

PURCHASE AND SALE AGREEMENT



- 1 (a) **BUYER NAME(s):** _____
- 2 (b) **SELLER NAME(s):** _____
- 3 (c) **PROPERTY ADDRESS and/or DESCRIPTION:** Buyer agrees to purchase and Seller agrees to sell the real property identified as:
- 4 _____
- 5 _____, _____ County, Tennessee.
- 6 (d) **PURCHASE PRICE:** \$ _____ Dollars,
- 7 to be paid in cash or equivalent good funds at closing.
- 8 (e) **EARNEST MONEY:** \$ _____ valid check or money order payable to Escrow Agent: _____
- 9 _____, whose address is: _____,
- 10 will be promptly delivered to Escrow Agent **no later than 5:00 PM, three (3) calendar days after the Acceptance Date.**
- 11 (f) **CLOSING, EXPIRATION, & POSSESSION DATE:** _____. This is the date that the sale will
- 12 be closed, or this *Agreement* will expire on this date at 11:59 PM. If this is not a business day, this date will be extended to the
- 13 next business day. Any other change in this date must be agreed to **in writing** by all parties. Possession of the entire property will
- 14 be given to the Buyer at the time of closing, unless a different time of possession is agreed to in a separate *Occupancy Agreement*.
- 15 (g) **ITEMS INCLUDED OR EXCLUDED:** Included, if present, as part of the property sale: all real estate, buildings,
- 16 improvements, appurtenances (rights and privileges), and fixtures. **Fixtures** include all things which are attached to the
- 17 structure(s) by nails, screws, or other permanent fasteners, including, but not limited to all of the following, if present:
- 18 attached light fixtures and bulbs, ceiling fans, attached mirrors; heating and cooling equipment and thermostats; plumbing
- 19 fixtures and equipment; all doors and storm doors; all windows, screens, and storm windows; all window treatments
- 20 (draperies, curtains, blinds, shades, etc.) and hardware; all wall-to-wall carpet; all built-in kitchen appliances and stove; all
- 21 bathroom fixtures; gas logs, fireplace doors and attached screens; all security system components and controls; garage door
- 22 openers and all remote controls; swimming pool and its equipment; awnings; permanently installed outdoor cooking grills;
- 23 all fencing, landscaping and outdoor lighting; and mail boxes.
- 24 Other items included in the sale: _____
- 25 _____
- 26 _____
- 27 Items that are not included in the sale: _____
- 28 Leased items: _____
- 29 (h) **CLOSING COSTS:** Unless otherwise stated in Special Stipulations or Addenda, closing costs are to be paid as follows:
- 30 **Seller must pay** all Seller's existing loans, liens and related costs affecting the sale of the property, Seller's settlement fees,
- 31 real estate commissions, the balance on any leased items that remain with the property, and a **title insurance policy** with
- 32 Buyer to receive benefit of simultaneous issue. Any existing rental or lease deposits must be transferred to Buyer at closing.
- 33 **Buyer must pay** transfer taxes, deed and deed of trust recording fees, association transfer fees, hazard and any other
- 34 required insurance, Buyer's settlement fees, and **all Buyer's loan related or lender required expenses.**
- 35 (i) **PRORATIONS, TAXES & ASSESSMENTS:** The current year's property taxes, any existing tenant leases or rents,
- 36 association or maintenance fees, (and if applicable, any remaining fuel), will be prorated as of the date of closing. Taxes for
- 37 prior years and any special assessments approved before date of closing must be paid by Seller at or before closing. If
- 38 applicable, roll back taxes or any tax or assessment that cannot be determined by closing date should be addressed in
- 39 Special Stipulations or Addenda and will survive the closing.
- 40 (j) **HOME PROTECTION PLANS:** Home Protection plans available for purchase are **waived, unless** addressed in Special
- 41 Stipulations. Buyer and Seller understand that an administrative fee may be paid to the Real Estate Company if plan is purchased.
- 42 (k) **SPECIAL STIPULATIONS:** The following special stipulations, if in conflict with any language contained within the 3 pages of
- 43 this *Purchase and Sale Agreement*, will control: _____
- 44 _____
- 45 _____
- 46 _____
- 47 _____
- 48 _____
- 49 _____
- 50 _____
- 51 (l) **TIME IS OF THE ESSENCE:** The failure to meet specified time limits will be grounds for canceling this *Agreement*.
- 52 (m) **FAIR HOUSING AND EQUAL OPPORTUNITY:** This Property is being sold without regard to race, color, sex,
- 53 religion, disability, marital status, family status, sexual orientation, age, ancestry, or national origin.

- (n) **FINANCIAL AND APPRAISAL CONTINGENCIES:** This *Agreement* is contingent on Buyer obtaining loan(s) of Buyer's choice. Buyer must deliver to Seller **no later than 5:00 PM, ten (10) calendar days after the Acceptance Date** either documented **proof of available funds** adequate to close, **or** a lender's conditional **commitment letter** proving that: full loan application has been made; the appraisal has been ordered; Buyer's new loan(s) is not contingent on the sale of any other property (unless otherwise stated in this *Agreement*); Buyer has necessary cash reserves; and providing reasonable assurance of Buyer's ability to obtain financing with rates, terms, payments and conditions acceptable to Buyer. Failure to timely provide proof of available funds or commitment letter will be grounds for Seller to cancel this *Agreement* by delivering written *Notice* to Buyer, and all Earnest Money must be refunded to Buyer. **VA/FHA Loan Addendum** must be attached if Buyer is seeking VA or FHA financing. **Appraisal Contingency** - this *Agreement* is also contingent on the appraisal value equaling or exceeding the purchase price. **If any repairs are required by the lender,** Buyer must deliver to Seller a written list of lender required repairs. Seller must deliver to Buyer, no later than 5:00 PM, three (3) calendar days after receiving the repair list, a written *Notice* stating whether or not Seller will complete the repairs before closing at Seller's expense. If Seller does not agree to perform such repairs, or does not reply within the time limit, this *Agreement* will cancel and all Earnest Money must be refunded to Buyer [see exception in (p)]. **If, at anytime, the financial or appraisal contingency is not satisfied,** Buyer may cancel this *Agreement* by delivering to Seller a written *Notice of Cancellation*, along with supporting documentation, and all Earnest Money must be refunded to Buyer.
- (o) **INSPECTION CONTINGENCY AND DUE DILIGENCE PERIOD:** This *Agreement* is contingent on Buyer's satisfaction with all property inspections and investigations. Buyer may use any inspectors of Buyer's choice, at Buyer's expense. Seller must permit Buyer, and Buyer's representatives and inspectors, reasonable access for inspections, with **all utilities in service at Seller's expense**. Buyer assumes all liability for any damage or loss caused by Buyer's or Buyer representatives' inspections or investigations of the property.
- Due Diligence Period:** All inspections and investigations must be completed with response to Seller no later than 5:00 PM, ten (10) calendar days after the Acceptance Date. During this due diligence period Buyer is strongly advised to:
- (A) have a **professional home inspection** conducted by a licensed home inspector (at Buyer's expense), AND
 - (B) have a **wood destroying insect inspection** conducted by a licensed pest inspector (at Buyer's expense), AND
 - (C) investigate all matters itemized in the *Advisory to Buyers and Sellers* (which is an Addendum to this *Agreement*), AND
 - (D) perform any additional inspections and investigations desired, and verify any other matters of concern to the Buyer, AND
 - (E) if applicable, obtain a septic system inspection letter (available for a fee at TN Dept of Environment and Conservation).
- Inspection Contingency Resolution:** If Buyer is satisfied with all inspections and investigations, Buyer may deliver to Seller a *Notice of Release* of inspection contingency. If for **any** reason Buyer is **not** satisfied with the results of **any** inspection or investigation, the Buyer **must, within the Due Diligence Period** (Lines 74-75), deliver to Seller **either:**
- (1) a written *Notice of Cancellation*, canceling this *Agreement*, and all Earnest Money must be refunded to Buyer, **OR**
 - (2) a written **Inspection Contingency Removal Proposal**. If Seller rejects Buyer's *Proposal* (or *Counterproposal*) by delivering a *Notice of Rejection* to Buyer, **or** if any *Counterproposal* is rejected by either party, **or** if a time limit for a written response to such is exceeded, this *Agreement* will cancel and all Earnest Money must be refunded to Buyer [see exception in (p)].
- Any *Proposal*, *Counterproposal*, *Notice of Rejection*, or *Notice of Release* of inspection contingency must be in writing.
 - Any *Proposal* or *Counterproposal* must contain a time limit for responding (that is, an expiration date & time).
- If it is discovered during the Due Diligence Period that any permanent structure on the property has an active wood destroying insect infestation, the Seller, upon Buyer's request, must **professionally treat infestation before closing at Seller's expense**. Repair of any damage from wood destroying insects must be negotiated in the *Inspection Contingency Removal Proposal*.
- CAUTION TO BUYER:** Failure to deliver to the Seller either a written **Notice of Release** or **Notice of Cancellation**, or a written **Inspection Contingency Removal Proposal** within the Due Diligence Period described on Lines 74-75 will be considered to be an acceptance of the property "**as is**," and the Inspection Contingency will be satisfied and no longer a part of this *Agreement*.
- (p) **BUYER'S RIGHT TO REINSTATE:** If Seller refuses to complete the lender required repairs (Lines 63-66), or cancels this *Agreement* by rejecting an *Inspection Contingency Removal Proposal* (Lines 85-89), Buyer has the right to reinstate the *Agreement* by delivering to Seller a *Notice* stating that the Buyer will accept the property in its present "as is" condition. Buyer's *Notice* must be delivered to Seller **no later than 5:00 PM, three (3) calendar days after the delivery of Seller's Notice** of rejection, or if Seller has failed to respond, no later than 5:00 PM, three (3) calendar days after the Seller's deadline to reply.
- (q) **FINAL INSPECTION & RISK OF LOSS:** Buyer has the right and responsibility to perform a final inspection before closing to determine that the property is in the same condition, other than ordinary wear, as when the *Agreement* was accepted (with Seller having responsibility to remedy), and to see that any repairs agreed to be performed by Seller have been completed. Buyer may utilize inspectors. All utilities must be in service at Seller's expense. Closing of sale demonstrates acceptance of these items by Buyer. The risk of hazard or casualty loss or damage to the property will be the responsibility of Seller until closing.
- (r) **DISBURSEMENT OF EARNEST MONEY, AND ADEQUATE CONSIDERATION:** The Earnest Money will be applied towards the purchase price at closing. If any contingencies or conditions of this *Agreement* are not met and the *Agreement* is cancelled, all Earnest Money must be refunded to Buyer. If Seller fails to perform any obligation under this *Agreement*, all Earnest Money must be refunded to Buyer. If required, the Escrow Agent may file an interpleader action in a court of law, and recover expenses and reasonable attorney's fees, and will have no further liability as Escrow Agent. All parties acknowledge that the consideration given, including the promises exchanged, the time limitations imposed, and the notifications required, is sufficient and adequate in exchange for the Buyer's right to legally, properly, and in good faith cancel, reinstate or extend this *Agreement* in accordance with the other terms of this *Agreement*.

- 114 (s) **TITLE, DEED, & SELLER REPRESENTATIONS:** Seller will convey to Buyer good and marketable title to the property
115 by a valid general warranty deed. Seller, at Seller's expense, agrees to furnish Buyer at closing a title insurance policy. Title
116 policy will be issued by company acceptable to Buyer and Buyer's lender. Buyer will receive benefit of simultaneous issue.
117 **Seller represents** to the best of Seller's knowledge, unless otherwise disclosed, that: **property is not in a Special Flood**
118 **Hazard Area or floodplain;** there are no violations of building, zoning or fire codes; there are no encroachments or
119 violations of setback lines, easements or property boundary lines; and there are no boundary line disputes. If at anytime the
120 title examination, mortgage loan inspection, survey, or other information discloses any such defects, or if the Buyer
121 discovers that any representation in this *Agreement* is in fact untrue, Buyer may, by delivering written *Notice* to Seller,
122 either (1) accept the Property with the defects, OR (2) cancel this *Agreement* and all Earnest Money must be refunded to
123 Buyer, OR (3) Buyer may extend the closing date by up to 3 calendar days to perform additional due diligence, retaining
124 the right to exercise option (1) or (2) above.
- 125 (t) **DEFAULT OR BREACH:** If either party fails to perform any obligation under this *Agreement*, the other party may do
126 any or all of the following: (1) cancel the *Agreement* (2) sue for specific performance, (3) sue for actual and compensatory
127 damages. Legal counsel is strongly recommended in such circumstances.
- 128 (u) **REAL ESTATE COMMISSIONS:** Seller authorizes closing company to debit Seller and pay commissions as follows at closing:
129 Real Estate Firm Name: _____ will receive _____% of the purchase price.
130 Licensee's Name and Contact Information: _____.
131 Other Real Estate Firm Name (if any): _____ will receive _____% of the purchase price.
132 Other Licensee's Name (if any) and Contact Information: _____.
- 133 (v) **ADDENDA, ATTACHMENTS, EXHIBITS, DISCLAIMERS, AND DISCLOSURES** (included if marked below):
134 Confirmation of Agency Status (required with all Purchase and Sale Agreements)
135 Advisory to Buyers and Sellers, or TAR Disclaimer Notice (required with all Purchase and Sale Agreements)
136 Lead-Based Paint Disclosure (required for housing **constructed before 1978**)
137 Personal Interest Disclosure & Consent (required if a **Licensee has a personal interest**, may be included in Confirmation of Agency)
138 Occupancy Agreement (required if **possession is other than the time of closing**)
139 VA/FHA Loan Addendum (required if sale involves **VA or FHA financing**)
140 Impact Fees or Adequate Facilities Taxes Disclosure (required if sale is residential **new construction**)
141 Subsurface Sewage Disposal System Permit Disclosure (required for newly constructed residential property with **septic system**)
142 Addendum (extra page for additional Special Stipulations, if needed)
143 Other: _____
144 **And one of the following three is required with all residential Purchase and Sale Agreements:**
145 Tennessee Residential Property Condition Disclosure, OR
146 Tennessee Residential Property Condition Exemption Notification, OR
147 Tennessee Residential Property Condition Disclaimer Statement
- 148 (w) **METHOD OF EXECUTION AND DELIVERY:** Signatures and initials transmitted by fax, photocopy, or digital signature
149 methods will be acceptable and treated as originals. This *Agreement* constitutes the sole and entire agreement between the
150 parties. No verbal agreements, representations, promises, or modifications of this *Agreement* will be binding unless agreed
151 to in writing by all parties. **Delivery** will be considered to have been completed as of the date and time a document is either
152 (1) delivered in person, OR (2) transmitted by fax, OR (3) transmitted by email. Delivery of documents to the real estate Licensee
153 assisting a party as that party's agent or facilitator (or to that Licensee's Broker) will be considered to be Delivery to that party.
- 154 (x) **ACCEPTANCE DATE AND BINDING CONTRACT:** The **Acceptance Date** will be the date of full execution (signing) of this
155 *Agreement* by all parties, that is, the date one party accepts all the terms of the other party's written and signed *Offer* or *Counteroffer*,
156 evidenced by the accepting party's signature and date on the *Offer* or *Counteroffer*. The Acceptance must be promptly
157 communicated (by any reasonable and usual mode) to the other party, thereby making this *Agreement* a legally **Binding Contract**.
158 Communications to the real estate Licensee assisting a party as that party's agent or facilitator (or to that Licensee's Broker) will
159 be considered to be communication to that party. True executed copies of the Contract must be promptly delivered to all parties.
- 160 (y) **OFFER EXPIRATION DATE & TIME:** _____. If not Accepted by
161 this date & time (or if blank, by the date and time on Lines 11-13), this *Offer* will expire. However, at any time before the
162 other party's communication of Acceptance, the party making the *Offer* may **withdraw** the *Offer* by communicating the
163 withdrawal to the other party, and confirm the withdrawal by the prompt delivery of a written *Notice of Withdrawal*.

164 **Buyer makes this Offer.**

165 **X** _____ **X** _____
Buyer Signature Date & Time Buyer Signature Date & Time

166 **This Offer is:** Accepted Rejected Countered on this form Countered on a separate *Counteroffer* form

167 **X** _____ **X** _____
Seller Signature Date & Time Seller Signature Date & Time