

GENERAL RESIDENTIAL SALES CONTRACT

Form Approved by: Birmingham Association of REALTORS®; Birmingham, Alabama
July 24, 1998 (Previous forms obsolete)

Date: _____

The undersigned Purchaser(s) _____ hereby agrees to purchase and
(Please Print Names)

the undersigned Seller(s) _____ hereby agrees to sell the following
(Please Print Names)

described real estate, together with all improvements, shrubbery, plantings, fixtures and appurtenances (the "Property") situated in the
City of _____, County of _____, Alabama, on the terms stated below:

Address _____ and legally described as Lot _____ Block _____

Survey _____ Map Book _____ Page _____

1. **THE PURCHASE PRICE** Shall be \$ _____, payable as follows:
 Earnest Money, receipt of which is hereby acknowledged by the Broker/Licensee\$ _____
 Cash on closing this sale.....\$ _____

2. **AGENCY DISCLOSURE:** The listing company is: _____.
 The selling company is: _____.

The listing company is: (Two blocks may be checked) An agent of the seller. An agent of the buyer.
 An agent of both the seller and buyer and is acting as a limited consensual dual agent.
 Assisting the buyer seller (check one or both) as a transaction broker.

The selling company is: (Two blocks may be checked) An agent of the seller. An agent of the buyer.
 An agent of both the seller and buyer and is acting as a limited consensual dual agent.
 Assisting the buyer seller (check one or both) as a transaction broker.

Purchaser's Initials _____ Seller's Initials _____

3. **EARNEST MONEY & PURCHASER'S DEFAULT:** Seller and Purchaser hereby direct the Listing Broker, _____, to hold the earnest money in trust until this contract has been accepted and signed by all parties, at which time the earnest money will be promptly deposited into the escrow account of the Listing Broker. In the event Purchaser fails to carry out and perform the terms of this Contract, the earnest money shall be forfeited as liquidated damages at the option of Seller, provided Seller agrees to the cancellation of this Contract. In the event either Purchaser or Seller claim the earnest money without the agreement of the other party, Seller or Broker holding the earnest money may interplead the disputed portion of the earnest money into court, and shall be entitled to deduct from the earnest money for court costs, attorney fees and other expenses relating to the interpleader. When the earnest money is a check and the check is returned by a financial institution as unpaid, Seller has the right to void the contract without further recourse on the part of Purchaser.

4. **TITLE INSURANCE:** Seller agrees to furnish Purchaser a standard form owner's title insurance policy at Seller's expense, issued by a company qualified to insure titles in Alabama, in the amount of the purchase price, insuring Purchaser against loss on account of any defect or encumbrance in the title, subject to exceptions herein, including paragraph 8 below; otherwise, the earnest money shall be refunded. In the event both Owner's and Mortgagee's title policies are obtained at the time of closing, the total expense of procuring the two policies will be divided equally between Seller and Purchaser, even if the Mortgagee is the Seller.

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5. SURVEY/TERMITE BOND:

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 Purchaser's expense. (NOTE: Lender may require a survey)
Purchaser does does not require a termite bond. If a bond is required and Seller has an existing bond, the bond may be transferred at Purchaser's Seller's expense. If a new bond is required, the cost shall be at Purchaser's Seller's expense.
Purchaser does does not require a Wood Infestation Report. If required by Purchaser, Lender or Termite Company, the cost of a Wood Infestation Report shall be at Purchaser's Seller's expense.

6. PRORATIONS: Ad valorem taxes, as determined on the date of closing, insurance transferred, accrued interest on mortgage(s) assumed, and fire district dues, if any, are to be prorated between Seller and Purchaser as of the date of delivery of the deed, and any existing escrow deposits shall be credited to Seller. **UNLESS OTHERWISE AGREED HEREIN, ALL AD VALOREM TAXES EXCEPT MUNICIPAL ARE PRESUMED TO BE PAID IN ARREARS FOR PURPOSE OF PRORATION; MUNICIPAL TAXES, IF ANY, ARE PRESUMED TO BE PAID IN ADVANCE.**

7. CLOSING & POSSESSION DATES: The sale shall be closed and the deed delivered on or before _____, except Seller shall have a reasonable length of time within which to perfect title or cure defects in the title to the Property. Possession is to be given on delivery of the deed if the Property is then vacant; otherwise, possession shall be delivered on _____, at _____:_____ a.m. p.m. NOTE: If Purchaser is to be given possession prior to closing, or if Seller is to remain in possession after closing, it is recommended that the parties enter into a written occupancy agreement.

8. CONVEYANCE: Seller agrees to convey the Property to Purchaser by _____ warranty deed (check here if Purchasers desire title as joint tenants with right of survivorship), free of all encumbrances except as permitted in this Contract. Seller and Purchaser agree that any encumbrances not herein excepted or assumed may be cleared at the time of closing from sales proceeds. THE PROPERTY IS SOLD AND IS TO BE CONVEYED SUBJECT TO ANY MINERAL AND/OR MINING RIGHTS NOT OWNED BY SELLER AND SUBJECT TO PRESENT ZONING CLASSIFICATION, _____, AND IS IS NOT LOCATED IN A FLOOD PLAIN, AND UNLESS OTHERWISE AGREED HEREIN, SUBJECT TO UTILITY EASEMENTS SERVING THE PROPERTY, RESIDENTIAL SUBDIVISION COVENANTS AND RESTRICTIONS, AND BUILDING LINES OF RECORD, PROVIDED THAT NONE OF THE FOREGOING MATERIALLY IMPAIR USE OF THE PROPERTY FOR RESIDENTIAL PURPOSES.

9. CONDITION OF THE PROPERTY: NEITHER SELLER NOR ANY SALESPERSON MAKES ANY REPRESENTATIONS OR WARRANTIES REGARDING CONDITION OF THE PROPERTY EXCEPT TO THE EXTENT EXPRESSLY SET FORTH HEREIN. Purchaser has the obligation to determine any and all conditions of the Property material to Purchaser's decision to purchase the Property, including, without limitation, the condition of the heating, cooling, plumbing and electrical systems and any built-in appliances, and the roof and the basement, including leaks therein; the size and area of the Property; construction materials, including floors; structural condition; utility and sewer or septic tank availability and condition; subsurface conditions, including radon and other potentially hazardous materials and/or gases; and any matters affecting the character of the neighborhood. Purchaser shall have the opportunity to determine the condition of the Property in accordance with "A", "B", or "C" below, as selected by the parties. **NOTE: LENDERS OR PUBLIC AUTHORITIES MAY REQUIRE CERTAIN INVESTIGATIONS SUCH AS TERMITE INSPECTION AND SEPTIC TANK INSPECTION. PURCHASER'S INSPECTIONS SHOULD INCLUDE SUCH MATTERS IN ANY EVENT.**

"MARK EITHER "A", "B", "C(i)", OR "C (i)" AND "C(ii)". CHOICE(S) MUST BE INITIALED BY BOTH PARTIES TO BE PART OF THIS CONTRACT."

A. Seller shall not be required to make any repairs to the Property whatsoever under this Contract. Purchaser has inspected the Property, either personally or through others of Purchaser's choosing, and accepts the Property in its present "as is" condition, including ordinary wear and tear to the closing.*

Purchaser's Initials _____

Seller's Initials _____

B. Purchaser has inspected the Property, either personally or through others of Purchaser's choosing, and, without relying on any representation or warranty from Seller or Broker or any salesperson or any printed or written description of the Property,

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accepts the Property in its present "as is" condition, including ordinary wear and tear to closing, except that Seller agrees (subject to any dollar limits below) to (i) make any repairs required by the lending institution; (ii) deliver the heating, cooling, plumbing and electrical systems and any built-in appliances in normal operating condition at the time of closing; and (iii) perform the following: _____.

REPAIRS REQUIRED OF SELLER UNDER PARAGRAPH (B) SHALL NOT EXCEED \$ _____.

If such repairs exceed this amount and Seller refuses to pay the excess, Purchaser may pay the excess or (if not prohibited by Purchaser's Lender) accept the Property with the limited repairs or accept the specified ceiling amount at closing as a reduction of the purchase price, and this sale shall be closed as scheduled, or Purchaser may cancel this Contract by notifying Seller in writing within _____ hours of Purchaser's receipt of Seller's notice of refusal to pay the excess.

Purchaser's Initials _____

Seller's Initials _____

C(i). Purchaser requires additional inspections of the Property at Purchaser's expense. Promptly after Seller's acceptance of this Contract, Purchaser shall either personally or through others of Purchaser's choosing, inspect and investigate the Property. If such inspections reveal conditions unsatisfactory to the Purchaser ("Defects"), Purchaser may, at Purchaser's option, (i) terminate this Contract or (ii) request Seller to correct the Defects. Purchaser shall exercise this option by written notice to Seller delivered to Seller on or before 5:00 P.M. on _____, which notice shall specify the Defects that Seller is requested to correct or that caused Purchaser to elect to terminate this Contract. If Purchaser elects to terminate this Contract, Seller shall promptly refund the Earnest Money. If Purchaser instead requests Seller to correct the Defects, Seller shall notify Purchaser within _____ days of receipt of such request whether Seller will correct the Defects and Seller shall have a reasonable time to correct the Defects prior to closing. If Seller elects not to correct the Defect, Purchaser shall notify Seller, by written notice delivered to Seller within _____ hours of receipt of Seller's refusal to correct the Defects, that Purchaser elects to terminate this Contract and receive a refund of the Earnest Money or to waive the Defects and proceed to close the sale. Purchaser's failure to notify Seller of any such Defects or to terminate this Contract, as herein provided, shall conclusively be deemed acceptance of the Property "as is," subject to c(ii) below, including ordinary wear and tear to the closing.

Purchaser's Initials _____

Seller's Initials _____

C(ii). In addition to any repairs agreed to by Seller and Purchaser pursuant to C(i) above, Seller agrees (subject to any dollar limits below) to (a) make any repairs required by the lending institution and (b) deliver the heating, cooling, plumbing and electrical systems and any built-in appliances in normal operating condition at the time of closing. ANY REPAIRS REQUIRED OF SELLER UNDER THIS PARAGRAPH C(ii) (EXCLUSIVE OF ANY ADDITIONAL REPAIRS AGREED TO BY SELLER UNDER C(i) ABOVE) SHALL NOT EXCEED \$ _____.

Purchaser's Initials _____

Seller's Initials _____

***NOTE:** "Ordinary wear and tear" as used in "A" and "C", shall not be deemed to include material failure of the heating, cooling, plumbing and electrical system or built-in appliances. If such a system or appliance suffers material failure after acceptance under "A" or "C" above but prior to closing and Seller refuses to pay for any repairs reasonably required to restore it to an operating condition at least as good as previously existing, Purchaser may proceed with the closing or cancel the Contract and recover the earnest money by notifying Seller in writing of the cancellation promptly after Purchaser's receipt of Seller's notice of refusal to pay for such repairs; provided that notice of cancellation must, in any event, be received prior to closing.

Purchaser has the right and the responsibility to walk through and inspect the Property prior to closing and notify Seller immediately if the Property is not in the condition agreed under "A", "B", or "C", whichever one has been selected by the parties. After closing, all conditions of the property are the responsibility of Purchaser.

10. DISCLAIMER: Seller and Purchaser acknowledge that they have not relied upon advice or representations of Broker (or Broker's associated salesperson(s) relative to (i) the legal or tax consequences of this Contract and the sale, purchase or ownership of the Property; (ii) structural condition of the Property, including condition of the roof and basement; (iii) construction materials;

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(iv) the nature and operating condition of the electrical, heating, air conditioning, plumbing, water heating systems and appliances; (v) the availability of utilities or sewer service; (vi) the character of the neighborhood; (vii) the investment or resale value of the Property; (viii) subsurface conditions, including radon and other potentially hazardous materials and/or gases; or (ix) any other matters affecting their willingness to sell or purchase the Property on the terms and price herein set forth. Seller and Purchaser acknowledge that if such matters are of concern to them in the decision to sell or purchase the Property, they have sought and obtained independent advice relative thereto.

Purchaser's Initials _____

Seller's Initials _____

11. SELLER WARRANTIES that Seller has not received notification from any lawful authority regarding any assessments, pending assessments, pending public improvements, repairs, replacements, or alterations to the Property that have not been satisfactorily made. Seller warrants that there is no unpaid indebtedness on the Property except as described in this Contract. These warranties shall survive the delivery of the deed.

12. FIRE/SMOKE/GAS DETECTORS: Purchaser shall satisfy himself/herself that all applicable federal, state and local statutes, ordinances or regulations concerning fire/smoke/gas detectors have been met. Upon closing or after taking possession of the Property, whichever occurs first, Purchaser shall be solely responsible for compliance with such laws.

13. RISK OF LOSS: Seller agrees to keep in force sufficient hazard insurance on the Property to protect all interests until this sale is closed and the deed delivered. If the Property is destroyed or materially damaged between the date hereof and the closing, and Seller is unable to restore it to its previous condition prior to closing, the Purchaser shall have the option of canceling this Contract and recovering the earnest money or accepting the Property in its damaged condition provided that notice of cancellation must be received prior to closing. If Purchaser elects to accept the Property in its damaged condition, any insurance proceeds otherwise payable to Seller by reason of such damage shall be applied to the balance of the purchase price or otherwise be payable to Purchaser.

14. SELECTION OF ATTORNEY: Purchaser and Seller hereby do do not agree to share the fees of a closing attorney. Purchaser and Seller acknowledge and agree that such sharing may involve a potential conflict of interest and they may be required to execute an affidavit at closing acknowledging their recognition and acceptance of same. The parties further acknowledge that they have a right to be represented at all times in connection with this Contract, and the closing, by an attorney of their own choosing at their own expense.

15. BROKERAGE FEE/COMMISSION: THE COMMISSION PAYABLE TO THE LISTING OR SELLING BROKER IN THIS TRANSACTION IS PER PRIOR WRITTEN AGREEMENT BETWEEN THE BROKERS AND THEIR RESPECTIVE CLIENTS OR CUSTOMERS AND IS NOT SET BY THE BIRMINGHAM ASSOCIATION OF REALTORS⁷, INC., BUT IN ALL CASES IS NEGOTIABLE BETWEEN THE BROKER, AND THEIR RESPECTIVE CLIENTS OR CUSTOMERS.

16. PERSONAL PROPERTY: Any personal items remaining with the Property shall be at no additional cost to Purchaser; shall not add to the value of the Property; shall be in "as is" condition unless otherwise agreed to herein; shall be unencumbered at the time of closing; and shall be only that which is currently on the premises and included on the itemized list attached hereto (said list to be specific as to description and location of such items).

17. NON-REFUNDABLE FEES: Purchaser and Seller acknowledge that in the event this Contract is canceled or not closed, any fees paid will be non-refundable.

18. FACSIMILE OR COUNTERPART SIGNATURES: This Contract may be executed by either party or both parties by telecopy or facsimile, and shall be binding upon the party so executing it upon the receipt by the other party of the signature.

19. ADDITIONAL PROVISIONS set forth on the attached addendum(s) _____ and signed by all parties are hereby made a part of

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this Contract.

20. 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 Broker or 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.

Witness to Purchaser's Signature

Witness to Seller's Signature

Purchaser (Date)

Purchaser (Date)

Seller (Date)

Seller (Date)

EARNEST MONEY: Final receipt is hereby acknowledged of the earnest money as herein above set forth
 CASH CHECK
BROKER: _____ BY: _____ DATE: _____

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