

# Real Estate Contract (Residential)

KELLER WILLIAMS® REALTY OF NW ARKANSAS  
2418 E. Joyce Blvd.  
Fayetteville, AR 72703  
Ph: (479) 442-4228 Fax: (479) 442-2022



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Form Serial Number: 000000-000000-000000

### 1. PARTIES:

(individually, or collectively, the "Buyer") offers to purchase, subject to the terms and conditions set forth herein, from the undersigned (individually or collectively, the "Seller"), the real property described in Paragraph 2 of this Real Estate Contract (the "Property"):

### 2. LEGAL DESCRIPTION AND ADDRESS:

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**3. PURCHASE PRICE:** Subject to the following conditions, Buyer shall pay the following to Seller and assume the following obligations of Seller (if so stated in Paragraph 3B) for the Property (the "Purchase Price"):

**A. PURCHASE PURSUANT TO NEW FINANCING.** Subject to Buyer's ability to obtain financing on the terms and conditions set forth herein, the Purchase Price shall be the exact sum of \_\_\_\_\_ \$  
with Buyer paying the sum of \_\_\_\_\_ \$  
in cash at Closing as down payment, with the balance of the Purchase Price (the "Balance") to be paid pursuant to the following:

**(i) NEW LOAN:** Subject to the Property appraising for not less than the Purchase Price and the Buyer's ability to obtain a loan to be secured by the Property in the amount of \_\_\_\_\_ \$  
with such loan to be payable over a period of \_\_\_\_ years.

Discount points not to exceed \_\_\_\_\_ % of loan at Closing. Interest rate will be:

- Fixed rate not to exceed \_\_\_\_\_ % per annum (see below)  
 Variable rate with an initial rate not to exceed \_\_\_\_\_ % per annum  
and a maximum rate not to exceed \_\_\_\_\_ % per annum (see below)

If the loan rate in Paragraph 3A(i) is available at time of application and Buyer chooses not to lock in loan rate at application through time of Closing, Buyer agrees to accept prevailing loan rate at the time of Closing.

Loan type will be:

**Conventional.** Mortgage Insurance:  Not applicable  Paid as follows:

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**VA.** Funding fee paid as follows: *(Continues on Page 2 of 10, for "VA NOTICE TO BUYER")*

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**FHA.** Items to be financed: *(Continues on Page 2 of 10, for "FHA NOTICE TO BUYER")*

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**USDA-RD.** Items to be financed: \_\_\_\_\_

**(ii) OTHER FINANCING:** Subject to Buyer's ability to obtain financing in the amount of \_\_\_\_\_ \$  
from a source and being payable as follows:

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**B. PURCHASE PURSUANT TO LOAN ASSUMPTION (See Loan Assumption Addendum attached)**

**C. PURCHASE PURSUANT TO CASH:** Cash at Closing in the exact sum of \_\_\_\_\_ \$

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### 3. PURCHASE PRICE: (continued from Page 1)

**IF LOAN TYPE IS VA, I ACKNOWLEDGE THE FOLLOWING "VA NOTICE TO BUYER:"**

It is expressly agreed that, notwithstanding any other provisions of this Real Estate Contract, Buyer shall not incur any penalty by forfeiture of Earnest Money (defined below) or otherwise be obligated to complete this purchase of the Property described herein, if the Real Estate Contract Purchase Price or cost exceeds the reasonable value of the Property established by the Department of Veterans Affairs. Buyer shall, however, have the privilege and option of consummating this Real Estate Contract without regard to the amount of the reasonable value of the Property established by the Department of Veterans Affairs. If Buyer elects to complete the purchase at an amount in excess of the reasonable value established by the Department of Veterans Affairs, Buyer shall pay such excess amount in cash from a source which Buyer agrees to disclose to the Department of Veterans Affairs and which Buyer represents will not be from borrowed funds. If Department of Veterans Affairs reasonable value of the Property is less than the Purchase Price, Seller may reduce the Purchase Price to an amount equal to the Department of Veterans Affairs reasonable value and the parties to the sale shall close at such lower Purchase Price with appropriate adjustments to Paragraph 3 above.

**IF LOAN TYPE IS FHA, I ACKNOWLEDGE THE FOLLOWING "FHA NOTICE TO BUYER:"**

It is expressly agreed that notwithstanding any other provisions of this Real Estate Contract, Buyer shall not be obligated to complete the purchase of the Property described herein or to incur any penalty by forfeiture of Earnest Money deposits or otherwise unless Buyer has been given, in accordance with HUD/FHA or VA requirements, a written statement by the Federal Housing Commissioner, Department of Veterans Affairs, or a Direct Endorsement lender setting forth the appraised value of the Property of not less than \$\_\_\_\_\_. Buyer shall have the privilege and option of consummating this Real Estate Contract without regard to the amount of the appraised valuation. The appraised valuation is arrived at to determine the maximum mortgage the Department of Housing and Urban Development will insure. HUD does not warrant the value nor the condition of the Property. Buyer should satisfy himself/herself that the price and condition of the Property are acceptable.

We hereby certify that the terms and conditions of this Real Estate Contract are true to the best of our knowledge and belief and that any other agreement entered into by any of the parties in connection with this real estate transaction is part of, or attached to, this Real Estate Contract.

**Buyer has received HUD/FHA's Form No. HUD-92564-CN, "For Your Protection: Get a Home Inspection".**

### 4. AGENCY:

**A. LISTING FIRM AND SELLING FIRM REPRESENT SELLER:** Buyer acknowledges that Listing Firm and Selling Firm and all licensees associated with those entities are the agents of Seller and that it is Seller who employed them, whom they represent, and to whom they are responsible. Buyer acknowledges that before eliciting or receiving confidential information from Buyer, Selling Firm, which may be the same as Listing Firm, verbally disclosed that Selling Firm represents Seller.

**B. LISTING FIRM REPRESENTS SELLER AND SELLING FIRM REPRESENTS BUYER:** Buyer and Seller acknowledge that Listing Firm is employed by Seller and Selling Firm is employed by Buyer. All licensees associated with Listing Firm are employed by, represent, and are responsible to Seller. All licensees associated with Selling Firm are employed by, represent, and are responsible to Buyer. Buyer acknowledges Selling Firm verbally disclosed that Listing Firm represents Seller. Seller acknowledges Listing Firm verbally disclosed that Selling Firm represents Buyer.

**C. LISTING FIRM AND SELLING FIRM ARE THE SAME AND REPRESENT BOTH BUYER AND SELLER:** Seller and Buyer hereby acknowledge and agree that Listing and Selling Firm are the same and all licensees associated with Listing and Selling Firm are representing both Buyer and Seller in the purchase and sale of the above referenced Property and that Listing/Selling Firm has been and is now the agent of both Seller and Buyer with respect to this transaction. Seller and Buyer have both consented to and hereby confirm their consent to agency representation of both parties. Further, Seller and Buyer agree:

(i) Listing/Selling Firm shall not be required to and shall not disclose to either Buyer or Seller any personal, financial or other confidential information concerning the other party without the express written consent of that party; however, Buyer and Seller agree Listing/Selling Firm shall disclose to Buyer information known to Listing/Selling Firm related to defects in the Property and such information shall not be deemed "confidential information." Confidential information shall include but not be limited to any price Seller is willing to accept that is less than the offering price or any price Buyer is willing to pay that is higher than that offered in writing.

(ii) by selecting this option 4C, Buyer and Seller acknowledge that when Listing/Selling Firm represents both parties, a possible conflict of interest exists, and Seller and Buyer further agree to forfeit their individual right to receive the undivided loyalty of Listing/Selling Firm.

(iii) to waive any claim now or hereafter arising out of any conflicts of interest from Listing/Selling Firm representing both parties. Buyer and Seller acknowledge Listing/Selling Firm verbally disclosed that Listing/Selling Firm represents both parties in this transaction, and Buyer and Seller have given their written consent to this representation before entering into this Real Estate Contract.

**D. SELLING FIRM REPRESENTS BUYER (NO LISTING FIRM):** Seller acknowledges that Selling Firm and all licensees associated with Selling Firm are the agents of Buyer and that it is Buyer who employed them, whom they represent, and to whom they are responsible. Seller acknowledges that at first contact, Selling Firm verbally disclosed that Selling Firm represents Buyer. Any reference to "Listing Firm" in this Real Estate Contract will be considered to mean Selling Firm, both Buyer and Seller acknowledging that all real estate agents involved in this Real Estate Contract only represent Buyer.

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**5. LOAN AND CLOSING COSTS:** Unless otherwise specified, all of Buyer's closing costs, including origination fees, assumption fees, loan costs, prepaid items, loan discount points, closing fee, and all other financing fees and costs charged by Buyer's lender or any additional fees charged by Closing Agent(s), are to be paid by Buyer solely except for costs that cannot be paid by Buyer if Buyer is obtaining a VA or FHA loan (the "Government Loan Fees") which shall be paid by Seller, up to the sum of \$ \_\_\_\_\_ (the "Seller Loan Cost Limit"), which is not included in any loan or closing cost provisions listed below. Notwithstanding any provision to the contrary, should the Government Loan Fees exceed the Seller Loan Cost Limit, Seller shall have the option to either pay such excess amount or terminate this Real Estate Contract and have the Earnest Money returned to Buyer. Seller is to pay Seller's closing costs.

Should Buyer be entitled to a credit at Closing for repairs pursuant to Paragraph 15 of this Real Estate Contract, the amount of such credit shall be reflected on the HUD-1 settlement statement. Buyer and Seller warrant that all funds received by Buyer from Seller (or other sources) will be disclosed to the Closing Agent(s) and reflected on the HUD-1 settlement statement.

**6. APPLICATION FOR FINANCING:** If applicable, Buyer agrees to make a complete application for new loan or for loan assumption within five (5) business days from the acceptance date of this Real Estate Contract. In order to make a complete application as required by this Paragraph 6, Buyer agrees to provide lender with any requested information and pay for any credit report(s) and appraisal(s) required to make the loan. Unless otherwise specified, if said loan is not closed or assumed, Buyer agrees to pay for loan costs incurred, including appraisal(s) and credit report(s), unless failure to close is solely the result of a breach of this Real Estate Contract by Seller, in which case such expenses will be paid by Seller. Buyer understands that failure to make a complete loan application as defined above may constitute a breach of this Real Estate Contract.

**7. EARNEST MONEY:** Earnest money is in the amount of \$ \_\_\_\_\_ ("Earnest Money") which shall apply toward Buyer's Purchase Price or Closing Costs. If at least one or more of the conditions of Paragraphs 3A(i), 3A(ii), 3B, 6, 9, 10, 13B, 15, 16B, 17B, 17C (if any), 18B, 19, and 27 (if any) have not been fulfilled, performed or removed, Earnest Money shall be promptly refunded to Buyer. If Buyer fails to fulfill his obligations under this Real Estate Contract, or if after all conditions have been met Buyer fails to close this transaction, Earnest Money may, at the sole and exclusive option of Seller, be retained by Seller as liquidated damages. Alternatively, Seller may return Earnest Money and assert all legal or equitable rights that may exist as a result of Buyer breaching this Real Estate Contract. Buyer warrants, represents and acknowledges that the check tendered will be honored upon presentation to Buyer's bank, and that Buyer shall be in default of this Real Estate Contract if the check is not honored upon first presentation to Buyer's bank. Buyer understands that failure to tender Earnest Money as required by this Paragraph 7 shall constitute a breach of this Real Estate Contract. Buyer and Seller agree that in the event of any dispute concerning entitlement to Earnest Money, Listing Firm may interplead Earnest Money into a court of competent jurisdiction, and upon such interpleading of Earnest Money, both Listing Firm and Selling Firm shall be released from liability to Buyer and Seller. Listing Firm shall be reimbursed for all costs and attorney's fees from the funds entered for interpleading.

- A.** Earnest Money is tendered by Buyer in the form of  cash  check. If Earnest Money is tendered by check, it will be made payable to Listing Firm. Earnest Money will be deposited by Listing Firm no later than three (3) business days following the date this Real Estate Contract has been signed by Buyer and Seller.
- B.** Earnest Money will be tendered by Buyer in the form of  cash  check. If Earnest Money is tendered by check, it will be made payable to Listing Firm. Earnest Money will be deposited by Listing Firm within three (3) business days following the date this Real Estate Contract has been signed by Buyer and Seller. (If Earnest Money is not to be tendered within three (3) business days after this Real Estate Contract has been signed by Buyer and Seller, see Paragraph 27 for further explanation.)
- C.** No Earnest Money will be tendered. References to Earnest Money in this Real Estate Contract shall not be applicable and are deemed deleted.

**8. CONVEYANCE:** Unless otherwise specified, conveyance of the Property shall be made to Buyer by general warranty deed, in fee simple absolute, except it shall be subject to recorded instruments and easements, if any, which do not materially affect the value of the Property. Unless expressly reserved herein, **SUCH CONVEYANCE SHALL INCLUDE ALL MINERAL RIGHTS OWNED BY SELLER CONCERNING AND LOCATED ON THE PROPERTY, IF ANY, UNLESS OTHERWISE SPECIFIED IN PARAGRAPH 27. IT IS THE RESPONSIBILITY OF THE BUYER TO INDEPENDENTLY VERIFY AND INVESTIGATE THE EXISTENCE OR NONEXISTENCE OF MINERAL RIGHTS AND ANY LEGAL RAMIFICATIONS THEREOF.** Seller warrants and represents only signatures set forth below are required to transfer legal title to the Property. Seller also warrants and represents that Seller has peaceable possession of the Property, including all improvements and fixtures thereon, and the legal authority and capacity to convey the Property by a good and sufficient general warranty deed, free from any liens, leaseholds or other interests.

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**9. TITLE REQUIREMENTS:** Buyer and Seller understand that Listing Firm and Selling Firm are not licensed title insurance agents as defined by Arkansas law and do not and cannot receive direct or indirect compensation from any Closing Agent regarding the closing process or the possible purchase of title insurance by one or more of Buyer and Seller.

- A. Seller shall furnish, at Seller's cost, a complete abstract reflecting merchantable title to Buyer or Buyer's Attorney; or,
- B. Seller shall furnish, at Seller's cost, an owner's policy of title insurance in the amount of the Purchase Price. If a loan is secured for the purchase of the Property, Buyer agrees to pay mortgagee's portion of title policy; or,
- C. Buyer and Seller to equally split the cost of a combination owner's and mortgagee's policy of title insurance ordered by Seller in the amount of the Purchase Price, including the cost of a title search, title examination, title insurance binder, final closeout of the title policy and any other related title insurance charges.
- D. Other: \_\_\_\_\_

Buyer shall have the right to review and approve a commitment to provide title insurance prior to Closing. If objections are made to Title, Seller shall have a reasonable time to cure the objections. Regardless of the policy chosen, Buyer and Seller shall have the right to choose their Closing Agent(s).

**10. SURVEY:** Buyer has been given the opportunity to obtain a new certified survey. Should Buyer decline to obtain a survey as offered in Paragraph 10A of this Real Estate Contract, Buyer agrees to hold Seller, Listing Firm and Selling Firm involved in this Real Estate Contract harmless of any problems relative to any survey discrepancies that may exist or be discovered (or occur) after Closing.

- A. A new certified survey, in a form satisfactory to Buyer, certified to Buyer within thirty (30) days prior to Closing by a registered land surveyor, will be provided and paid for by:  Buyer  Seller.
- B. No survey shall be provided.
- C. Other: \_\_\_\_\_

Should Buyer agree to accept the most recent survey provided by Seller, this survey is for information purposes only and Buyer will not be entitled to the legal benefits of a survey certified in Buyer's name.

**11. PRORATIONS:** Taxes and special assessments due on or before Closing shall be paid by Seller. Any deposits on rental Property are to be transferred to Buyer at Closing. Insurance, general taxes, special assessments, rental payments and interest on any assumed loan shall be prorated as of Closing, unless otherwise specified herein. Buyer and Seller agree to prorate general ad valorem taxes based on the best information available at Closing. Buyer and Seller agree to hold any Closing Agent(s) selected by Buyer and Seller, Listing Firm and Selling Firm harmless for error in such tax proration computation caused by unknown facts or erroneous information (or uncertainty) regarding the Homestead Tax Exemption adopted by the voters of the State of Arkansas in the Year 2000, as amended from time to time.

**12. FIXTURES AND ATTACHED EQUIPMENT:** Unless specifically excluded herein all fixtures and attached equipment, if any, are included in the Purchase Price. Such fixtures and attached equipment shall include but not be limited to the following: dishwasher, disposal, trash compactor, ranges, ovens, water heaters, exhaust fans, heating and air conditioning systems, plumbing and septic systems, electrical system, intercom system, ceiling fans, window air conditioners, carpeting, indoor and outdoor light fixtures, window and door coverings and related hardware, gas or electric grills, awnings, mail boxes, garage door openers and remote controls, antennas, fireplace inserts, \_\_\_\_\_, and any other items bolted, nailed, screwed, buried or otherwise attached to the Property in a permanent manner. Television satellite receiver dish, cable wiring, water softeners, and propane and butane tanks also remain, if owned by Seller. Buyer is aware the following items are not owned by Seller or do not convey with the Property:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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### 13. OTHER CONTINGENCY:

**A. No Other Contingency.** (Except for those conditions listed elsewhere in this Real Estate Contract.) It is understood and agreed that Seller has the right to enter into backup Real Estate Contracts and other Real Estate Contracts shall not affect this Real Estate Contract.

**B. This Real Estate Contract is contingent upon:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

on or before (month) \_\_\_\_\_ (day) \_\_\_\_\_, (year) \_\_\_\_\_.

During the term of this Real Estate Contract (Select one):

**(i) Non-Binding Clause:** It is understood and agreed that every effort will be made to obtain another Real Estate Contract on the Property and that in the event another offer is accepted, this Real Estate Contract is null and void and Earnest Money shall be promptly refunded to Buyer.

**(ii) Binding with Escape Clause:** Seller has the right to continue to show the Property and solicit and enter into another Real Estate Contract on this Property. However, all Real Estate Contracts shall be subject to termination of this Real Estate Contract. Should Seller elect to provide written notice of an additional Real Estate Contract being accepted by Seller (the "Notice"), Buyer shall have \_\_\_\_\_ hours to remove this contingency. Buyer shall be deemed in receipt of the Notice upon the earlier of (a) actual receipt of the Notice, or (b) two (2) business days after Seller or Listing Firm deposits the Notice in the United States mail, certified for delivery to Buyer at \_\_\_\_\_

\_\_\_\_\_ with sufficient postage to ensure delivery. Removal of this contingency shall occur only by delivery of written notice, in a manner ensuring actual receipt, to Seller or Listing Firm. Time is of the essence. Buyer further agrees to forfeit all Earnest Money in the event Buyer does not perform on this Real Estate Contract for any reason concerning this contingency, if the same is removed. If this contingency is removed, a Closing date shall be agreed upon by the parties. If a Closing date is not agreed upon Closing shall occur \_\_\_\_\_ calendar days from removal. Should Buyer not remove this contingency as specified, then this Real Estate Contract shall be deemed null and void. All time constraints in this Real Estate Contract referred to in Paragraphs 6, 15B, 16, 17B, 18B, and 19 refer to the time Buyer removes the contingency.

**(iii) Binding without Escape Clause:** It is understood and agreed that Seller has the right to enter into backup Real Estate Contracts and other Real Estate Contracts shall not affect this Real Estate Contract.

**14. HOME-WARRANTY PLANS:** Buyer understands the benefits of a home-warranty contract which may include coverage for most major appliances, plumbing, electrical, heating and air conditioning systems. The home-warranty contract covers unexpected mechanical failures due to wear and tear and is subject to a per-claim deductible. The availability of a home-warranty contract, cost and applicable deductible have been explained to Buyer, and Buyer chooses:

**A. No home-warranty contract** concerning the condition of any real or personal Property to be conveyed from Seller to Buyer for any period after the Closing.

**B. A limited one-year home-warranty plan** will be provided to Buyer concerning the condition of the Property and will be paid for by \_\_\_\_\_ at a cost not to exceed \$ \_\_\_\_\_ plus sales tax. This home-warranty contract will not imply any warranty by Seller after Closing. Coverages vary and the coverage received is solely set forth in the home-warranty documents between Buyer and Home-Warranty Company, \_\_\_\_\_

\_\_\_\_\_, and no representation or explanation will be provided by Seller, Selling Firm or Listing Firm, Buyer being solely responsible to determine the extent and availability of coverage. Listing Firm and/or Selling Firm may receive compensation from the warranty company.

**C. Other Warranty:** \_\_\_\_\_

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## 15. INSPECTION AND REPAIRS:

- A. The sale of the Property is made strictly on an "AS IS, WHERE IS, WITH ALL FAULTS BASIS" and Buyer acknowledges and agrees to voluntarily waive and decline any right to require repair of the Property. An example is the rights declined and waived by Buyer being set forth in Paragraph 15B of this Real Estate Contract.
- B. Buyer shall have the right, at Buyer's expense, with the cooperation of Seller, to inspect the electrical, mechanical, plumbing, environmental conditions, appliances, and all improvements, structure(s) and components on or about the Property (collectively the "Inspection Items") within TEN (10) BUSINESS DAYS after the date this Real Estate Contract is accepted. Seller, Listing Firm and Selling Firm recommend Buyer use a representative(s) chosen by Buyer to inspect Inspection Items. **Buyer is not relying on Listing Firm or Selling Firm to choose a representative to inspect or re-inspect Inspection Items; Buyer understands any representative desired by Buyer may inspect or re-inspect Inspection Items.** Seller agrees to have all utilities connected and turned on to Property to allow Buyer to inspect and re-inspect Inspection Items.

If the Property being purchased is not new, Buyer acknowledges Inspection Items may not be new. Buyer does not expect Inspection Items to be like new and recognizes ordinary wear and tear to Inspection Items is normal. For the purpose of this Paragraph 15B, "normal working order" means that Inspection Items function for the purpose for which they are intended. The fact any or all Inspection Items may cease to be in normal working order, be discovered or occur, after Closing, shall not require repair by Seller, or provide legal or other liability to Seller, Listing Firm or Selling Firm.

Buyer shall provide an Inspection, Repair and Survey Addendum listing specific repairs needed to Inspection Items or stating no repairs are needed to Inspection Items, so the Inspection, Repair and Survey Addendum is actually received by Seller or Listing Firm within allotted ten (10) business day period, stating inspections have been performed and listing all items that Buyer asserts to be in need of repair, except repairs required by FHA, VA, USDA-RD, the lender, the termite control company, or Lead-Based Paint Risk Assessment/Inspection (collectively, "Third-Party Requirements"), which shall be supplied to Seller promptly upon receipt by Buyer. **IN THE EVENT BUYER DOES NOT MAKE THE NECESSARY REQUIRED INSPECTION AND DOES NOT PRESENT THE INSPECTION, REPAIR AND SURVEY ADDENDUM TO SELLER IN THE ALLOTTED TEN (10) BUSINESS DAY TIME PERIOD, BUYER WAIVES ALL RIGHTS TO A RE-INSPECTION AND ASSUMES COMPLETE RESPONSIBILITY FOR ANY AND ALL FUTURE REPAIRS AND THE CONDITION OF THE PROPERTY.**

If Buyer provides the Inspection, Repair and Survey Addendum as required, Seller will have TEN (10) BUSINESS DAYS after the date the Inspection, Repair and Survey Addendum is received to respond to Buyer's request with the exception of Third Party Requirements. **IN THE EVENT SELLER DOES NOT RESPOND WITHIN TEN (10) BUSINESS DAYS, SELLER AGREES ALL LISTED REPAIRS WILL BE COMPLETED, INCLUDING THIRD-PARTY REQUIREMENTS, UP TO BUT NOT EXCEEDING REPAIR LIMIT DEFINED BELOW.**

If the Inspection, Repair and Survey Addendum is given as required, Seller agrees to pay the cost to repair Inspection Items and Third-Party Requirements in a sum not to exceed \$\_\_\_\_\_ (the "Repair Limit"). If repair costs to Inspection Items and Third-Party Requirements exceed the Repair Limit, Buyer shall have the option to (1) accept the Property in its condition at Closing with credit to Buyer at Closing in the amount of the Repair Limit, if allowed pursuant to Paragraph 5 of this Real Estate Contract and by applicable law, less the cost of any repairs made and paid for by Seller after receipt of notice, or (2) declare this Real Estate Contract null and void and recover the Earnest Money (if any).

If Buyer timely inspected the Property and Seller received the Inspection, Repair and Survey Addendum within the time period set forth above, Buyer shall have the right to re-inspect all Inspection Items immediately prior to Closing to ascertain whether Inspection Items are in normal working order and to determine whether all requested and accepted repairs have been made. If Inspection Items are found not to be in normal working order upon re-inspection, Buyer shall have the option to: (1) accept the Property in its condition at Closing with credit to Buyer at Closing for any portion of the Repair Limit that has not already been spent by Seller for repairs or previously credited to Buyer under this paragraph 15B, or (2) declare this Real Estate Contract null and void and recover the Earnest Money, (if any). **SELLER SHALL NOT BE OBLIGATED TO EXPEND AN AMOUNT FOR REPAIRS OR PROVIDE A CREDIT TO BUYER TOWARD THE PURCHASE PRICE CONCERNING REPAIRS IN EXCESS OF THE REPAIR LIMIT. AGREEMENT BY SELLER TO EXPEND, OR ACTUAL EXPENDITURE OF, SUMS BEYOND THE REPAIR LIMIT OR OTHER ATTEMPTS TO SATISFY CONCERNS OF BUYER REGARDING THE INSPECTION ITEMS SHALL NOT AFFECT OR DEFEAT THE OPTIONS PROVIDED TO BUYER IN (1) AND (2) ABOVE.** If Buyer closes on the Property believing conditions exist at the Property that require repair and agrees to a credit equal to the Repair Limit as allowed by this Paragraph 15B, Buyer waives all right to assert a claim against Seller, Selling Firm or Listing Firm concerning the condition of the Property. Buyer understands and agrees that, pursuant to the terms of Paragraph 15B, Buyer will be accepting the Property "AS IS, WHERE IS AND WITH ALL FAULTS" at Closing.

- C. Buyer realizes this is a new-construction home that could be in any phase of construction and an initial inspection may not be appropriate. Buyer agrees to Paragraph 13 of the New Construction Addendum,

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## 16. SELLER PROPERTY DISCLOSURE:

- A. Buyer and Seller acknowledge that upon the authorization of Seller, either Selling Firm or Listing Firm have delivered to Buyer, prior to the execution of this Real Estate Contract, a written disclosure prepared by Seller concerning the condition of the Property, but this fact neither limits nor restricts Buyer's Disclaimer of Reliance set forth in Paragraph 26 of this Real Estate Contract, nor the rights provided Buyer in Paragraph 15. The written disclosure prepared by Seller is dated (month) \_\_\_\_\_ (day) \_\_\_\_\_, (year) \_\_\_\_\_, and is warranted by Seller to be the latest disclosure and the answers contained in the disclosure are warranted to be true, correct, and complete to Seller's knowledge.
- B. Buyer hereby requests Seller to provide a written disclosure about the condition of the Property that is true and correct to Seller's knowledge within three (3) business days, after this Real Estate Contract has been signed by Buyer and Seller. If Seller does not provide the disclosure within the three (3) business days, Buyer may declare this Real Estate Contract null and void, with Buyer to receive a refund of the Earnest Money (if any). If Buyer finds the disclosure unacceptable within three (3) business days after receipt of disclosure, this Real Estate Contract may be declared null and void by Buyer, with Buyer to receive a refund of the Earnest Money (if any). Receipt of this disclosure neither limits nor restricts in any way Buyer's Disclaimer of Reliance set forth in Paragraph 26 of this Real Estate Contract.
- C. Although a disclosure form may have been completed (or can be completed) by Seller, Buyer has neither received nor requested and does not desire from Seller a written disclosure concerning the condition of the Property prior to the execution of this Real Estate Contract, but this fact neither limits nor restricts in any way Buyer's Disclaimer of Reliance set forth in Paragraph 26 of this Real Estate Contract. BUYER IS STRONGLY URGED BY SELLING FIRM AND LISTING FIRM TO MAKE ALL INDEPENDENT INSPECTIONS DEEMED NECESSARY PRIOR TO SIGNING THIS REAL ESTATE CONTRACT, IN ADDITION TO THOSE INSPECTIONS PERMITTED BY PARAGRAPH 15B OF THIS REAL ESTATE CONTRACT.
- D. Buyer understands no disclosure form is available and will not be provided by Seller. BUYER IS STRONGLY URGED BY SELLING FIRM AND THE LISTING FIRM TO MAKE ALL INDEPENDENT INSPECTIONS DEEMED NECESSARY PRIOR TO SIGNING THIS REAL ESTATE CONTRACT, IN ADDITION TO THOSE INSPECTIONS PERMITTED BY PARAGRAPH 15B OF THIS REAL ESTATE CONTRACT.

## 17. TERMITE CONTROL REQUIREMENTS:

- A. None
- B. A Letter of Clearance (Wood Infestation Report) requiring a Termite Protection Contract with a One-Year (1) Warranty shall be provided by Seller at Seller's cost. Seller shall order a proposal from a licensed Termite Contractor within ten (10) business days after acceptance of this Real Estate Contract. All repairs necessary to allow issuance of such Termite Protection Contract, excluding a new Termite Protection Treatment, are to be part of the Third Party Requirements pursuant to Paragraph 15B. If Buyer is obtaining financing, such Termite Protection Contract shall be in a form acceptable to the Lender.
- C. Other: \_\_\_\_\_

## 18. LEAD-BASED PAINT RISK ASSESSMENT/INSPECTION:

- A. Buyer understands and agrees that, according to the best information available, improvements on this Property were not constructed prior to 1978 and should not contain lead-based paint hazards.
- B. Buyer has been informed that the Property, including without limitation garages, tool sheds, other outbuildings, fences, signs and mechanical equipment on the Property that were constructed prior to 1978, may contain lead-based paint. Seller will provide the Lead-Based Paint Disclosure (pre-1978 construction) within three (3) business days after acceptance of this Real Estate Contract.
- (i) Buyer waives the opportunity to conduct an Inspection and/or Risk Assessment for the presence of lead-based paint and/or lead-based paint hazards.
- (ii) The obligation of Buyer under this Real Estate Contract is contingent upon Buyer's acceptance of the Lead-Based Paint Disclosure provided by Seller and an Inspection and/or Risk Assessment of the Property for the presence of lead-based paint and/or lead-based paint hazards obtained at Buyer's expense. If Buyer finds either the Lead-Based Paint Disclosure or the Inspection and/or Risk Assessment unsatisfactory, in the sole discretion of Buyer, within ten (10) calendar days after receipt by Buyer of the Lead-Based Paint Disclosure, Buyer shall have the absolute option to unilaterally terminate this Real Estate Contract with all earnest monies (if any) returned to Buyer and, neither Buyer nor Seller having further obligation to the other thereafter. Buyer shall submit any request for abatement repairs in writing as part of the Third-Party Requirements specified in Paragraph 15B of the Real Estate Contract. Buyer may remove this contingency and waive the unilateral termination right at any time without cause by written General Addendum signed by Buyer and delivered to Seller. If Buyer does not deliver to Seller or Listing Firm a Termination of Real Estate Contract Addendum terminating this Real Estate Contract within the ten (10) calendar days after receipt by Buyer of the Lead-Based Paint Disclosure, this contingency shall be deemed waived and Buyer's performance under this Real Estate Contract shall thereafter not be conditioned on Buyer's satisfaction with the Lead-Based Paint Inspection and/or Risk Assessment of the Property.

**Buyer has been advised of Buyer's rights under this Paragraph 18.**

# Real Estate Contract (Residential)

KELLER WILLIAMS® REALTY OF NW ARKANSAS  
2418 E. Joyce Blvd.  
Fayetteville, AR 72703  
Ph: (479) 442-4228 Fax: (479) 442-2022



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**Form Serial Number: 000000-000000-000000**

**19. INSURANCE:** This Real Estate Contract is conditioned upon Buyer's ability to obtain homeowner/hazard insurance for the Property within ten (10) business days after the acceptance date of this Real Estate Contract. If Buyer does not deliver to Seller or Listing Firm a written notice from an insurance company within the time set forth above of Buyer's inability to obtain homeowner/hazard insurance on the Property, this condition shall be deemed waived (but without waiver of conditions, if any, set in Paragraph 3) and Buyer's performance under this Real Estate Contract shall thereafter not be conditioned upon Buyer's obtaining insurance. If Buyer has complied with the terms of this Paragraph 19 and has timely provided written notice to Seller of Buyer's inability to obtain such insurance, this Real Estate Contract shall be terminated with Earnest Money to be returned to Buyer, subject to Paragraph 7.

**20. CLOSING:** Closing is the date and time at which Seller delivers the executed and acknowledged deed. Buyer and Seller agree the Closing date will be (month) \_\_\_\_\_ (day) \_\_\_\_\_, (year) \_\_\_\_\_. The Closing date may be changed by written agreement of Buyer and Seller. If the sale is not consummated by the Closing date (or any written extension thereof), the parties shall have the remedies available to them in equity or at law, including the remedies available to them in Paragraph 7.

Buyer and Seller shall have the right to choose their Closing Agent(s) and are not relying on Listing Firm or Selling Firm to choose a Closing Agent. Should Buyer or Seller choose the services of a Closing Agent(s) other than Selling Firm or Listing Firm, then Buyer and Seller each jointly and severally agree to indemnify and hold Listing Firm and Selling Firm harmless for all intentional misconduct and negligent acts (including acts of omission) of the Closing Agent(s).

This Real Estate Contract shall serve as written closing instructions to the Closing Agent on behalf of the Buyer and Seller. The Closing Agent(s) is/are authorized to provide Seller's settlement statement to Listing Firm (in addition to Seller) and Buyer's settlement statement to Selling Firm (in addition to Buyer) prior to settlement so that Buyer, Seller, Listing Firm and Selling Firm shall have a reasonable opportunity to review prior to Closing.

Buyer and Seller shall each have the right to request that title insurer(s), if any, issue closing protection to indemnify against loss of closing funds because of acts of a Closing Agent, title insurer's named employee, or title insurance agent. Any cost for closing protection will be paid by the requesting party(ies). Listing Firm and Selling Firm strongly advise Buyer and Seller to inquire of the Closing Agent(s) about the availability and benefits of closing protection.

**21. POSSESSION:** Possession of the Property shall be delivered to Buyer:

- A.** Upon the Closing (Seller's delivery of executed and acknowledged Deed).
- B.** Upon Buyer's completion, signing and delivery to Seller (or to Listing Firm or the Closing Agent agreed to by Buyer and Seller) of all loan, closing documents and Purchase Price funds required to be executed or delivered by Buyer.
- C.** After the Closing (Seller's delivery of executed and acknowledged Deed), but no later than 11:59 p.m. on the date that is \_\_\_\_\_ days after Closing. Seller agrees to pay \$ \_\_\_\_\_ per day from the day after Closing through the date possession is delivered. Receipt and acceptance of such daily rental shall not extend the time of Seller's requirement to deliver possession at the time set forth herein. Seller will be responsible for all damages caused to the Property during the period between the Closing date and the date possession is delivered to Buyer, only if caused by Seller's intentional or negligent actions. The rental sum shall be paid:
  - (i)** by depositing this sum with Listing Firm (or the Closing Agent agreed to by Buyer and Seller) to be disbursed to the parties entitled thereto on the date possession is delivered.
  - (ii)** directly to Buyer on the date possession is delivered.
- D.** Delayed Possession. (See Delayed Occupancy Addendum attached)
- E.** Prior to Closing. (See Early Occupancy Addendum attached)

**22. ASSIGNMENT:** This Real Estate Contract may not be assigned by Buyer unless written consent of Seller is obtained, such consent not to be unreasonably withheld. It shall not be unreasonable for Seller to withhold consent if Seller is to provide financing for Buyer in any amount.

**23. RISK OF LOSS:** Risk of loss or damage to the Property by fire or other casualty occurring prior to the time Seller delivers an executed and acknowledged deed to Buyer is expressly assumed by Seller. Should the Property be damaged or destroyed prior to Closing, Buyer shall have the option to: (i) enter into a separate written agreement with Seller whereby Seller will agree to restore the Property to its condition at the time this Real Estate Contract was accepted, (ii) accept all insurance proceeds and the Property in its existing condition, or (iii) terminate this Real Estate Contract and recover the Earnest Money. Buyer and Seller agree any written agreement concerning option (i) or (ii) above shall be prepared only by licensed attorneys representing Buyer and Seller.

# Real Estate Contract (Residential)

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**24. GOVERNING LAW:** This Real Estate Contract shall be governed by the laws of the State of Arkansas.

**25. MERGER CLAUSE:** This Real Estate Contract, when executed by both Buyer and Seller, shall contain the entire understanding and agreement between Buyer and Seller with respect to all matters referred to herein and shall supersede all prior or contemporaneous agreements, representations, discussions and understandings, oral or written, with respect to such matters. This Real Estate Contract shall not supersede any agency agreements entered into by Buyer or Seller and Listing Firm or Selling Firm.

**26. BUYER'S DISCLAIMER OF RELIANCE:**

**A. BUYER CERTIFIES BUYER WILL PERSONALLY INSPECT OR HAVE A REPRESENTATIVE INSPECT THE PROPERTY AS FULLY AS DESIRED PRIOR TO CLOSING. BUYER CERTIFIES BUYER HAS NOT AND WILL NOT RELY ON ANY WARRANTIES, REPRESENTATIONS, OR STATEMENTS OF SELLER, LISTING FIRM, SELLING FIRM, OR ANY AGENT, INDEPENDENT CONTRACTOR, OR EMPLOYEE ASSOCIATED WITH THOSE ENTITIES, OR INFORMATION FROM MULTIPLE LISTING SERVICES OR OTHER WEBSITES REGARDING MINERAL RIGHTS, YEAR BUILT, SIZE (INCLUDING WITHOUT LIMITATION THE SQUARE FEET IN IMPROVEMENTS LOCATED ON THE PROPERTY), QUALITY, VALUE OR CONDITION OF THE PROPERTY, INCLUDING WITHOUT LIMITATION ALL IMPROVEMENTS, APPLIANCES, PLUMBING, ELECTRICAL OR MECHANICAL SYSTEMS. HOWEVER, BUYER MAY RELY UPON ANY WRITTEN DISCLOSURES PROVIDED BY SELLER.**

**LISTING FIRM AND SELLING FIRM CANNOT GIVE LEGAL ADVICE TO BUYER OR SELLER. LISTING FIRM AND SELLING FIRM STRONGLY URGE STATUS OF TITLE TO THE PROPERTY, CONDITION OF PROPERTY, AND SQUARE FOOTAGE OF IMPROVEMENTS, QUESTIONS OF SURVEY AND ALL OTHER REQUIREMENTS OF BUYER SHOULD EACH BE INDEPENDENTLY VERIFIED AND INVESTIGATED BY BUYER OR A REPRESENTATIVE CHOSEN BY BUYER.**

**B. BUYER AGREES TO SIGN PAGE 4 OF THE INSPECTION, REPAIR AND SURVEY ADDENDUM PRIOR TO CLOSING IF BUYER ACCEPTS THE CONDITION OF THE PROPERTY AND INTENDS TO CLOSE.**

**27. OTHER:**

**28. TIME:** Buyer and Seller agree time is of the essence with regard to all times and dates set forth in this Real Estate Contract. Further, all times and dates set forth in this Real Estate Contract refer to Arkansas Central time and date.

**29. ATTORNEY'S FEES:** Should Buyer or Seller initiate any type of administrative proceeding, arbitration, mediation or litigation against the other (or against an agent for the initiating party or agent for the non-initiating party), it is agreed by Buyer and Seller (aforementioned agents being third-party beneficiaries of this Paragraph 29) that all prevailing parties shall be entitled to an award of their respective costs and attorney's fees incurred in defense of such initiated action against the non-prevailing party.

**30. COUNTERPARTS:** This Real Estate Contract may be executed in multiple counterparts each of which shall be regarded as an original hereof but all of which together shall constitute one in the same.

**31. FIRPTA COMPLIANCE, TAX REPORTING:** Buyer and Seller agree to disclose on or before Closing, to the person or company acting as Closing Agent for this transaction, their United States citizenship status, solely for the purpose of compliance with the Foreign Investment in Real Property Taxation Act (FIRPTA). In addition, Buyer and Seller shall execute all documents required by such Closing Agent to document compliance with the FIRPTA and all other applicable laws. Buyer and Seller agree that nothing in this Real Estate Contract is intended to limit the responsibility of the Closing Agent as defined pursuant to United States Treasury Regulation 1.6045-4 to (i) be the "reporting person" under state and federal tax laws (including without limitation 26 USC Section 6045(e)), (ii) file all necessary forms regarding the Closing, including without limitation form 1099, 8288 or 8288A, and (iii) by accepting the role as Closing Agent this Agreement shall obligate the Closing Agent to fulfill their responsibilities as set forth above and as defined by the above statutes. Seller will execute an affidavit confirming compliance with FIRPTA, as prepared by the Closing person or company.

**32. EXPIRATION:** This Real Estate Contract expires if not accepted on or before  
(month) \_\_\_\_\_ (day) \_\_\_\_\_, (year) \_\_\_\_\_, at \_\_\_\_\_ (a.m.)(p.m.).

# Real Estate Contract (Residential)

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THIS IS A LEGALLY BINDING REAL ESTATE CONTRACT WHEN SIGNED BY THE PARTIES BELOW. READ IT CAREFULLY. YOU MAY EMPLOY AN ATTORNEY TO DRAFT THIS FORM FOR YOU. IF YOU DO NOT UNDERSTAND THE EFFECT OF ANY PART, CONSULT YOUR ATTORNEY BEFORE SIGNING. REAL ESTATE AGENTS CANNOT GIVE YOU LEGAL ADVICE. THE PARTIES SIGNED BELOW WAIVE THEIR RIGHT TO HAVE AN ATTORNEY DRAFT THIS FORM AND HAVE AUTHORIZED THE REAL ESTATE AGENT(S) TO FILL IN THE BLANKS ON THIS FORM.

THIS FORM IS PRODUCED AND COPYRIGHTED BY THE ARKANSAS REALTORS® ASSOCIATION. THE SERIAL NUMBER BELOW IS A UNIQUE NUMBER NOT USED ON ANY OTHER FORM. THE SERIAL NUMBER BELOW SHOULD BE AN ORIGINAL PRINTING, NOT MACHINE COPIED, OTHERWISE THE FORM MAY HAVE BEEN ALTERED. DO NOT SIGN THIS FORM IF IT WAS PREPARED AFTER DECEMBER 31, 2008.

**FORM SERIAL NUMBER: 000000-000000-000000**

The above Real Estate Contract is executed on  
(month) \_\_\_\_\_ (day) \_\_\_\_\_, (year) \_\_\_\_\_, at \_\_\_\_\_ (a.m.)(p.m.).

Selling Firm \_\_\_\_\_

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Principal or Supervising Broker

Buyer

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Selling Agent

Buyer

The above Real Estate Contract is executed on  
(month) \_\_\_\_\_ (day) \_\_\_\_\_, (year) \_\_\_\_\_, at \_\_\_\_\_ (a.m.)(p.m.).

Listing Firm \_\_\_\_\_

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Principal or Supervising Broker

Seller

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Listing Agent

Seller

The above offer was  rejected  counteroffered (Form Serial Number \_\_\_\_\_)  
on (month) \_\_\_\_\_ (day) \_\_\_\_\_, (year) \_\_\_\_\_, at \_\_\_\_\_ (a.m.)(p.m.).

\_\_\_\_\_  
Seller's Initials

\_\_\_\_\_  
Seller's Initials