

RESIDENTIAL OFFER TO PURCHASE

September 13, 19 97

THE BROKER DRAFTING THIS OFFER IS THE AGENT OF (SELLER) (BUYER) (XXX applicable).

IF ACCEPTED, THIS OFFER CAN CREATE A LEGALLY ENFORCEABLE CONTRACT. BOTH PARTIES SHOULD READ THIS DOCUMENT CAREFULLY AND UNDERSTAND IT BEFORE SIGNING.

The undersigned Buyer, Thomas and Mary Jackson, h/w hereby offers to purchase the property known as (Street Address) 2902 East Washington Street in the City of AnyTown, County of Central, USA more particularly described as: per title commitment to follow

at the price of Eighty Thousand Dollars (\$ 80,000.00)

and on the terms and conditions as follows:

Earnest money of \$ 500.00 in the form of Buyer's check tendered with this offer. Additional earnest money of \$ in the form of to be paid within days of acceptance of this offer or and the balance in cash at closing.

Failure of Buyer to make earnest money payments as provided voids offer at Seller's option. Earnest money, if held by broker, shall be held in selling broker's trust account to acceptance of offer and thereafter in listing broker's trust account until applied to the purchase price at closing or disbursed as provided herein or permitted by law.

TIME IS OF THE ESSENCE AS TO: ADDITIONAL EARNEST MONEY PAYMENT, ACCEPTANCE, LEGAL POSSESSION, OCCUPANCY, DATE OF CLOSING AND AS TO ALL DATES INSERTED IN THIS OFFER EXCEPT

THE BUYER'S OBLIGATION TO CONCLUDE THIS TRANSACTION IS CONDITIONED UPON THE CONSUMMATION OF THE FOLLOWING: (If none, so state)

(a) Buyer obtaining a conventional first mortgage loan in the amount of at least \$76,000 with the interest rate fixed at not more than 9.0% per annum, for a term of at least 30 years, with monthly principal and interest payments amortized and payable over that term, plus monthly escrow payments for real estate taxes, fire and extended casualty insurance and mortgage guaranty insurance, as may be required by lender, with loan fees not to exceed 2.0%, plus such other costs as may be required by lender for closing, or with other terms acceptable to Buyer, provided, however, that if a written commitment for such financing is not obtained or waived by Buyer and written notice thereof delivered to Seller within 45 days of the date of this offer, then this offer shall be null and void and all earnest money paid hereunder shall be returned promptly to Buyer.

(b) Buyer obtaining an inspection of the property by a home inspection company or contractor acceptable to Buyer within 7 days of acceptance of this offer, provided that if Buyer is not satisfied with the results of this inspection, Buyer may void this offer by notice delivered to Seller within 10 days of Seller's acceptance of this offer, in which event all earnest money shall be returned promptly to Buyer.

Buyer agrees that unless otherwise specified, Buyer will, in good faith, pay all costs of securing any financing to the extent permitted by law, and will perform all acts necessary to expedite such financing.

Included in the purchase price are such of the following items as may be on the property on the date of this offer, which will be delivered free and clear of encumbrances: all fixtures; all garden bulbs; plants, shrubs and trees; screen doors and windows; electric lighting fixtures; window shades; curtain and traverse rods; blinds and shutters; central heating and cooling units and attached equipment; water heaters and softener; sump pump; attached or fitted floor coverings; awnings; exterior attached antennas and component parts; garage door opener and remote control; installed security systems.

ADDITIONAL ITEMS INCLUDED IN THE SALE: refrigerator, stove, all drapery and window treatments

ITEMS NOT INCLUDED IN THE SALE: washer and dryer

Seller shall, upon payment of the purchase price, convey the property by warranty deed, or other conveyance provided herein, free and clear of all liens and encumbrances, excepting: municipal and zoning ordinances, recorded easements for public utilities serving the property, recorded building and use restrictions and covenants, general taxes levied in the year of closing, provided none of the foregoing prohibit present use, and shall complete and execute the documents necessary to record the conveyance. (WARNING: Recorded building and use restrictions and covenants can have a material impact on the use of or improvements to the property.)

This offer is binding upon both parties only if a copy of the accepted offer is deposited, postage or fees prepaid, in the U.S. mail or a commercial delivery system, addressed to Buyer at 1000 North Avenue, #201

or by personal delivery of the accepted offer to Buyer on or before September 15, 1997

Otherwise, this offer is void and all earnest money shall be promptly returned to Buyer.

This transaction is to be closed at the office of Buyer's mortgagee on or before November 15, 1997 or at such other time and place as may be agreed in writing.

Legal possession of property shall be delivered to Buyer on date of closing.

It is understood the property is now occupied by Seller

Occupancy of the property shall be given to Buyer on the date of closing

(Seller warrants) (Map dated) the property (is) (is not) located in a flood plain (Strike as applicable).

Seller warrants and represents to Buyer that Seller has no notice or knowledge of any:

- (a) planned or commenced public improvements which may result in special assessments or otherwise materially affect the property.
(b) government agency or court order requiring repair, alteration or correction of any existing condition.
(c) underground storage tanks or any structural, mechanical, or other defects of material significance affecting the property, including but not limited to inadequacy for normal residential use of mechanical systems, waste disposal systems and well, unsafe well water according to state standards, and the presence of any dangerous or toxic materials or conditions affecting the property.
(d) wetland and shoreland regulations affecting the property (Caution: see maps).

EXCEPTIONS TO WARRANTIES AND REPRESENTATIONS IN (a) - (d) ABOVE: None

The following items shall be prorated as of the date of closing: general taxes, rents, water and sewer use charges, homeowners' association assessments, fuel, and ..... Any income, taxes, or expenses through the day of closing accrue to Seller.

General taxes shall be prorated at the time of closing based on the net general taxes for the current year, if known, otherwise on the net general taxes for the preceding year.

CAUTION: If property has not been fully assessed for tax purposes, or reassessment is completed or pending, tax proration shall be on the basis of \$..... estimated annual tax.

Special assessments, if any, for work on site actually commenced or levied prior to date of this offer shall be paid by Seller. All other special assessments shall be paid by Buyer. (Caution: Consider a special agreement if area assessments or homeowners' association assessments are contemplated.)

Seller shall provide to Buyer at Seller's expense at least three (3) business days before closing, Seller's choice of:

~~1. An abstract of title prepared by an attorney or abstract company; or~~

**2. A Commitment from a title insurance company licensed in the State of USA to issue title insurance in the amount of the purchase price upon recording of proper documents;**

showing title to the property as of a date no more than 15 days before such title proof is provided to Buyer to be in the condition called for in this offer, and further subject only to liens which will be paid out of the proceeds of the closing and standard title insurance exceptions or abstract certificate limitations, as appropriate. Buyer shall notify Seller or any valid objection to title in writing by closing. Seller shall have a reasonable time, but not exceeding 15 days, to remove the objections, and closing shall be extended as necessary for this purpose.

If this offer provides for a land contract, prior to execution of the land contract Seller shall provide the same evidence of title as required above and written proof, at or before execution, that the total underlying indebtedness, if any, is not in excess of the proposed balance of the land contract, and that the payments on this land contract are sufficient to meet all of the obligations of Seller on the underlying indebtedness.

If the transaction fails to close and the parties fail to agree on the disposition of earnest money, then earnest money held by broker shall be disbursed as follows:

- 1. To Buyer, unless Seller notifies Buyer and broker in writing no later than 15 days after the earlier of the Buyer's written demand for return of the earnest money or the date set for closing, that Seller elects to consider the earnest money as liquidated damages or partial payment for specific performance.
- 2. To Seller, subject to amounts payable to broker, provided the above notice is given and neither party commences a lawsuit on this matter within 30 days after receipt of the notice.

In making the disbursement, the broker shall follow applicable state law procedures.

Disbursement of earnest money does not determine the legal rights of the parties in relation to this agreement.

Both parties agree to hold the broker harmless from any liability for good faith disbursement of earnest money in accordance with this agreement or present Department of Regulation and Licensing regulations concerning earnest money.

If the property is damaged by fire or elements prior to time of closing in an amount of not more than five percent of the selling price, Seller shall be obligated to repair the property and restore it to the same condition that it was on the date of this offer. If such damage shall exceed such sum, this contract may be cancelled at option of Buyer. Should Buyer elect to carry out this agreement despite such damage, Buyer shall be entitled to the insurance proceeds relating to damage to property; however, if this sale is by land contract or a mortgage to Seller, the insurance proceeds shall be held in trust for the sole purpose of restoring the property.

SPECIAL PROVISIONS: ..... None .....

Seller and Buyer agree to act in good faith and use diligence in completing the terms of this agreement. This agreement binds and inures to the benefit of the parties to this agreement and their successors in interest.

.....  
Mary Jackson (Buyer) Thomas Jackson (Buyer)

Buyer's Social Security No. .... Buyer's Social Security No. ....

THIS OFFER IS HEREBY ACCEPTED, THE WARRANTIES AND REPRESENTATIONS MADE HEREIN SURVIVE THE CLOSING OF THIS TRANSACTION. THE UNDERSIGNED HEREBY AGREES TO SELL AND CONVEY THE ABOVE-MENTIONED PROPERTY ON THE TERMS AND CONDITIONS AS SET FORTH AND ACKNOWLEDGES RECEIPT OF A COPY OF THIS AGREEMENT.

Dated: ....., 19 ..... (Seller)

Offer is rejected (Seller initial.) ..... Seller's Social Security No. ....

Offer is countered (Seller initial.) ..... (Seller)

Seller's Social Security No. ....

This offer was drafted by (Licensee and firm) .....  
It was presented to Seller by ..... on ....., 19 ..... at ..... m.

Mark Simon  
EARNEST MONEY RECEIPT

Broker acknowledges receipt of initial earnest money as per above offer.

..... Broker

....., 19 ..... (By) .....