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REAL ESTATE PURCHASE AGREEMENT

Recorder's Cover Sheet

Preparer Information: Trac of Iowa, LLC , 2121 Evergreen Street, Des Moines, IA 50320,
Phone: (515) 491-3401

Taxpayer Information: Trac of Iowa, LLC, 2121 Evergreen Street, Des Moines, IA 50320

✓ **Return Document To:** Trac of Iowa, LLC , 2121 Evergreen Street, Des Moines, IA 50320

Grantors: Trac of Iowa, LLC

Grantees: Clark Jayson Newbury and Katherine Louise Schutt

Legal Description: See Page 2

Document or instrument number if applicable:

REAL ESTATE PURCHASE AGREEMENT

This REAL ESTATE PURCHASE AGREEMENT (hereinafter referred to as the "**Agreement**") is made and entered into on 07/28/2018, by and between Trac Of Iowa LLC, a(n) LLC ("**Seller**") and Clark Jayson Newbury & Katherine Louise Schutt, a(n) Individual ("**Buyer**") (Seller and Buyer each a "**Party**" to this Agreement and collectively referred to as the "**Parties**").

1. **Purchase Agreement.** Seller hereby agrees to sell and convey to Buyer, and Buyer hereby agrees to purchase from the Seller, the property located at 215 West Benton, Winterset, Iowa 50273 (the "**Property**") including all fixtures and improvements attached or located on the land other than those excluded herein and subject to all easements, protective covenants, rights-of-way, and mineral rights, if any, according to the terms and conditions contained herein.

a. **Included Personal Property.** The following items of Seller's easily moveable personal property (the "**Included Personal Property**") are specifically incorporated into the purchase price and will remain on the Property after the Closing Date, at which point ownership of the Included Personal Property will transfer to Buyer: . "Included Personal Property" refers to items that are non-fixtures, meaning unattached to the Property. All other items of Seller's easily moveable personal property will be removed from the Property prior to the Closing Date.

b. **Excluded Fixtures.** The following fixtures now existing on the Property (the "**Excluded Fixtures**") are specifically not incorporated in the purchase price and will not remain on the Property after the Closing Date: . All other fixtures will be incorporated into the purchase price and will remain on the Property after the Closing Date thereby becoming the property of Buyer.

2. **Legal Description.** The Property is legally described as follows:

a. Legal Description: Lot 6, Block 18 Pitzer & Knight 's Addition to the Town of Winterset, Madison County, Iowa.

3. **Purchase Price.** The total purchase price for the Property is \$82,000.00. Buyer will pay \$0.00 (the "**Earnest Money**") upon the execution of this Agreement and then pay the remaining \$82,000.00 of the purchase price at closing.

4. **Earnest Money and Other Deposits.** Buyer swears and Seller acknowledges that upon the execution of this Agreement the Earnest Money will be deposited into an "**Escrow Account.**" Any and all other deposits made will also be deposited into the Escrow Account. The Earnest Money is nonrefundable unless an exception herein applies.

5. **Closing**

- a. **Closing Date.** Closing will occur on 07/27/2018 (the "**Closing Date**"), at which point Seller will transfer title to the Property to Buyer. However, either Party may unilaterally delay closing for any reason, but in no event will closing occur more than 30 days after the Closing Date specified herein unless both Parties agree to extend the Closing Date in writing. If closing is delayed or extended as permitted by this Agreement, the Closing Date for purposes of this Agreement will be the date on which closing actually occurs.
6. **Delivery of Possession.** On the Closing Date, Seller will deliver possession of the Property to Buyer unless the Parties agree to a different date in writing. Seller will maintain all insurance covering the Property until the Closing Date. Seller agrees to deliver the Property in substantially the same condition as its present state and that Buyer will have the opportunity to inspect the Property prior to the Closing Date. If the Property is not in substantially the same condition as its present state upon delivery, Buyer will have the right to either (a) have the Earnest Money and all other deposits refunded and cancel this Agreement, or (b) accept the Property in such condition and require Seller to pay for the repairs to restore the Property to its former condition. Should Buyer choose this second option, all such repairs must be completed no later than 45 days after the Closing Date, with Seller paying Buyer a \$200 penalty for each additional day after the 45-day period that such repairs are not complete.
- a. **Closing Costs.** The costs associated with closing this Agreement will be paid as follows:
- i. Seller pays all costs associated with preparation of the deed to the Property;
 - ii. Seller pays for a title search, a title report, and a property owner's title guaranty policy covering the amount of the purchase price;
 - iii. Seller pays all property taxes, fees, and assessments up to, but not including, the Closing Date, including any transfer tax;
 - iv. Seller pays any real estate agent's commission, unless otherwise agreed in writing by the Parties;

- v. Seller pays for any home loans and other debts on the Property not assumed by Buyer including any associated fees;
- vi. Seller pays for any judgments, tax liens, or other liens necessary to clear title;
- vii. Seller pays for any recording charges for documents necessary to clear title;
- viii. Buyer pays for recording any documents in Buyer's name;
- ix. Buyer pays the lender's title guaranty premium, if applicable;
- x. Buyer pays for any new home loan charges or assumption of existing loan charges unless otherwise required by the lender;
- xi. Buyer pays for any costs associated with financing the purchase of the Property;
- xii. Buyer pays for the notary fee, if applicable;
- xiii. Each Party pays for half of the escrow fees, if applicable;
- xiv. Each Party pays for half of the Homeowners Association transfer fee, if applicable; and
- xv. Buyer agrees to pay for all other costs associated with closing this Agreement unless otherwise agreed by the Parties in writing.

- Newbury's to directly pay then Homeowner's Ins.*
- b. **Escrow Account.** A third-party trustee chosen by Buyer will manage the Escrow Account according to the terms of this Agreement. Any procedures followed by the Escrow Account manager must not conflict with the terms herein. The Escrow Account manager is hereby relieved and released of all liability in the event the close of this transaction and/or loan payoff is delayed pending clearance of such funds in accordance with standard banking practices.

- They will pay Property taxes to TRAC of Iowa monthly as a separate check.*
- c. **Procedure at Closing.** On the Closing Date, Buyer and Seller, the Escrow Account manager, and any other party required to be present will gather to execute the necessary documents, at which point the Escrow Account manager will distribute the funds in the Escrow Account to the appropriate parties and file the deed to the Property. Closing will not occur if any of the following conditions have not been met:

- i. The purchase price, closing costs, and all other payments required herein are deposited into the Escrow Account;
 - ii. The deed to the Property and any other documentation needed to close the transaction are prepared and delivered to the necessary parties;
 - iii. The title company is ready to issue a title policy and, if title defects are preventing the title company from issuing the policy, closing will not occur unless Buyer chooses to waive such title defects in writing;
 - iv. Seller has repaired or removed all material defects on the Property prior to the Closing Date unless waived in writing by Buyer;
 - v. All contingencies stated in this Agreement have been satisfied unless waived in writing; or
 - vi. All other conditions of closing stated in this Agreement or required by law are satisfied.
- d. **Proration.** Taxes, assessments, rents, and Homeowners Association dues, if any, are to be prorated to Seller up to, but not including, the Closing Date. The Parties will coordinate with each other and the utility companies to ensure all utilities are transferred out of Seller's name and into Buyer's name on the Closing Date, including water, sewer, electric, and gas. Any utilities not transferred on the Closing Date will be prorated according to historical average usage for that month or otherwise according to the prior month's charges.

7. Title Requirements

- a. **Title Report.** Upon executing this Agreement, Seller will order a title report and have it sent to Buyer. Buyer must notify Seller within 10 business days of any objections Buyer has to any existing title defects, including any encumbrance, easement, or other recorded restriction. Upon receiving notice of an objection to a title defect, Seller must cure the defect on or before the Closing Date. Seller may use money deposited from the purchase price to clear any title defect. If Seller fails to cure all defects objected to on or before the Closing Date, Buyer may choose to have the Earnest Money and all other deposits refunded and cancel this Agreement. Alternatively, Buyer may choose to continue the transaction by waiving any title defect in writing.

- b. Title Insurance.** Seller agrees to purchase a standard form property owner's title guaranty policy covering the amount of the purchase price for Buyer. Such policy will insure Buyer against any defect or encumbrance on the title to the Property other than those stated on the deed transferring title to Buyer.

8. Buyer Contingencies

- a. Financing: Seller Financing.** Unless waived by Buyer in writing, this Agreement is contingent on Buyer's ability to obtain financing from Seller by the Closing Date. The terms of the loan agreement between the Parties for this financing are attached in the Seller Financing Addendum. Buyer will make a good faith effort to secure such financing by the Closing Date; however, if Buyer is nonetheless unable to secure such financing, this Agreement will be canceled and the Earnest Money and all other deposits will be refunded to the respective Parties.
 - b. Alternative Financing.** Buyer reserves the right to obtain alternative financing by the Closing Date, but any alternative financing obtained must not result in any increased costs to Seller.
- 9. Waiver of Contingencies.** If Buyer so chooses, Buyer may waive any or all contingencies set forth herein by so stating in a signed writing.

Seller Representations and Warranties

- 1. Marketable Title.** Seller represents that it owns the Property in fee and has the authority and capacity to enter into this Agreement. Seller covenants to convey good and marketable title to the Property by general warranty deed that warrants that the Property is free of all title defects except those stated on the deed and waived by Buyer in writing. The deed will be deposited into the Escrow Account on or before the Closing Date.
- 2. Condition and Repair.** Seller represents that all improvements existing on the Property are in good condition and repair and that Seller has no knowledge of the existence of any material defect or any disrepair or instability of any improvement on the Property, including without limitation, the foundation, walls, support structures, roof, water and electrical systems, plumbing, or mechanical systems. Seller covenants to deliver the Property in good condition and repair, without material defects, and clean and free of debris, reasonable wear and tear excepted.
 - a. Material Defect.** A "material defect" means any condition existing on the Property that would cost more than \$500 to repair or remove or any condition that would have a substantial negative effect on the value of the Property or the health or safety of the

occupants, including structural, mechanical, environmental, pest, or other conditions.

3. **Violations.** Seller represents that it has not received notice from any government authority regarding any violation of any laws, ordinances, or codes in connection with the condition of the Property. If Seller learns of the existence of any such violation, Seller covenants to immediately notify Buyer.
4. **Encroachments.** Seller has no knowledge of the existence of any improvement encroaching on boundary lines of the Property. By signing this Agreement, Buyer acknowledges that Seller has recommended for Buyer to obtain a survey of the Property at Buyer's expense.
5. **Environmental Threats.** Seller represents that it has no knowledge of any existing or impending environmental threat that poses a substantial risk of significantly diminishing the value of the Property or that would impair Buyer's intended use of the Property such that it would be unconscionable for Seller not to disclose it. Examples of such threats include, without limitation, environmental hazards, toxic substances, endangered species, sinkholes, pollution, and pest problems.
6. **Government Assessments.** Local governments may periodically charge property owners an assessment for improvements that benefit their properties, such as sidewalks or sewers. Seller covenants to pay for any government assessments for municipal improvements completed on or before the Closing Date, and Buyer will pay any assessments for municipal improvements completed thereafter.
7. **Mechanic's Liens.** Seller covenants to pay off any existing mechanic's liens on the Property on or before the Closing Date and to ensure that any labor or materials furnished between the signing of this Agreement and closing will be paid for in full on or before Closing Date.
8. **Foreign Investment In Real Property Tax Act (FIRPTA).** Seller represents it is not a foreign person or foreign corporation as defined by the Foreign Investment In Real Property Tax Act (FIRPTA), and, therefore, Buyer will not be required to comply with the withholding requirements of FIRPTA at closing.
9. **Survival of Warranties.** Seller's warranties in this section will continue through and survive the Closing Date, the completion of this Agreement, and the delivery of the deed and possession of the Property to Buyer.

Seller Disclosures

1. **Local and State Ordinances.** Buyer acknowledges and understands that real estate owners are legally required to abide by state and local ordinances and zoning restrictions and that it is Buyer's responsibility to ensure it is acting in compliance with the law regarding this Property.
2. **Flood Area.** Seller agrees to disclose whether or not the Property is located in a flood area as determined by the pertinent government authority. Buyer acknowledges and understands that the location of rivers, swamps, lakes, and other wetlands, if present nearby, could have a negative impact on the value of the Property or the development of local real estate.
3. **Radon Gas.** Buyer acknowledges and understands the following:
RADON IS A NATURALLY OCCURRING RADIOACTIVE GAS THAT, WHEN IT HAS ACCUMULATED IN A BUILDING IN SUFFICIENT QUANTITIES, MAY PRESENT HEALTH RISKS TO PERSONS WHO ARE EXPOSED TO IT OVER TIME. LEVELS OF RADON THAT EXCEED FEDERAL AND STATE GUIDELINES HAVE BEEN FOUND IN BUILDINGS IN THIS STATE. ADDITIONAL INFORMATION REGARDING RADON AND RADON TESTING MAY BE OBTAINED FROM YOUR COUNTY HEALTH DEPARTMENT.
4. **Smoke and Carbon Monoxide Detectors.** Buyer acknowledges and understands that local or state law may require the use of smoke and/or carbon monoxide detectors. If so required by local or state law, Seller agrees to provide Buyer a certificate confirming compliance with local or state smoke and/or carbon monoxide law.
5. **Lead Contamination.** Buyer acknowledges and understands the following:
EVERY PURCHASER OF ANY INTEREST IN RESIDENTIAL REAL PROPERTY ON WHICH A RESIDENTIAL DWELLING WAS BUILT PRIOR TO 1978 IS NOTIFIED THAT SUCH PROPERTY MAY PRESENT EXPOSURE TO LEAD FROM LEAD-BASED PAINT THAT MAY PLACE YOUNG CHILDREN AT RISK OF DEVELOPING LEAD POISONING. LEAD POISONING IN YOUNG CHILDREN MAY PRODUCE PERMANENT NEUROLOGICAL DAMAGE, INCLUDING LEARNING DISABILITIES, REDUCED INTELLIGENCE QUOTIENT, BEHAVIORAL PROBLEMS, AND IMPAIRED MEMORY. LEAD POISONING ALSO POSES A PARTICULAR RISK TO PREGNANT WOMEN. SELLER OF ANY INTEREST IN RESIDENTIAL REAL PROPERTY IS REQUIRED TO PROVIDE BUYER WITH ANY INFORMATION ON LEAD-BASED PAINT HAZARDS FROM RISK ASSESSMENTS OR INSPECTIONS IN SELLER'S POSSESSION AND NOTIFY BUYER OF ANY KNOWN LEAD-BASED PAINT HAZARDS. A RISK ASSESSMENT OR INSPECTION FOR POSSIBLE LEAD-BASED PAINT HAZARDS IS RECOMMENDED PRIOR TO PURCHASE.
6. **Government Action and Restrictions.** Buyer acknowledges and understands that it is Buyer's sole responsibility to investigate whether any existing, pending, or proposed government legislation, restriction, or action may affect the value of the Property or Buyer's

intended use of the Property.

Release of Dower. If not already a Party to this Agreement, Seller's spouse, if any, joins in signing this Agreement in order to give his or her consent to the release of any dower or other marital rights in the Property.

Risk of Loss. Seller assumes the risk of loss if the Property is destroyed or a material defect or other loss occurs between the date of this Agreement and the Closing Date. If Seller fails to restore the Property to its former condition, Buyer may choose to either (a) cancel this Agreement and have the Earnest Money and all other deposits refunded to the respective Parties, or (b) accept the Property with the loss and require Seller to pay or assign to Buyer any insurance proceeds payable to Seller as a result of such loss.

Cancellation of Agreement. If this Agreement is canceled as permitted by the terms herein, it will be deemed voided, with both Parties being fully released from performance, and neither Party will have any recourse against the other.

Default and Remedies. Upon Seller's default of this Agreement, Buyer will be entitled to either (a) cancel this Agreement and have the Earnest Money and all other deposits refunded to the respective Parties, or (b) pursue any remedy available by law or equity, including seeking specific performance. Upon Buyer's default of this Agreement, Seller will be entitled to either (a) cancel this Agreement, keep the Earnest Money as liquidated damages, and have all other deposits returned to the respective Parties, or (b) pursue any remedy available by law or equity, including seeking specific performance. In addition to any other relief that may be awarded, the prevailing Party of any action at law or in equity brought to enforce or interpret this Agreement will be entitled to reasonable attorneys' fees and costs.

Mediation. All claims or disputes related to the performances or interpretation of this Agreement that the Parties are unable to resolve themselves will be first submitted to a mediation services provider mutually acceptable to both Parties or otherwise through a mediator with the American Arbitration Association. Both Parties will share the costs of mediation equally.

Arbitration. All claims or disputes related to the performances or interpretation of this Agreement that the Parties are unable to resolve themselves or through mediation will be resolved by neutral binding arbitration through an arbitration services provider mutually acceptable to both Parties or otherwise through the American Arbitration Association. Both Parties will share the costs of arbitration equally.

Deposit Procedure During Disputes. In the event of a claim or dispute related to the performances or interpretation of this Agreement, the party managing the Escrow Account will either (a) retain all deposits, including the Earnest Money, until the claim or dispute is resolved, (b) release any or all deposits, including the Earnest Money, if the Parties so agree to release the

funds by written agreement, or (c) take any other action permitted or required by law or regulation regarding the deposits in the Escrow Account.

Accurate Purchase Price. The Parties agree that the purchase price paid by Buyer will be an accurate reflection of the true value of the Property at the time of closing. The Parties agree to disclose this to the Internal Revenue Service as required by law.

Further Assurances. The Parties agree to execute such further documents and do any and all such further things as may be necessary to implement and carry out the intent of this Agreement, including without limitation, any documents or things that may be required by a third-party lender or title company.

Notices. Any notice, service of process, or demands required or permitted under this Agreement or under law will be deemed sufficiently given or served if sent by United States certified mail, return receipt requested, addressed as follows:

IF TO SELLER SEND TO:

Trac Of Iowa LLC
2121 Evergreen
Des Moines, Iowa 50320

IF TO BUYER SEND TO:

Clark Jayson Newbury & Katherine Louise Schutt
215 West Benton
Winterset, Iowa 50273

Additional Terms and Disclosures. The Parties agree to the following terms and/or disclosures:
Clark SS#485-11-4786 DOB 6/4/85 Katherine SS#478-23-8913 DOB 10/19/93 Down Payment \$2500 Mtg 79,500 APR 9.95 30yrs Monthly Payment \$694.73

Miscellaneous Terms

- 1. Entire Agreement.** This Agreement, including any attachments, addendums, exhibits, and amendments hereto, represents the entire and singular agreement between the Parties with respect to the matters herein stated, and any prior agreements, promises, or representations not included herein are void and of no effect.
- 2. Governing Law.** The Parties agree and acknowledge that all provisions of this Agreement shall be governed by and construed in accordance with the laws of the state of Iowa exclusively and without reference to principles of conflict of laws.

3. **Assignment.** This Agreement will be binding and inure to the benefit of the Parties, their personal representatives, successors, guardians, and assigns, but only to the extent that such assignment is permitted by the terms of this Agreement, if at all.
4. **Survival.** The terms of this Agreement that impose an obligation on either Party after the delivery of the deed to Buyer will continue to survive until satisfied.
5. **Severability.** If any provision of this Agreement shall be held to be invalid or unenforceable for any reason, that provision shall be considered removed from this Agreement; however, the remaining provisions shall continue to be valid and enforceable according to the intentions of the Parties. If a court finds that any provision of this Agreement is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision will be deemed written, construed, and enforced as so limited.
6. **Force Majeure.** Neither Party will be liable for any failure or delay in performing an obligation under this Agreement that results from causes or events beyond its reasonable control, including without limitation, uncontrollable natural forces, war, labor or trade disputes, riots or civil unrest, or government action.
7. **Joint and Several Liability.** In the event two or more persons or entities are named as one Party to this Agreement, such persons' obligations and responsibilities will be joint and several.
8. **Amendments.** Any amendments, modifications, or additions to this Agreement must be expressly made in a writing signed by all Parties.
9. **Time of Essence.** Time is of the essence for this Agreement.
10. **Construction.** In this Agreement, the masculine, feminine, and neuter genders will be interpreted to include each other, as will the singular and plural. Headings used herein are for convenience only and will not be interpreted to give any meaning to their respective provisions.
11. **Counterparts.** This Agreement may be executed in counterparts, each of which will be deemed an original but considered part of one agreement.

The Parties have read this entire Agreement and hereby agree to fully perform all the terms and conditions in good faith. By signing this Agreement each Party swears that the information it has provided is true and accurate to the best of its knowledge and belief.

NOTICE: THIS IS AN IMPORTANT LEGAL DOCUMENT THAT CREATES BINDING

OBLIGATIONS. CONSULT AN ATTORNEY IF YOU DO NOT UNDERSTAND THE TERMS OF THIS AGREEMENT.

BUYER

Name: Clark Jayson Newbury & Katherine Louise Schutt

Sign: [Signature] Date: 7/28/18

SELLER

Name: Trac Of Iowa LLC

Sign: [Signature] Date: 7/28/18

SELLER'S SPOUSE - SPOUSAL ACKNOWLEDGMENT

(If Seller has a spouse that is not a party to this Agreement, that spouse must sign here.) By signing below I hereby release any right of dower in the Property.

Name: Katie Schutt

Sign: [Signature] Date: 7.28.18

Notary Public

STATE OF Iowa

SS.

COUNTY OF Madison

On this the 28th day of July, 2018, the foregoing instrument was sworn to and acknowledged before me by Clark Newbury & Katie Schutt, known or proven to me to be the person(s) whose name(s) is/are subscribed to within the instrument.

WITNESS my hand and official seal.

Jeffrey J. Strong

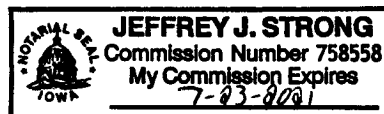
(Print Name)

Jeffrey J. Strong

(Signature)

NOTARY PUBLIC

My Commission Expires: 7/23/2021 [Affix seal]



Seller Financing Addendum

This Seller Financing Addendum and any documents attached pertaining to the mortgage assumption are hereby incorporated into the entered into on 07/28/2018, by and between Trac Of Iowa LLC ("**Seller**") and Clark Jayson Newbury & Katherine Louise Schutt ("**Buyer**").

[Describe the terms of any loan agreement between the Parties and attach any loan agreement and/or promissory note executed by the Parties for Seller financing.]

Instructions for Your Real Estate Purchase Agreement

This Real Estate Purchase Agreement contains everything you need to complete a strong contract for the purchase and sale of a piece of property. In addition to the standard provisions, this agreement allows you to customize the following terms:

- The type of Seller or Buyer, whether an individual, married couple, business entity, or trust,
- What personal property the Seller is agreeing to leave behind and which fixtures on the property the Seller will be removing prior to closing,
- The purchase price and earnest money deposit,
- Whether or not the Buyer will be assuming any leases for tenancies that may exist on the property,
- The Buyer's contingencies for the transaction to occur, including the type of financing (third-party lending, Seller financing, loan assumption, all cash deal, or other financing), whether an appraisal is required, whether an inspection is required, and whether this transaction is contingent on the sale of the Buyer's home or other property,
- What repairs are required prior to closing, if any, and
- Any custom terms the parties want to add.

Completing the Agreement

Begin by entering the information for each party, including the names, party type, and address. If the Seller acquired the property being sold during marriage, then select the option for a married couple as the seller type. This simply requires the Seller's spouse to sign this agreement to show that the spouse won't make any claim to the property in the future.

Buyer Contingencies

The Buyer contingencies are conditions that the Buyer requires to occur before the Buyer will close the deal. If a contingency is not satisfied, the Buyer will be entitled to cancel the agreement and receive a refund of the earnest money and any other deposits made. However, the Buyer

always has the option to waive a contingency later on if it is no longer needed. The contingencies can be negotiated between the parties, however the contingency options included with this agreement are all rather typical. The included contingency options are financing, appraisal, inspection, and property sale contingencies, each explained below.

For the financing contingency, you will be given options to select whether the Buyer will receive financing for the property through a third-party lender, a mortgage assumption, seller financing, an all-cash transaction, or another form. This contingency states that the Buyer must first obtain sufficient financing prior to closing. Thus, if the Buyer is unable to obtain the necessary funds, the Buyer will have the right to back out of the deal and receive a refund of the earnest money and any other deposits. "Third-party lender" means financing by a traditional lending institution. "Mortgage assumption" means that the Buyer will assume the Seller's loan obligations by agreeing to pay for the outstanding loans on the property. "Seller financing" means that the Seller and Buyer will create a private loan agreement between themselves. "All cash" means the Buyer will fund the transaction itself, without financing. Note here that the funds do not have to actually be in cash form, as electronic wire transfers are usually accepted. Select "Other" to describe a different type of financing.

The appraisal contingency says that the property must be appraised at a value equal to or greater than the purchase price. If the appraisal is for less than the purchase price, the Buyer will have the option of either canceling the agreement and receiving a refund of the earnest money or renegotiating the purchase price. The agreement requires the appraisal to be carried out within 10 business dates of signing this agreement. You will have the option of specifying which party will be required to pay for and obtain the appraisal.

Similarly, the inspection contingency says that a professional must inspect the property prior to closing. If the inspection isn't conducted by that time, or if the inspection occurs but reveals the existence of a material defect, then the Buyer will have the right to either cancel the agreement and receive a refund of the earnest money or require the Seller to repair the defect. The agreement requires the inspection to be carried out within 10 business dates of signing this agreement.

The last contingency option requires that the Buyer sell its home or another property prior to closing. If the sale of the Buyer's property doesn't occur the Buyer may choose to cancel the agreement and receive a refund of the earnest money.

Required Repairs

Another important term you will specify is whether or not the property is in need of any repairs. This includes anything on the property that has structural or mechanical problems or is in disrepair, including any problems with the foundation, walls, support structures, roof, water and electrical systems, plumbing, or mechanical systems. Unless the Buyer agrees otherwise, the

Seller will be required to repair these items. However, as usual, the Buyer can always waive the requirement for the Seller to make the repairs.

Executing the Agreement

To execute the agreement, the parties simply sign and date it in the presence of a notary or witnesses. Most states just require one notary to act as a witness. However, two witnesses are always required to sign Mortgage Agreements in **Connecticut, Florida, Louisiana, and South Carolina**. These states allow a notary to sign in the place of one of the witnesses. Note, in ANY state, lenders can still choose to require two witnesses to sign. The main requirements for witnesses are that they are 18 years or older and are disinterested from the transaction, meaning that they have no stake in the outcome and are not related to either of the parties by blood.

State and Federal Disclosure Requirements

For properties built before 1978 (i.e., pre-1978 property), federal law requires that the sellers and buyers of real estate sign a "Disclosure of Information on Lead-Based Paint," which is included for you. Sellers should keep the signed copy of the "Disclosure of Information on Lead-Based Paint" for at least three years.