

# REAL ESTATE SALES CONTRACT

The undersigned Purchaser hereby agrees to purchase and the undersigned Seller, hereby agrees to sell the following described real estate (hereinafter "Property"), together with all improvements located thereon or pertaining thereto, on the terms stated below.

Lot(s) \_\_\_\_\_ of Smith Farm Subdivision as more fully identified on Exhibit "A" attached hereto. If not already available, a formal legal description to be substituted and used herein upon a resurvey of the property

1. **PURCHASE PRICE:** The Purchase Price for the Property shall be \$ \_\_\_\_\_, payable as follows:

Earnest Money ..... \$ \_\_\_\_\_  
Cash on closing this sale..... \$ \_\_\_\_\_

All cost involved in the transfer to Purchaser shall be paid for by Purchaser in addition to the Purchase Price, unless specifically provided herein to be paid by Seller. These costs to be paid by Purchaser shall include, but not be limited to recording cost, 1/2 of the costs of title insurance, 1/2 the costs of preparing the deed and closing the sale, any attorney fees or expenses of Purchaser's counsel, appraisal costs, any and all costs of obtaining financing, termite bond (if any required by Purchaser), and survey (if any required by Purchaser). The cost to be paid by Seller shall include 1/2 of the costs of title insurance, and 1/2 of the costs to prepare the deed and close the sale (but not any of the costs in closing Purchaser's loan). Taxes, license fees, utilities and other ongoing charges shall be prorated to the day of closing.

2. **TITLE INSURANCE:** The Seller agrees to order a standard form title insurance policy, issued by a company qualified to insure titles in Alabama, in the amount of the purchase price, insuring the Purchaser against loss on account of any defect or encumbrance in the title, unless herein excepted.

If such title insurance contains exceptions which are reasonably unacceptable to Purchaser then upon notice to Seller and the opportunity to correct such problem, or exception, and upon the failure of Seller to correct such problem or exception within a reasonable time then the Purchaser may elect to terminate this contract, and obtain a refund of the Earnest Money paid.

3. **SELLER'S DELIVERIES:** Upon Purchaser's delivery of the Earnest Money, Seller shall within five (5) business days deliver to Purchaser all of the following which are in Seller's possession:

- a) all engineering and architectural drawings pertaining to the Property;
- b) all issued permits pertaining to the Property;
- c) all flood area designation pertaining to the Property;
- d) all title documentation and last issued title commitments pertaining to the Property;
- e) any and all environmental reports and studies pertaining to the Property;

- f) any and all surveys and site plans pertaining to the Property;
- g) any and all leases and/or lease guarantees pertaining to the Property;
- h) any contractor's (including subcontractors and sub-sub) representations and warranties pertaining to the Property;
- i) any and all mechanical warranties concerning the Property and its improvements;
- j) all documentation pertaining to the income, expense, and operation of the Property including all common area maintenance receipts, charges and expenses; and
- k) any and all other documentation pertaining to the Property and requested by Purchaser.

4. **MINERALS/ZONING/FLOOD:** Said property is sold and is to be conveyed subject to any mineral and mining rights not owned by the undersigned Seller and subject to present zoning classification, and is not located in a flood plain.

5. **PRORATIONS & HAZARD INSURANCE:** The taxes, utilities and any other ongoing charges, as determined on the date of closing, are to be prorated between the Seller and Purchaser as of the date of delivery of the deed (for the purposes of this proration, City taxes will be considered as paid in advance). The Seller will keep in force sufficient hazard insurance on the property to protect all interests until this sale is closed and the deed delivered.

6. **CLOSING & POSSESSION DATES:** The sale shall be closed and the deed and bill of sale delivered on or before \_\_\_\_\_ days following the expiration of the contingency and inspection period, except the Seller shall have a reasonable length of time within which to perfect title or cure defects in the title to the said property. Possession is to be given on delivery of the deed.

7. **SURVEY:** Seller shall deliver to Purchaser the existing survey of the property. If Purchaser desires, Purchaser at his expense may obtain a current survey of the property.

8. **WARRANTIES AND CONVEYANCE:** Seller hereby warrants that he has or will obtain good title to the property, and same shall not be subject to any leases, encumbrances, or restrictions not acceptable to Purchaser. The Seller agrees to convey said property to the Purchaser by general warranty deed, free of all leases, encumbrances and exceptions, except as hereinafter set out. Seller and Purchaser agree that any encumbrances not herein excepted or assumed may be cleared at the time of closing from sales proceeds.

9. **RESTRICTIONS ON PROPERTY:** Seller warrants and represents to Purchaser that Seller has imposed or will impose restrictions on the use of the property via the Declaration of Protective Covenants for Smith Farm a Residential Subdivision (copy to be provided to Purchaser). Seller is not aware of any additional restrictions as to the use of the property (other than those associated with its current zoning), and to Seller's knowledge the property can be used for any use consistent with its current zoning.

10. **REAL ESTATE AGENT:** Seller and Purchaser represent and warrant to each other that there is no real estate agent or broker involved in this transaction, participating in this transaction or entitled

to a fee or commission arising out of this transaction.

**11. CONDITION OF PROPERTY:** Seller makes no representation or warranty or any kind as to the condition of the property. Seller is selling the property to Purchaser AS IS, and WITH ALL FAULTS. It shall be the responsibility of Purchaser, at Purchaser's expense, to inspect the property before the closing and to satisfy himself/herself prior to the closing as to the condition of the property being purchased. Seller to deliver utility services to the property for extension to the dwelling by Purchaser.

**12. CONTINGENCY AND INSPECTION PERIOD:** Purchaser shall have a period of \_\_\_\_\_ days from the date Seller executes this Contract to inspect the property. During this period, Purchaser may, at its expense, enter into and inspect the property, undertake a title search, test the soils, perform engineering and site planning, perform environmental studies, have the property surveyed, engage in feasibility and financing studies, verify zoning and utilities, and undertake such other matters concerning the property as Purchaser shall determine is necessary or desirable. If during this period, Purchaser, for any reason, determines that the property is not satisfactory for Purchaser's intended uses and purposes, Purchaser shall have the right to cancel this Contract by written notice sent to Seller during such period. Such cancellation shall entitle Purchaser to the return of the Earnest Money, and upon Purchaser's receipt of this Earnest Money, Purchaser and Seller shall have no further obligations to one another under the terms of this Contract.

**13. HAZARDOUS SUBSTANCES:** Seller hereby expressly represents, warrants, and covenants to Purchaser that

(i) neither Seller nor, to the actual knowledge of Seller, any other person has used or permitted any Hazardous Substances (as herein defined) to be placed, held, stored, or disposed of on the property or any portion thereof, in violation of any Environmental Laws (as defined herein). The term "Hazardous Substances" shall mean asbestos, petroleum products and by-products, any other hazardous or toxic building material, and any hazardous, toxic, or dangerous waste, substances or material defined as such in or for the purposes of the Environmental Laws. The term "Environmental Laws" shall mean the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. 9601 et. seq.), any so-called "Super-fund" or "Super-lien" law or any other federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards or conduct concerning, any hazardous, toxic, or dangerous waste, substance or material or underground storage tanks, now in effect. In this regard, and if Purchaser so requests, Seller will deliver to Purchaser copies of all environmental reports and data dealing with the property which are in the possession of Seller.

**14. SELLER WARRANTS** that he has not received notification from any lawful authority regarding any assessments, pending public improvements, repairs, replacements, or alterations to said premises that have not been satisfactorily made. The Seller warrants that there is no unpaid indebtedness on the subject property except for a mortgage that will be paid in full with the sales proceeds. These warranties shall survive the delivery of the above deed.

**15. 1031 EXCHANGE:** In connection with this transaction, Purchaser may be planning to

accomplish a 1031 like kind exchange, and if requested by Purchaser, Seller will execute all documents and cooperate with Purchaser to effectuate this 1031 like kind exchange.

16. **EARNEST MONEY:** In connection with the execution of this Contract, Purchaser has delivered to \_\_\_\_\_, funds representing the earnest money in this transaction. Upon consummation of this transaction, this earnest money will be applied toward payment of the purchase price. In the event Purchaser, for whatever reason, cannot comply with the terms of this transaction, then this contract shall be cancelled upon Purchaser's request, and Seller shall be entitled to this earnest money as liquidated damages due to Purchaser's inability to perform. In the event Seller desires not to perform under this contract, then Purchaser shall be entitled to either specific performance or the return this earnest money.

17. **ADDITIONAL CONTINGENCIES:** Notwithstanding the foregoing, Purchaser's obligation to purchase the Property is contingent on the following contingencies being satisfied prior to the closing:

- A) \_\_\_\_\_
- B) \_\_\_\_\_
- C) \_\_\_\_\_
- D) \_\_\_\_\_
- E) \_\_\_\_\_
- F) \_\_\_\_\_

In the event the above listed contingencies are not satisfied by the closing, Purchaser shall upon its request to terminate this Contract be entitled to a return of the Earnest Money.

18. **ENTIRE AGREEMENT:** THIS CONTRACT CONSTITUTES THE ENTIRE AGREEMENT BETWEEN PURCHASER AND SELLER REGARDING THE PROPERTY, AND SUPERSEDES ALL PRIOR DISCUSSIONS, NEGOTIATIONS, AND AGREEMENTS BETWEEN PURCHASER AND SELLER, WHETHER ORAL OR WRITTEN. NEITHER PURCHASER, SELLER, NOR REAL ESTATE AGENTS, NOR ANY SALES AGENT SHALL BE BOUND BY ANY UNDERSTANDING, AGREEMENT, PROMISE, OR REPRESENTATION CONCERNING THE PROPERTY, EXPRESSED OR IMPLIED, NOT SPECIFIED HEREIN.

**THIS IS INTENDED TO BE A LEGALLY BINDING CONTRACT. IF YOU DO NOT UNDERSTAND THE LEGAL EFFECT OF ANY PART OF THIS CONTRACT, SEEK LEGAL ADVICE BEFORE SIGNING.**

Each of the parties acknowledges that they have a right to be represented at all times in connection with this Contract and at the closing, by an attorney of their own choosing, at their own expense.

The date of this Contract shall be the date this Contract is fully executed by all parties.

**PURCHASER:**

\_\_\_\_\_

(printed name)

\_\_\_\_\_

(current address)

\_\_\_\_\_

(contact phone number)

SIGNATURE: \_\_\_\_\_

Date: \_\_\_\_\_, 202\_\_.

WITNESS: \_\_\_\_\_

**SELLER:**

CK enterprises, LLC

1325 Parliament Lane Vestavia Hills, AL 35216

(205) 213-5084

SIGNATURE: \_\_\_\_\_

(Its Managing Partner)

Date: \_\_\_\_\_, 202\_\_.

WITNESS: \_\_\_\_\_

EXHIBIT "A"

DESCRIPTION OF REAL ESTATE

