract of purchase are true and that any other agreement entered into by any of the parties to this transaction is attached to the sale agreement.
- i. **SELLER** agrees to pay additional BUYER'S loan closing costs, excluding prepaid items, not to exceed \$ _____.
- j. **Owner of Secondary Financing.** BUYER shall execute a note (the "Note") in the amount of \$ _____ secured by a _____ (1st, 2nd, etc.) Mortgage / Deed of Trust on the Property, including interest at the rate of ____% per annum, amortized over _____ years from the date of the Note or upon sale or transfer of the Property.

k. **Appraisal Requirements.** SELLER agrees to pay up to \$ _____ for requirements of the FHA, VA, FMHA or other lender pursuant to Standard Terms, Paragraph C-3.

l. **Other** _____

5. **SALE OF BUYER'S PROPERTY.** (Complete if applicable). This Contract is conditioned upon the sale and closing of BUYER'S property located at _____ hours from notice by SELLER of another offer to remove this condition and deposit additional earnest money in the amount of \$ _____ (two percent (2%) of Purchase Price of the Property if left blank).

6. **MECHANICAL INSPECTION.** BUYER may conduct an inspection of mechanical items and SELLER agrees to make or pay for repairs not exceeding \$ _____ (\$0.00 if left blank) as provided in Standard Terms, Paragraph E.

7. **BUYER WARRANTY PLAN.** (Complete if applicable). Seller / Buyer agrees to purchase a Home Buyer's Warranty Plan from _____ at a cost not to exceed \$ _____, to be paid at closing. The Buyer Warranty Plan is a limited service contract covering repair or replacement of the working components of the dwelling on the Property, subject to a per-claim deductible of \$ _____, for a one-year term from the Closing Date.

8. **WOOD INFESTATION INSPECTION.** BUYER may conduct an inspection for the presence of wood destroying insects in the Property. SELLER agrees to treat, if needed, and in addition to treatment, make or pay for necessary repairs not exceeding \$ _____ (\$0.00 if left blank) as provided in Standard Terms, Paragraph F.

9. **STRUCTURAL AND ENVIRONMENTAL INSPECTION.** BUYER may conduct an inspection(s) to determine the presence of structural defects or health or environmental hazards as provided in Standard Terms, Paragraph G.

10. **STATEMENT OF CONDITION.** This offer is subject to SELLER'S disclosure and BUYER'S acknowledgment of any current or past uncorrected defects or problems in connection with, or significant repairs to the Property as provided in Standard Terms, Paragraph H and as indicated below by SELLER (check one):

- a. Completed disclosure form to be returned to BUYER for approval OR
- b. SELLER makes the following disclosures. (ATTACH ADDITIONAL SHEETS IF NECESSARY). _____

BUYER HAS REVIEWED AND APPROVED THE DISCLOSURES MADE ABOVE OR IN ANY ATTACHMENT HERETO. SUBJECT TO BUYER'S RIGHT TO CONDUCT INSPECTIONS AS PROVIDED ELSEWHERE IN THIS CONTRACT (applies only if Paragraph 10-b is checked).

11. **EVIDENCE OF TITLE.** SELLER shall provide BUYER evidence of title in accordance with Standard Terms, Paragraph I.
 Owner's Policy to include Mechanic's Lien Coverage (check if applicable).

12. **ADDITIONAL TERMS AND CONDITIONS:**

THIS FORM IS INTENDED FOR USE ONLY IN SIMPLE RESIDENTIAL REAL ESTATE TRANSACTIONS. IF YOU DO NOT UNDERSTAND THE TERMS, CONSULT AN ATTORNEY BEFORE SIGNING. WHEN SIGNED BY ALL PARTIES THIS IS A LEGALLY BINDING CONTRACT.

THE UNDERSIGNED ACKNOWLEDGE AND AGREE THAT THE FOREGOING STANDARD TERMS ARE AN INTEGRAL PART OF THIS RESIDENTIAL REAL ESTATE CONTRACT.

SELLER _____ SSN# *

BUYER _____ SSN#

SELLER _____ SSN# *

BUYER _____ SSN#

Date: _____, 20 _____

Date: _____, 20 _____

* Seller's Social Security / Tax I.D. Number is required by Closing Agent to report gross proceeds of transaction pursuant to IRS Regulations.

STANDARD TERMS

A. PARTIES. This is a contract between BUYER and SELLER. If two or more persons consent, be either BUYER or SELLER, the words "BUYER" or "SELLER" shall be construed to read "BUYERS" or "SELLERS" whenever the sense of this Contract requires.

B. EARNEST MONEY AND OTHER FUNDS AND DOCUMENTS DEPOSITED. Upon acceptance of this Contract, BUYER agrees to deposit the Earnest Money in an insured escrow account maintained by the Escrow Agent unless otherwise agreed to in this Contract. BUYER and SELLER agree that the Escrow Agent may retain any interest earned on escrowed funds as consideration for maintaining the account. If this Contract is canceled pursuant to its terms or if the Earnest Money is to be forfeited or refunded, the parties agree that the amount to be distributed shall first be reduced by any unpaid charges for credit reports, appraisals, surveys, termite, mechanical, other inspections, and title investigation fees, if any, incurred by Lender or Escrow Agent on behalf of the party receiving the funds.

In the absence of written escrow instructions, and notwithstanding any other terms of this Contract providing for forfeiture or refund of the Earnest Money, BUYER and SELLER agree that the Escrow Agent shall not distribute the Earnest Money or other escrowed funds or documents, once deposited, without the written consent of all parties to this Contract. A party's approving signature on a closing statement prepared by the Closing Agent or Escrow Agent shall constitute one example of such consent.

If a dispute arises over disposition of funds or documents deposited with the Escrow Agent that results in litigation, SELLER and BUYER agree that any attorney's fees, court costs and other legal expenses incurred by the Escrow Agent in connection with such dispute shall be reimbursed from the Earnest Money or other funds deposited with the Escrow Agent.

C. FINANCING PROVISIONS.

1. Loan Application and Costs. BUYER agrees to complete any Loan Application required by lender as provided in Paragraph 4, to promptly provide lender with all information requested, and to pay all fees required for Loan Application and processing. BUYER agrees to pay all costs necessary to obtain the Loan, including but not limited to, credit report, appraisal, survey, closing fees, origination fees, participation fees, commitment fees, warehousing fees, funding fees, loan discount fees, loan transfer fees, tax service fees, mortgage insurance premiums, mortgagee's title insurance, flood insurance, if required and prepaid items including hazard insurance policy effective date of closing, unless otherwise agreed to in this Contract. BUYER may elect to finance all or a portion of the Loan closing costs if allowed or required by lender and in such event, those costs shall be added to the principal amount of the Loan resulting in higher monthly payments. SELLER understands and agrees that BUYER'S financing of closing costs may increase the amount of the loan discount or mortgage insurance which SELLER has agreed to pay, if any.

2. Mortgage Loan Financing Condition. This Contract is conditioned on BUYER obtaining a commitment for the Loan, assumption approval or Call Clause Waiver by the Closing Date or within the time provided in Paragraph 4, whichever is earlier. BUYER shall furnish SELLER proof, in a form reasonably satisfactory to SELLER, of Loan commitment, assumption or waiver approval or denial within this time period. If BUYER fails to provide proof, SELLER may cancel this Contract and BUYER'S Earnest Money shall be refunded. A loan commitment which is conditioned on sale of BUYER'S house will not satisfy this condition without SELLER'S written approval. BUYER may satisfy this loan condition by obtaining a commitment for a loan on different terms than those described above, provided that the terms of the loan do not result in additional cost to SELLER.

3. Appraisal Requirements. BUYER and SELLER understand that the appraisal conducted on behalf of the lender, VA, FHA or FMHA may require certain repairs, modifications or improvements in the Property prior to the Closing Date in order for it to meet minimum standards of eligibility for financing. SELLER agrees to pay up to the amount specified in Paragraph 4(k) to satisfy any such requirements. If the cost of satisfying the requirements exceeds the amount specified in this paragraph, SELLER, BUYER or both may pay any portion of the excess amount. If SELLER and BUYER cannot agree upon payment of the excess amount, this Contract shall be canceled and the Earnest Money returned to BUYER.

4. Assumption Loan Terms. The provisions of this section shall apply only if BUYER is assuming an existing loan.

a. In payment of part of the Purchase Price, BUYER agrees to assume and pay the unpaid principal balance of the Loan which is secured by an existing first Mortgage/Deed of Trust on the Property. The approximate unpaid principal balance of the Loan is the amount stated in Paragraph 4(a) of this Contract. The cash balance due from BUYER at closing shall be adjusted up or down upon determination of the actual unpaid assumed principal balance of the Loan at closing. SELLER'S Warranty Deed shall contain a clause stating that BUYER assumes and agrees to pay the Loan in accordance with all of its terms.

b. BUYER shall reimburse SELLER for any escrow deposits or reserve accounts held by the lender or entity that services the Loan. SELLER shall assign these deposits or accounts to BUYER. SELLER shall make all monthly payments on the Loan until the Closing Date. SELLER understands that BUYER'S assumption of the Loan may not relieve SELLER of liability for loan payments not paid by BUYER. SELLER authorizes the Closing Agent, in its discretion, to escrow sufficient amount from SELLER'S proceeds at closing in order to insure proper clearance of SELLER'S interim loan payment.

c. If the existing loan allows the holder to accelerate the same because of this sale, this Contract is conditioned on BUYER or SELLER obtaining lender's waiver of such right to accelerate ("Call Clause Waiver") within the time provided in the paragraph relating to Mortgage Loan Financing Condition.

5. Government Loan Terms. The provisions of this section shall apply only if BUYER'S Loan is to be administered through the VA/FHA.

a. **FHA Required Provisions.** It is expressly agreed that, notwithstanding any of the other provisions contained in this Contract, the purchaser (BUYER) shall not be obligated to complete the purchase of the property described herein, nor to incur any penalty by forfeiture of Earnest Money deposits or otherwise, unless SELLER has delivered to purchaser a written statement issued by the Federal Housing Commissioner setting forth the appraised value of the Property (excluding closing costs) of not less than the Purchase Price stated in Paragraph 2 of this Contract, which statement the SELLER hereby agrees to deliver to the purchaser promptly after such appraised value statement is made available to the SELLER. The purchaser shall, however, have the privilege and option of proceeding with the consummation of this Contract, without regard to the amount of the appraised valuation made by the Federal Housing Commissioner. The appraised valuation is arrived at to determine the maximum Mortgage the Department of Housing and Urban Development will insure. HUD does not warrant the value or condition of the Property. The purchaser should be satisfied that the price and the condition of the Property are acceptable.

b. **VA Required Provisions.** It is expressly agreed that, notwithstanding any other provisions of this Contract, the purchaser (BUYER) shall not incur any penalty by forfeiture of Earnest Money or otherwise, or be obligated to complete the purchase of the property described herein, if the Contract Purchase Price exceeds the reasonable value of the Property established by the Veteran's Administration. The purchaser shall however have the privilege and option of proceeding with consummation of this Contract without regard to the amount of reasonable value established by the Veteran's Administration.

6. Seller/Additional Finance Terms. The provisions of this section apply only if SELLER or other party (the "Lender") described in Paragraph 4(j) is loaning BUYER a portion of the Purchase Price.

a. **Late Charge.** A charge of 5% of the monthly installment for each payment not received by note holder within 10 calendar days after its due date shall be paid by BUYER.

b. **Prepayment.** BUYER shall have the right to prepay the principal or any portion thereof without penalty. However, any such prepayment shall not reduce the amount of the monthly payment unless agreed by BUYER and SELLER/Lender in writing.

c. **Default/Right to Cure/Acceleration.** If any monthly installment under the note is not paid within 10 days of its due date and remains unpaid for a period of 30 days after notice to BUYER, the entire principal balance outstanding and accrued interest thereon shall at once become due and payable at the option of the note holder. Note holder's option to accelerate hereunder is subject to and limited by any statutory rights to cure afforded BUYER under the applicable laws of the state in which the Property is located and which are in effect on the date of execution of the Note.

d. **Insurance and Taxes.** BUYER shall maintain fire and extended coverage insurance on the Property with mortgagee's coverage sufficient to cover SELLER'S/Lender's interest in the Property and shall provide SELLER/Lender with proof thereof on an annual basis. BUYER shall pay for mortgagee's title insurance policy and all other costs associated with obtaining and perfecting the Note and Mortgage/Deed of Trust, including credit report, mortgage registration tax, if any, and recording fees.

f. **Standard Forms.** BUYER and SELLER acknowledge and agree that the Note and Mortgage/Deed of Trust, shall be FNMA/FHLMC uniform instruments for 1-4 family residential transactions incorporating the specific terms set out herein. Any alteration or modification of those instruments, except as expressly provided herein, must be with the express written approval of the parties thereto.

D. SALE OF BUYER'S PROPERTY. SELLER'S Property shall remain on the market for sale. If SELLER receives another acceptable bona fide offer before the sale and closing of BUYER'S Property, BUYER shall have the amount of time provided in Paragraph 5 of this Contract after notice from SELLER in which to remove both the condition for the sale of BUYER'S Property described in this paragraph and Paragraph 5, and all financing conditions of this Contract. BUYER agrees that, at the time of removing these conditions, BUYER will deposit with the Escrow Agent additional Earnest Money equal to the amount stated in Paragraph 5 of this Contract. If BUYER does not remove these conditions and deposit the additional Earnest Money within the time stated in Paragraph 5, this Contract shall be canceled and any Earnest Money shall be returned to BUYER.

E. MECHANICAL INSPECTION. SELLER agrees that all appliances, all plumbing systems including septic tank, if any, sewer and water lines, electrical system, heating system (including gas lines, if any), central air conditioning system, if any, and all other mechanical equipment sold with the Property, shall be in normal operating condition at the time of closing. SELLER agrees to give BUYER reasonable access to the Property to inspect mechanical equipment. BUYER agrees to pay for these inspection(s). BUYER agrees to deliver to SELLER or the Listing Agent, no later than the seventh (7th) day before the Closing Date, a written statement of all mechanical equipment that BUYER reasonably deems not to be in normal operating condition. SELLER agrees to make or pay for repairs of mechanical equipment, that a competent professional would reasonably determine to be necessary to put such equipment in normal operating condition in an amount not exceeding the amount stated in Paragraph 6 of this Contract. SELLER agrees that all such repairs shall be made in a workmanlike manner with good quality materials. If the cost of repairs exceeds the amount specified in Paragraph 6, SELLER, BUYER or both may pay any portion of the excess amount. If SELLER and BUYER cannot agree upon payment of the excess amount or disposition of the repairs, this Contract shall be canceled. If SELLER or the Listing Agent does not receive a written statement from BUYER as provided in this paragraph, or if SELLER completes repairs as agreed in this paragraph, the parties agree that SELLER'S repair obligations under this paragraph will be satisfied. SELLER agrees to give BUYER reasonable access to the Property before the Closing Date so that BUYER or BUYER'S representatives may, at BUYER'S expense, re-inspect mechanical equipment or inspect any repairs made pursuant to this paragraph.

F. WOOD INFESTATION INSPECTION. BUYER may, at BUYER'S expense, arrange for an inspection by a reputable licensed pest control firm to determine the presence of termite or other wood destroying insect infestation in the accessible areas of the Property. If such inspection is required by BUYER'S lender, BUYER agrees to arrange for the inspection. If the written inspection report reveals evidence of infestation, SELLER agrees to pay to have the property treated for control of the infestation and to provide BUYER with a certificate evidencing treatment by a reputable, licensed pest control firm, of SELLER'S choice, which certificate BUYER agrees to accept. If treatment is required, BUYER may request the use of a particular chemical application and BUYER agrees to pay any additional costs of that application. If there is evidence of damage to the Property as a result of infestation, SELLER agrees to make or pay for repairs in an amount not exceeding the amount stated in Paragraph 8 of this Contract. Any repairs shall be made in a workmanlike manner with good quality materials. If the cost of repairs exceeds the amount specified in Paragraph 8, BUYER may cancel this Contract. The parties agree that the inspection, treatment and repairs, if necessary, shall be completed no earlier than thirty (30) days before the Closing Date. SELLER agrees that BUYER or BUYER'S representative may inspect any repairs before the Closing Date.

G. STRUCTURAL AND ENVIRONMENTAL INSPECTIONS. BUYER may at BUYER'S expense, arrange for inspections of all structural and environmental aspects of the Property by a qualified professional(s) to determine the existence of any defects or environmental hazards. The inspections may cover without limitation: foundation(s); slabs; roof(s); fireplace(s); chimney(s); siding; windows; doors; ceilings; floors; exteriors; interior and retaining walls; fences; decks; sidewalks; driveways; and all of the other structural aspects of the Property; and radon gas; asbestos; ureaformaldehyde foam insulation; and any other health environmental hazards. SELLER agrees to give BUYER or BUYER'S representative reasonable access to the Property to make the inspection(s). If, within the time provided in Paragraph 9 of this Contract, SELLER or the Listing Agent receives a written notice from BUYER that describes unacceptable structural defects or health or environmental hazards revealed by the inspection(s), and supported by the written opinion(s) of the qualified professional(s) who inspected the Property, this Contract shall be canceled, and the Earnest Money shall be returned to the BUYER. If SELLER or the Listing Agent does not receive written notice from the BUYER prior to the end of the stated period that the inspections were unacceptable, then the condition contained in this paragraph shall be waived.

H. STATEMENT OF CONDITION. SELLER AND BUYER UNDERSTAND THAT THE LAW MAY REQUIRE SELLER TO DISCLOSE ANY KNOWN MATERIAL DEFECTS IN THE PROPERTY TO A PROSPECTIVE PURCHASER. THIS CONTRACT IS CONDITIONED UPON BUYER'S REVIEW AND APPROVAL OF ANY DISCLOSURES MADE BY SELLER PURSUANT TO THIS PARAGRAPH. BUYER ACKNOWLEDGES THAT NEITHER SELLER, NOR ANY PERSONS ACTING ON BEHALF OF SELLER, HAVE MADE ANY REPRESENTATIONS NOT SPECIFICALLY SET FORTH IN THIS CONTRACT. SELLER ACKNOWLEDGES A CONTINUING OBLIGATION TO UPDATE THESE DISCLOSURES THROUGH CLOSING.

a. If Paragraph 10(a) is checked, SELLER shall complete a separate disclosure form and return to BUYER for approval.

b. If Paragraph 10(b) is checked, SELLER makes the following representations: Except as disclosed in Paragraph 10(b), or in any attachment to this Contract, SELLER has no knowledge of: (a) the existence of problems in connection with or attempts to remove or otherwise deal with radon gas, ureaformaldehyde foam insulation, asbestos or any other potential health or environmental hazards in or affecting the Property; (b) any present or past uncorrected defects or problems in connection with, or significant repairs to: (i) the plumbing, electrical, ventilating, heating, sewer or septic, central or window air conditioning systems, equipment or units, if installed, or the other mechanical systems and equipment of the Property; (ii) the appliances sold as part of the Property; (iii) any foundation, slab, roof, fireplace, chimney, siding, windows, doors, ceilings, floors, exterior, interior and retaining walls, fences, decks, sidewalks or other structural components of the Property; (iv) insulation in the Property; (v) water leaking, drainage or flooding in or affecting the Property; (vi) termite or other wood destroying insects; or (vii) zoning, boundaries, encroachments or other similar matters that might be disclosed by a survey; (c) unrecorded assessments, code, ordinance or restriction violations or threatened or existing litigation affecting the Property or its use; or (d) any other material defects in, or problems in connection with, the Property which BUYER might reasonably consider in making the decision to buy the Property. Descriptions of repairs or inspections should include the date, nature and extent of repair, name(s) of person(s) performing the work, terms of any guarantee and any written documentation received.

I. EVIDENCE OF TITLE. Within twenty (20) days after the Effective Date, or ten (10) days prior to the Closing Date, whichever is earlier, SELLER agrees to deliver to BUYER a title insurance commitment from a company authorized to insure titles in the state where the Property is located. Unless there is a defect in title to the Property that is not corrected prior to the Closing Date, BUYER may not object to untimely delivery of the title commitment. The title commitment shall commit to insure a marketable fee simple title in the BUYER upon the recording of the deed or other documents of conveyance. However, title to the Property shall be subject to the conditions in this Contract and to customary covenants, declarations, restrictions, zoning laws, easements, party wall agreements, special assessments, and community contracts of record as of the effective date of the title commitment. ("Permitted Exceptions").

BUYER shall have ten (10) days after receipt of the title commitment to notify SELLER in writing of any valid objections to title to the Property. SELLER shall then make a good faith effort to rectify any objections. If any valid title objections cannot be rectified by SELLER before the Closing Date and BUYER does not elect to waive the objections or extend the Closing Date, a reasonable time, not to exceed sixty (60) days, this Contract shall be canceled and the Earnest Money shall be returned to BUYER.

SELLER agrees to provide and pay for an owner's title insurance policy in the amount of the Purchase Price insuring marketable fee simple title in BUYER, subject to the Permitted Exceptions and with the exception of any liens, encumbrances on other matters affecting title to the Property created by BUYER or arising by virtue of BUYER'S activities or ownership.

Mechanic's Lien Coverage. If the applicable box in Paragraph 11 is checked, the policy shall also insure BUYER, as of the date of recording of the deed or other document of conveyance, against any lien, or right to a lien, for services, labor or material imposed by law and not shown by the public records. SELLER agrees to execute all affidavits and indemnities required by the title company for issuance of this coverage.

J. SURVEY. BUYER may, at BUYER'S expense, 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 any other matters that would be disclosed by a survey. The parties agree that the results of the survey may be the basis for a timely objection to title to the Property. A mortgage inspection report, loan survey or a boundary survey may or may not be a complete survey.

K. DELIVERY OF DEED; PAYMENT; DISBURSEMENT OF PROCEEDS. On or before the Closing Date, SELLER agrees to properly execute and deliver to the Closing Agent a general Warranty Deed and all other documents and funds reasonably necessary to complete the closing. The Warranty Deed shall convey to BUYER 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 each agree to deliver to the Closing Agent a cashier's check or certified funds sufficient to satisfy their respective obligations under this Contract. SELLER understands that, unless otherwise agreed, disbursement of proceeds will not be made until after the warranty deed or the instrument of conveyance and, if applicable, the Mortgage/Deed of Trust have been recorded.

L. PRORATIONS. The parties agree all of the following that become due and accrue during the calendar year in which SELLER'S Warranty Deed is delivered shall be prorated between the parties as of the Closing Date, and thereafter, all of the following shall be assumed and paid by BUYER: interest on existing loans to be assumed by BUYER; all general state, county, school and municipal real estate taxes; Home Association dues and fees; rental from the Property; insurance, if assumed by BUYER; maintenance fees; and any other contractual obligations of SELLER to be assumed by BUYER. However, if the Property is located in Missouri, any special assessments that are a lien on the Property and that can be paid at the time of closing shall be paid by SELLER. If the Property is located in Kansas, any special assessments for the year in which SELLER'S Warranty Deed is delivered (exclusive of rebates and penalties) that are a lien on the Property shall be prorated between the parties as of the Closing Date.

If the amount of any item to be prorated for the current year cannot be ascertained from the public records, the amount of the item for the preceding year will be used as the current year's amount. However, if the preceding year's taxes were based on a lesser improved property, taxes will be computed based on the preceding year's mill levy at current assessed value, if ascertainable.

The parties agree that if the Property has been reappraised or reclassified within the preceding year and the actual taxes based on the new value are not available, they will agree to a reasonable estimation of the current year's taxes based on the information available on the Closing Date and prorate on that basis.

M. UTILITIES, MAINTENANCE AND CASUALTY LOSS. SELLER agrees to leave all utilities on until date of possession unless otherwise specifically agreed. SELLER agrees to do ordinary and necessary maintenance, upkeep and repair to the Property and to keep the improvements on the Property fully insured until delivery of SELLER'S deed to BUYER. If before delivery of the deed to BUYER, improvements on the Property are damaged or destroyed by fire or other causes, including those that could be covered by what is known as fire and extended coverage insurance, the parties agree that the risk of that damage or destruction shall be borne as follows: if the damage is minor, SELLER may repair or replace the Property if the work can be completed before the Closing Date; if SELLER elects not to repair or replace the Property, or if the damage is substantial, BUYER may enforce or cancel this Contract by written notice to SELLER within ten (10) days after receiving notice 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 in its existing condition at the time, provided SELLER shall credit BUYER the insurance deductible and assign SELLER'S fire and extended coverage insurance proceeds to BUYER at closing. If BUYER elects to cancel this Contract, any Earnest Money shall be returned to the BUYER.

N. DEFAULT 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 under this Contract, the other party shall have the following remedies, subject to the terms of the paragraph of this Contract entitled Earnest Money and Other Funds and Documents Deposited.

a. If SELLER defaults, BUYER may (i) specifically enforce this Contract and recover damages suffered by BUYER as a result of the delay in the acquisition of the Property, or (ii) terminate this Contract by written notice to SELLER and, at BUYER'S option, pursue any remedy and damages available at law or in equity. If BUYER elects to terminate this Contract, the Earnest Money shall be returned to BUYER upon written demand.

b. If BUYER defaults, SELLER may (i) specifically enforce this Contract and recover any damages suffered by SELLER as a result of the delay in the sale of the Property or (ii) terminate this Contract by written notice to BUYER and, at SELLER'S option, either retain the Earnest Money as liquidated damages as SELLER'S sole remedy, (the parties recognizing that it would be extremely difficult to ascertain the extent of actual damages caused by BUYER'S breach and that the Earnest Money represents as fair an approximation of such actual damages as the parties can now determine), or pursue any other remedy and damages available at law or in equity.

O. ENTIRE AGREEMENT AND MANNER OF MODIFICATION. This Contract and all attachments hereto, constitute the complete agreement of the parties concerning the Property, supersedes all previous agreements, and may be modified only by a written agreement.