



Kentucky Commercial Real Estate Alliance

12300 Sycamore Station Place, Louisville, KY 40299

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PURCHASE CONTRACT

This is a legally binding contract. If not understood seek legal advice.

Date: _____

Listing Company

Cooperating Company

Seller(s) Name

Seller(s) Address

Purchaser Name

Purchaser's Address

Through you as agent, we hereby tender the following offer for the property located at _____
_____ located on approximately _____ acres, to
be further defined by a mutually agreement and made a part hereof.

1. PROPERTY: The property, which is the subject of this contract, includes the property and all improvements thereto.

2. PURCHASE PRICE: The purchase price shall be _____
payable as follows: _____

3. GRANT AND WARRANTY: An unencumbered, marketable fee simple title to the Property is to be conveyed by a General Warranty Deed with the usual covenants such as any title company will insure except easements of record, restrictive covenants of record as to use and improvement of the Property and applicable regulations imposed by the Planning and Zoning Commission.

4. EARNEST MONEY DEPOSIT: As evidence of good faith binding this a deposit of \$ _____ is made upon acceptance to _____ Escrow Account to be applied to purchase price upon passing of title by the deed or refunded if contingencies set forth herein are not resolved to the sole satisfaction of Purchaser. The deposit shall only be removed from the broker's escrow account upon closing, written agreement of the parties, by court order, or as provided by law, in accordance with KRS 324.111 (4). If Purchaser fails to perform Purchaser's obligations hereunder, Seller may accept the deposit towards liquidations of damages, with both parties signing a release to that effect, or Seller may pursue any available legal or equitable remedy. If Seller fails to perform Sellers obligations hereunder, Purchaser may receive refund of the deposit, with both parties signing a release to that effect, and Purchaser may pursue any available legal or equitable remedy. If Purchaser fails to qualify for financing, this good faith deposit shall be refunded in accordance with Kentucky law.

5. CONTINGENCIES (Select any and all that apply.):

- A. Promptly following the acceptance of this contract, Seller shall permit Purchaser and/or its representatives to physically inspect the property. The Purchaser shall inspect the property for, but shall not be limited to, the structural components, the mechanical components, environmental analysis, and any other inspection as might be required by a lender. If such inspections reveal conditions unsatisfactory to Purchaser, Purchaser may at its sole option, void the contract and shall be entitled to the return of the deposit and shall be relieved of all liability under this contract. This contingency shall be removed within 30 days of acceptance of this contract or contract is null and void and Purchaser's deposit shall be returned.
- B. Seller agrees to provide copies of pertinent documents concerning the property which include but are not limited to: Lease(s) & Addendums, a survey, Environmental reports, Plans and Specifications, and other items necessary to perform under this agreement in Seller's possession upon the execution of this Purchase Agreement. Buyer shall acknowledge the receipt of such items and approve of the same within seven (7) days. If such pertinent documents reveal conditions unsatisfactory to Purchaser, Purchaser may at its sole option, void the contract and shall be entitled to the return of the deposit and shall be relieved of all liability under this contract.
- C. This contract is contingent upon Purchaser receiving approval from a lending institution for a loan acceptable to Purchaser within 60 days of acceptance of this contract or contract is null and void and Purchaser's deposit shall be returned.
- D. The Purchaser shall be able to obtain a commitment for an ALTA fee owner's policy of title insurance, from a title insurance company acceptable to Purchaser, which policy shall insure fee simple marketable title to the Property, together with all easements and appurtenances thereunto belonging, to the Purchaser, free and clear of all liens and encumbrances whatsoever and subject only to such easements and restrictions as may be approved by Purchaser in its sole discretion with due regard to its intended use of the Property. This contingency shall be removed within 60 days of acceptance of this contract or contract is null and void and Purchaser's deposit shall be returned.

6. SELLER'S AND PURCHASER'S WARRANTIES TO EACH OTHER: Seller and Purchaser represent and warrant the following to each other:

- a. Seller lawfully possesses fee simple title to the subject property, including without limitation all improvements, fixtures and equipment being conveyed hereby.
- b. There is no pending condemnation litigation, action, suit or proceeding pending or, to the knowledge of the Seller, threatened against or affecting, insofar as either of the subject property or any portion of the property or relating to or arising out of ownership or use of the property is concerned, in any court or before any federal, state, county or municipal agency, department, commission, or other governmental or quasi-governmental instrumentality.
- c. Seller and Purchaser are not now and will not be on the closing date a "foreign person" within the meaning of Section 1445 of the Internal Revenue Code as amended, i.e., Neither Seller or Purchaser is not a non-resident alien, foreign corporation, foreign partnership, foreign trust or foreign estate (as such items are defined therein and in the Internal Revenue Code of 1986 or in any regulation promulgated pursuant thereto).

- d. All furniture, shelving and personal items in the subject properties shall be removed prior to closing by Seller.

7. **CLOSING:** Closing shall be within _____ days of removal of the contingencies in Section 5 of this contract. Purchaser shall use all due diligence possible, however, in the event loan processing or environmental analysis is not complete, Purchaser shall have a _____ day extension if necessary. Seller shall pay for preparation of deed and state transfer fees and taxes and commissions. Purchaser shall pay for title examination, title insurance and recording of deed. All real estate taxes due and payable, with discount, during the year of closing are to be prorated on a calendar year basis. Any prior tax bills are the responsibility of Seller. Rents actually collected (prior to closing) will be prorated as of the Closing Date and rent collected thereafter applied first to rental payments then owed the Buyer and their remainder paid to the Seller. Security Deposits shall be forwarded to the Purchaser. Other income and expenses shall be prorated as of the close of escrow. The Closing shall occur at such time and place as are specified by Purchaser to Seller in writing.

8. **TIME:** Time is of the essence in this contract.

9. **BROKERAGE:** Seller hereby agrees to pay a commission of _____% of the gross sales price to _____, who represents the Purchaser. Seller hereby agrees to pay a commission as per listing contract to _____, who represents the Seller. The commission is earned upon acceptance of this offer, but subject to any contingencies specified herein. The commission shall be paid at closing.

10. **ASSIGNMENT:** This contract shall not be assigned or transferred without the written approval of the Seller. If the Seller in writing gives such permission, the assignee shall have the rights and also all obligations of the Purchaser.

11. **POSSESSION:** Possession shall be given at date of deed. Seller agrees to allow Purchaser access to the Property at all reasonable times mutually agreeable to both Parties for the purpose of conducting inspections necessary to determine satisfaction of the Contingencies set forth in Section 5 above.

12. **CONDITION OF PROPERTY:** Seller shall be responsible for the maintenance of the Property until the closing and shall maintain the Property and any improvements in the same condition as on the date hereof, ordinary wear and tear excepted. Seller shall continue to maintain all existing policies of insurance on the Property through the date of Closing. Purchaser shall have the right to acquire insurance on the Property should it so choose, and for such purpose shall be deemed to have an insurable interest therein by virtue of this contract.

13. **ESTOPPEL CERTIFICATE CONTINGENCY:** Seller shall obtain and deliver to Buyer prior to closing but not before the removal of the last contingency set forth, an estoppel letter stating (or other satisfactory evidence disclosing): (a) the date of commencement and the scheduled date of termination of the lease, b) the amount of advanced rentals or deposits paid to Seller, c) the amount of monthly (or other periodic) rent paid to Seller, d) that the lease is in full force and effect and that there have been no modifications or amendments thereto, or, if there have been any modifications or amendments, an explanation of same, e) square footage (if set forth in the lease), and f) that there is no default under the terms of the lease by Lessor or Lessee. Buyer shall have _____ calendar days after receipt to disapprove in writing, the estoppel letters, certificates or other evidence. Buyer may only disapprove said certificates or evidence, if they reflect a discrepancy materially affecting the economics of the transaction, or a previously undisclosed material breach of one of the leases.

14. OTHER AGREEMENTS: This contract constitutes the entire agreement between the parties and shall be binding upon and inure to the benefit of the parties hereto, their personal representatives, heirs, executors, administrators, and successors. We have read the entire contents of this contract and acknowledge receipt of a copy of same. This contract shall be governed in all respects by the laws of the Commonwealth of Kentucky.

Unless accepted by all parties by _____ a.m./p.m., Eastern Standard time, on the _____ day of _____, 20_____, this contract shall become null and void.

Printed Name of Purchaser

Signature of Purchaser

Date

Time

The above is accepted this _____ day of _____, 20_____.

Printed Name of Seller

Signature of Seller

Date

Time