

PURCHASE AGREEMENT

(This is a legally binding contract between Purchaser and Seller. If you do not understand it, seek legal advice.)

1. EARNEST MONEY DEPOSIT - PARTIES TO CONTRACT - PROPERTY.

Purchaser and Seller acknowledge that Broker is ___ is not ___ the limited agent of both parties to this transaction as outlined in Section III of the Agency Agreement Addendum and authorized by Purchaser and Seller.

Purchasers _____

Broker hereby acknowledges receipt of Earnest Money in the amount of (\$ _____)

_____ DOLLARS Cash ___ Check ___ to be deposited the next legal banking day after acceptance of this offer on the property legally described as: _____

also known as _____

Sellers _____

2. PERSONAL PROPERTY.

Any personal property, free of liens and without warranty of condition, shall be transferred to Purchaser by a separate bill of sale. Fuel oil/propane remaining at _____ (date) shall be addressed in separate bill of sale.

3. PURCHASE PRICE.

The total purchase price is to be (\$ _____)

_____ DOLLARS

After earnest money herein is credited, the remaining balance is to be paid by Purchaser at closing.

4. FINANCING.

This offer is contingent upon the Purchaser obtaining a new VA _____ FHA _____ Conventional _____ or _____ type of loan in the amount of at least (\$ _____)

_____. Loan discount points to be paid as follows: _____ . Purchaser agrees to furnish Seller a copy of mortgage commitment on or before (date) _____ or this agreement may, at the option of Seller, without notice to Purchaser, be voided. Purchaser reserves the right to obtain alternative financing as long as there are no increased costs to Seller.

This offer is _____ is not _____ subject to the property appraising for at least the purchase price. If the appraisal report reveals any deficiencies to be corrected, Purchaser and Seller may agree to negotiate in good faith to correct such deficiencies.

5. SALE OF PURCHASER'S PROPERTY.

Offer is ___ is not ___ contingent on the sale and conveyance of Purchaser's property. If so contingent, Purchaser's property to sell is commonly known as _____.

The sale of said property must be within the time specified for closing Seller(s) property. Seller has the right to continue to offer the herein property for sale and to accept offers subject to the rights of Purchaser. Should Seller receive an acceptable offer, then Purchasers shall be given written notice after which Purchaser shall have _____ calendar days to waive this contingency. Failure to do so shall terminate this agreement and deposits shall be returned to Purchasers as outlined in Article 13 of this agreement.

6. SELLER'S PROPERTY/LEAD-BASED PAINT DISCLOSURE.

A. Purchaser acknowledges receipt of Seller's property condition disclosure statement dated _____ as required by SDCL 43-4-38 through 43-4-43 prior to signing this agreement. (initials) _____ / _____

B. Purchaser acknowledges receipt of the pamphlet "Protect Your Family From Lead In Your Home" and the Seller's lead-based paint and lead-based paint hazards form according to the Residential Lead-Base Hazard Reduction Act of 1992. This applies only to properties built prior to 1978. (initials) _____ / _____

7. INSPECTIONS.

Purchaser acknowledges that it has been recommended that he/she engage, at his/her expense, the services of a professional inspector to inspect the property both for condition and for pest infestation. (initials) _____ / _____.

A. Offer is contingent on an inspection of structure, mechanical, and electrical. (initials) yes _____ / _____ waived _____ / _____

B. Offer is contingent on an inspection for hazardous conditions. (initials) yes _____ / _____ waived _____ / _____

C. Offer is contingent on an inspection for pest infestation and/or damage. (initials) yes _____ / _____ waived _____ / _____

D. Offer is contingent on an inspection for lead-based paint. (initials) yes _____ / _____ waived _____ / _____

Inspections shall be completed within _____ days of acceptance of this offer.

Purchaser shall provide to the seller or listing broker within this same period a copy of the inspection report detailing any unsatisfactory components, at which time parties may re-negotiate or terminate this contract. If Purchaser fails to specifically disapprove any inspections and report to Seller or listing broker within the time specified, Purchaser shall be deemed to have approved and accepted the property in its present condition. Any real estate licensee having anything to do with this transaction does not have any further obligation to Purchaser as to such inspections or agreement.

Failure to reach an agreement within _____ days of the date Seller or the listing broker is notified of the results of the inspection will void this contract in its entirety.

8. SURVEY.

Confirmation of boundaries will be determined by a _____ mortgage inspection survey: _____ boundary/staked survey to be paid for as follows: Purchaser _____ Seller _____ Purchaser(s) waives survey _____.

INITIALS: PURCHASER _____ / _____ SELLER _____ / _____

9. **PRORATIONS.** Taxes are to be prorated to date of closing based on an agreed upon amount of \$_____.

Interest, rents, and homeowners association fees are to be prorated to (date)_____.

10. **OTHER PROVISIONS:** _____

11. **TITLE.** Merchantable title shall be conveyed by Warranty Deed, subject to conditions, zoning, restrictions, and easements of record, if any, which do not interfere with or restrict the existing use of the property. An owner's policy of Title Insurance in the amount of the purchase price will be furnished with cost to be distributed: Seller_____ Purchaser_____.

12. **CLOSING/POSSESSION.** Possession and closing of said premises, including the buildings situated thereon, which shall be in as good of condition as the same are now, shall be given to Purchaser on or before (date)_____, provided, however, delivery of possession is conditioned upon closing.

Closing service fees, if any, cost to be distributed as follows: Purchaser_____ Seller_____.

13. **EARNEST MONEY/DEPOSITS.** Listing office shall deposit and hold all earnest money and other deposits until sale is closed. If this offer is not accepted by Seller or if Seller cannot deliver clear title, or if Purchaser is unable to secure financing, if so contingent, or if no agreement is reached regarding conditions found on inspection report(s), this agreement is void and Purchaser's money shall be returned in full, less any expenses incurred on Purchaser's behalf, including any inspections ordered by Purchaser. If an accepted offer and agreement to purchase does not close after all contingencies have been removed, both Purchaser and Seller must agree in writing to release of earnest money.

14. **AGREEMENT TO MEDIATE.** Any dispute or claim arising out of or relating to this contract shall be submitted to mediation in accordance with the rules and procedures of the Sellers/Buyers Dispute Resolution System. Any costs of mediation will be shared equally between Purchaser and Seller. Yes_____No_____ (Initials) Purchaser_____/_____

15. **ADDENDA TO THIS AGREEMENT.** The following documents are addenda to this contract and are attached and become part of this contract by reference. If none, so state. _____

16. This agreement is void if not accepted by Seller by the _____ day of _____, _____ by _____ a.m./p.m.

17. TIME IS OF THE ESSENCE OF THIS CONTRACT

Dated this _____ day of _____, _____ at _____ a.m./p.m.

Purchaser Purchaser
Address: _____

On this _____ day of _____, _____ the foregoing offer is:

(Initial)ACCEPTED _____ / _____ ; NOT ACCEPTED _____ / _____ ; COUNTERED _____ / _____

Seller Seller
Address: _____

THE FOLLOWING IS FOR INFORMATION PURPOSES ONLY:

Selling Company Selling Licensee

Listing Company Listing Licensee