



THE STATE OF ALABAMA
COUNTY OF _____

“Effective date of Contract” _____

REAL ESTATE SALES CONTRACT (GENERAL)

_____, hereinafter called Purchaser, whether one
or more, hereby agrees to purchase and _____, hereinafter called Seller, whether one
or more, hereby agrees to sell the following described real estate, situated in _____ County Alabama, on the terms stated below:

Legal Description:

Address: _____

The property agreed to be sold includes heating and cooling systems, door bells, mantels, mailboxes, fire screens water heaters, plumbing fixtures, light fixtures, ceiling fans, wall to wall carpeting, built-in appliances, fences, outbuildings, trees, shrubbery, window coverings, and window hardware, if any, on the premises at the execution of this contract, **except** including the following:

Any personal property remaining with the property shall be at no additional cost to Purchaser, shall not add to the value of the property, shall be unencumbered at the time of closing, and in an “As Is” condition unless otherwise agreed to herein.

- 1. **PURCHASE PRICE:** The Purchase Price Shall Be: \$ _____
- Earnest Money. \$ _____
- Cash on Closing this Sale \$ _____

Earnest money is acknowledged by agency and is to be delivered to listing broker under the following circumstances, unless excepted in this contract.

- A. Cash
- Check
- B. Immediately.
- Upon acceptance of this offer.
- Upon the following occurrence: _____

If the earnest money check is not honored by the Purchaser’s Bank, the Purchaser agrees to make the check good within two business days, and to pay a handling charge to the listing broker of \$20.00. Upon his failure to do so, this contract shall become voidable and the listing broker and Seller may pursue remedies against the Purchaser which are available under law.

Prepaid items paid by: Purchaser Seller, not to exceed \$ _____

Closing Costs in addition to charges for specific items set out herein below shall be paid by:
 Purchaser Seller, not to exceed \$ _____

Certain closing costs for particular expenses are set out herein below, with agreement about which party will be responsible for payment. The parties understand that if the contract is canceled, any fees paid will not be refunded and a defaulting party may be held responsible for charges made for services performed by various providers prior to default.

2. **Loan Contingency:** This contract: **IS** **IS NOT** contingent on the Purchaser being approved for a loan in the amount of \$ _____. Purchaser agrees to apply for such loan within _____ days of the contract date and to make a good faith and diligent effort to obtain such loan. The Purchaser shall notify the Seller (or Seller’s Agent, if any) in writing by (date) _____ that Purchaser (a) is unable to obtain such approval and elects to terminate this contract and receive a return of all deposits or (b) has obtained such commitment; or (c) elect to waive this contingency.

Purchaser shall be deemed to have waived this contingency unless timely written notification of Purchaser’s election to terminate this contract is given to Seller or Seller’s agent, or the parties agree to extend the time for the loan contingency.

Discount Points, if any, to be paid by: Purchaser Seller Not to exceed \$ _____

Initial PMI, if any, to be paid by: Purchaser Seller

3. **CLOSING AND POSSESSION DATES:** This sale shall be closed and deed delivered on or before _____, except that Seller shall have a reasonable length of time within which to perfect title or cure defects in the title to the property. This means the closing date may be extended beyond the date stated, if necessary, to clear the title. Possession of the property shall be given the day of closing and delivery of the deed, if the property is then vacant, or the parties agree that possession shall be given as follows: _____ at _____ a.m./p.m.

(Note: If the Seller is to remain in possession after closing it is recommended the parties enter into a written post-closing occupancy agreement.)

4. **AGENCY DISCLOSURE:** The Seller agrees to pay a Broker’s fee of _____ % to _____ for services rendered in this sale. This following is required by RECAD (Real Estate Consumer Agency and Disclosure Act):

AGENCY DISCLOSURE:

Print name of Listing Company: _____ The Listing Company is an Agent of (check one):

Seller Purchaser Both Parties as a limited consensual dual agent. Neither party and is acting as a contract broker.

Print name of Selling Company: _____ The Selling Company is an Agent of (Check one):

Seller Purchaser Both parties as a limited consensual dual agent. Neither party and is acting as a contract broker.

PURCHASERS INITIALS: _____ SELLERS INITIALS: _____

5. **CONDITION OF PROPERTY AND INSPECTION:** As used in these paragraphs, “ordinary wear and tear” does not include a material failure of the heating, cooling, plumbing and electrical systems or built-in appliances. If such a system suffers a material failure after acceptance of the property by the Purchaser, but prior to closing, Seller agrees to restore the system to at least as good a condition as existed when the property was accepted. After closing, all conditions of the property are the responsibility of the Purchaser. Under Alabama law the Seller is required to disclose any specific defects in the property which are known to Seller which affect health or safety.

Choose which paragraph(s) from below apply to this contract: - A; - B; - A and B; - C

(A). The Purchaser has inspected the property, either personally or through others of Purchaser’s choosing, and without relying on any representation or warranty by the Seller, Broker, Salesperson, or written description of the property, accepts the property in its “as is” condition, including ordinary wear and tear to time of closing, except that Seller agrees to pay for any repairs required in order to qualify the property for a mortgage by the Purchaser, in an amount not exceeding \$ _____. Any such repairs in excess of that sum shall be paid by the Purchaser or the Purchaser shall have the option of canceling this contract and receiving a refund of the earnest money. Seller also agrees to deliver the heating, cooling, plumbing (including septic tank if applicable) and electrical systems and any built-in appliances in operable condition at the time of closing. The Purchaser acknowledges his responsibility to inspect the premises at the time of closing to confirm the condition of the property and the Seller agrees to provide such opportunity to inspect just prior to closing. If the property is vacant at the time of the pre-closing inspection, it shall be the responsibility of the Purchaser to have the utilities turned on, if required by the Purchaser for the inspection. After closing, all conditions of the property, including the above-mentioned systems, are the responsibility of the Purchaser. The Seller has made no other representation about the condition of the property, the condition of the roof, or the availability of utilities or sewer service, and the Purchaser agrees that he has no relied on any such representation (including statements about square footage, age or condition of the property, or suitability for any particular use) except: _____

(B) Purchaser shall have the right to additional inspection, at Purchaser’s expense. Within _____ calendar days after the date of this contract, Purchaser may personally or through others of Purchaser’s choosing, inspect the and investigate the property. When such inspections reveal conditions unsatisfactory to the Purchaser, Purchaser shall notify Seller or Seller’s Agent in writing of

such unsatisfactory condition and provide Seller with a copy of any written report by an inspector, all within _____ days of the date of this contract. Seller shall notify Purchaser with _____ of receipt of such notice whether Seller will correct the unsatisfactory conditions prior to closing. If Seller is unable or unwilling to correct the unsatisfactory condition, Seller shall not be obliged to do so, but Purchaser shall then have the option of canceling this contract recovering the earnest money. Purchaser's failure to notify Seller of any unsatisfactory condition shall be considered approval of the property "As Is", subject to ordinary wear and tear to time of closing.

(C) The property is sold "AS IS". The Seller shall not be required to make any repairs whatsoever to the property. The Purchaser has inspected the property, either personally or through others of the Purchaser's choosing, and accepts the property in its present "AS IS" condition, including ordinary wear and tear to the closing.

THIS CONTRACT CONTINGENT ON THE FOLLOWING TERMS AND CONDITIONS:

6. STATUTORY LEAD BASED PAINT DISCLOSURE: Seller represents that the improvements now on the property were not constructed prior to 1978, in which case the remaining provisions do not apply. SELLER'S INITIALS: _____

Seller represents either that the improvements now on the property were constructed prior to 1978 or the Seller is uncertain when the improvements were constructed, in which case the following provisions apply. Purchaser acknowledges receipt of the pamphlet *PROTECT YOUR FAMILY FROM LEAD IN YOUR HOME*. The Purchaser also acknowledges the right under Federal Statute to have the property tested for lead-based paint. This contract is contingent upon a risk assessment or inspection of the property for the presence of lead-based paint and/or lead-based paint hazards, at the Purchaser's expense, until 9:00 p.m. on the tenth day after the date of this contract. This contingency will terminate at the above predetermined deadline unless the Purchaser (or Purchaser's Agent) delivers to the Seller (or Seller's Agent) a written contract addendum listing the specific existing deficiencies and corrections needed, together with a copy of the inspection and/or risk assessment report. The Seller may, at the Seller's option, within ____ days after delivery of the addendum, elect in writing whether to correct the condition(s) prior to closing. If the Seller does not elect to make repairs, or if the Seller makes a counter-offer, the Purchaser shall have ____ days to respond to the counteroffer or remove this contingency and take the property in "As-Is" condition or this contract shall become void. The Purchaser may remove this contingency at any time without cause.

If initialed, by mutual consent the parties agree to change "ten days" to _____ days after contract date.

SELLER'S INITIALS: _____

BUYER'S INITIALS: _____

7. CONVEYANCE: The Seller agrees to convey the property to the Purchaser by: **General** **Statutory warranty deed**, free of encumbrances except as hereinabove set out. The Seller shall have until closing to clear any encumbrances or mortgages not to be assumed by the Purchaser. If Purchaser is not a single person, the deed is to convey the property to the Purchaser by **Joint Tenants with Right of Survivorship** **Tenants in Common**

8. TITLE ASSURANCE: Seller will provide: **An Owner's Title Insurance Policy** issued by a company qualified to insure titles in Alabama, insuring the Purchaser for the amount of the Sales Price shown herein against any loss on account of any defect or encumbrance in the title, with only the customary exceptions and encumbrances to be assumed by the Purchaser, otherwise the earnest money shall be refunded.

The property is sold subject to existing zoning ordinances pertaining to the subject property, utility easements that serve the property, or as shown on the recorded plat, restrictive covenants and existing leases (which are to be transferred to the Purchaser.) Seller warrant that they have received no notice of any proposed or pending assessment for public improvement or repair.

9. PRORATIONS AND HAZARD INSURANCE: The *ad valorem* taxes are to be prorated between the Purchaser and the Seller as determined on the date of closing. Risk of loss from casualty or otherwise shall remain with the Seller until closing and the Seller agrees to keep in force sufficient hazard insurance on the property to protect all interest until closing. Should the property be damaged or destroyed or destroyed between the date hereof and closing and Seller is unable or unwilling to restore it to at least as good a condition as existed on the date hereof, the Purchaser shall have the option of rescinding the contract and receiving a refund of his earnest money, or accepting the property in its then condition. If Purchaser elects to accept the property in its damaged condition, any insurance proceeds payable or paid to Seller by reason of such damage shall be assigned or paid to the Purchaser, up to the amount of the purchase price.

10. EARNEST MONEY AND DEFAULT: The Sellers authorize the listing Broker to hold the earnest money pending the closing of this sale. Should the Sellers fail to carry out this contract in accordance with its provisions, the Purchaser shall have the option of (1) receiving a refund of their earnest money, plus reimbursement from the Sellers of any sums expended by the Purchaser for a title opinion or any other costs necessarily incurred by the Purchasers under this contract, and this contract shall be at an end or (2) the Purchaser may, without demanding the return of their earnest money, proceed with a suit against the Sellers for performance under this contract.

Should the Purchaser fail to carry out this contract in accordance with its provisions, the Sellers shall have the option of (1) declaring the Purchaser in default and proceeding against the Purchaser for the recovery of damage incurred by the Seller as a result of the Purchaser's breach of this contract, in which event the earnest money shall be applied to legally ascertained damages, or (2) reaffirming the contract and proceeding with a suit for specific performance against the Purchaser, or (3) accepting the earnest money as liquidated damages and the earnest money shall be forfeited to the Seller and the listing Broker.

The prevailing party shall be entitled to reimbursement by the losing party of the costs that may arise from the enforcement of this agreement, including reasonable attorney's fees. In the event a dispute arises between the parties as to which shall be entitled to the earnest money, the Seller or other person holding such money shall be authorized to interplead said earnest money into court.

11. WOOD INFESTATION REPORT: Not less than _____ days prior to closing Seller shall have any dwellings on the premises inspected, at the expense of the **SELLER** **PURCHASER** by a licensed pest control operator to determine whether there are any active or previous infestation of such dwelling by wood destroying organisms. Should the report indicate an active infestation the Seller agrees to pay all costs of treatment or to terminate this contract by giving notice to the Purchaser within three business days of his receipt of the report. Should the report indicate active or previous infestation, the Purchaser may further have the dwellings inspected at the expense of **SELLER** **PURCHASER** by a qualified inspector to determine the extent of damage and if such inspection discloses structural damage, the Seller agrees to repair such damage or in lieu of paying such repair costs (which costs shall include any necessary repair inspection), the Seller shall have the option of terminating this contract by giving written notice to the Purchaser within three business days of receipt of such damage report, unless Purchaser agrees to accept the property without such repair or agrees to pay the cost of such repair himself. **This paragraph does not apply if the parties have agreed the property is sold "As Is" under paragraph 5C hereof.**

12. FIRE, SMOKE, GAS DETECTORS: Purchaser has the responsibility of ascertaining that any applicable federal, state, and local statutes, ordinances, or regulations concerning fire/smoke/gas detectors or alarms have been met. Purchaser shall be solely responsible for compliance with such laws, including the Alabama Department of Insurance (Fire Marshals Division) regulation entitled "Requirements for Single Station Smoke Detectors in New and Existing Residential Occupancies."

13. SURVEY: Purchaser **DOES** **DOES NOT** require a survey by a registered Alabama land surveyor of Purchaser's choosing. Unless otherwise agreed herein, the survey shall be at the Purchaser's expense. If the Purchaser elects to not have a survey performed, the property is taken subject to encroachments, shortages of land, and other matters visible on the surface which would be disclosed by an accurate survey. If the survey discloses a violation of protective covenants or zoning regulations, or any encroachments, or that any improvement (other than plantings, driveways or walkways) are built over an easement or property lines, the same shall be deemed a title defect to be treated as provided hereinabove for such defects. This means the Purchaser may rescind the contract and have the earnest money refunded if the defect makes the title unmarketable.

14. SELECTION OF CLOSING AGENT: Purchaser and Seller acknowledge the closing agent may not represent either of them and they agree to execute an affidavit at closing disclosing this, if requested to do so. Each party acknowledges being informed of the right of consult with an attorney or his or her own choosing, at all stages of the transaction.

15: ADDITIONAL TERMS:

16. CONTRACT ENTIRE AGREEMENT: This contract states the entire agreement of the parties and any statements not contained herein are of no force and effect. All terms, conditions and warranties not performed at the delivery of the deed shall survive such delivery. Time is of the essence. All parties are advised to seek the advice of legal counsel about any of the terms hereof which may not be understood, prior to signing the contract. By signing this contract, the parties acknowledge they understand this agreement creates legal obligations as well as legal right which can be enforced in a court of law. **THIS DOCUMENT IS INTENDED TO BE A LEGALLY BINDING CONTRACT.**

WITNESS OUR HANDS AND SEALS this the _____ day of _____, 20____.

WITNESS

PURCHASER DATE

WITNESS

PURCHASER DATE

WITNESS

SELLER DATE

WITNESS

SELLER DATE