



3. EARNEST MONIES AND ADDITIONAL DEPOSITS: Upon acceptance of this Contract, unless agreed, any Earnest Money referenced in Paragraph 2 (A) shall be deposited within 5 business days of the Effective Date, in an insured escrow account maintained by Escrow Agent. Any additional deposits shall be deposited within 5 business days of receipt by Escrow Agent. Buyer and Seller agree that the Escrow Agent may retain any interest earned on escrowed funds. If this Contract is cancelled by the parties or if the Earnest Money is to be forfeited or refunded, the parties agree that the amount to be distributed shall first be reduced by any unpaid charges for credit reports, appraisals, surveys, termite, mechanical and other inspections, and title investigation fees, if any, incurred by the Escrow Agent on behalf of the party receiving the funds.

Notwithstanding any other terms of this Contract providing for the forfeiture or refund of Earnest Money, the parties understand that the Escrow Agent will not distribute the Earnest Money without the written consent of all parties to this Contract unless permitted to do so by applicable state laws. If BUYER and SELLER are unable to agree in writing upon the disposition of the Earnest Money or any other funds Escrow Agent may commence an interpleader or similar proceeding and BUYER and SELLER authorize Escrow Agent to pay all funds to the Clerk of the Court for disposition as the Court may direct. BUYER and SELLER agree that Escrow Agent shall be entitled to reimbursement of its costs incurred in connection with the interpleader or similar proceeding including without limitation, reasonable attorneys' fees and expenses.

BUYER and SELLER agree that, in the absence of a dispute or written consent to distribution, the failure by either to respond in writing to a certified letter from Escrow Agent within 7 days (if Kansas property) 15 days (if Missouri property) of receipt thereof or failure to make written demand for return or forfeiture of the Earnest Money with 30 days (if Kansas property) 60 days (if Missouri property) of notice of cancellation of this contract shall constitute consent to the distribution of the Earnest Money as suggested in such certified letter.

4. ( ) FINANCING CONDITIONS (check if applicable): This Contract is contingent upon BUYER obtaining financing pursuant to the attached financing addendum.

5. CLOSING AND POSSESSION: (closing shall be completed on or before) \_\_\_\_\_ (Closing Date). SELLER shall deliver possession of the PROPERTY to BUYER on \_\_\_\_\_ at \_\_\_\_\_ M. (Possession Date).

6. ( ) SALE/CLOSING OF BUYER'S PROPERTY (check if applicable): BUYER currently owns a house located at \_\_\_\_\_ (Buyer's House). This Contract is conditioned upon the (check one):

( ) a. SALE of BUYER'S house, which is currently on the market and listed with \_\_\_\_\_ on or before \_\_\_\_\_, The PROPERTY shall remain on the market for sale. If SELLER accepts another bona fide offer before the sale and closing of BUYER'S property, BUYER shall have \_\_\_\_\_ (48 hours if left blank) hours from receipt of written notice from SELLER TO EXERCISE THE OPTION OF CONTINUING THIS Contract and converting it to a non-contingent (except for uncompleted inspections) cash contract by PAYING DIRECTLY TO SELLER ADDITIONAL EARNEST MONEY in the amount of \$ \_\_\_\_\_ (2% of the above purchase price if blank) and agreeing in writing to remove both the condition respecting the sale of BUYER'S property and all financing conditions of this Contract. At the Closing, the full amount of the additional earnest money deposit shall be applied toward BUYER'S payment of the Purchase Price. If BUYER does not, within the stated time, both remove these conditions in writing and pay SELLER the additional earnest money, this Contract shall be cancelled and the Earnest Money shall be returned to BUYER.

If the amount of the additional earnest money stated above is less than 2% of the purchase price, BUYER agrees not to exercise the option to continue this Contract unless: (1) BUYER'S property is then currently under contract and BUYER has loan approval subject only to the sale of BUYER'S property; or (2) BUYER provides SELLER with evidence of BUYER'S financial ability to close on the purchase without the loan and without funds from the closing of BUYER'S property.

( ) b. of the sale of BUYER'S house, which is currently under contract, by the Closing Date of this Contract. If the contract on BUYER'S house cancels or otherwise fails to close through no fault of the BUYER, BUYER shall notify SELLER in writing and SELLER may cancel this Contract and BUYER'S earnest money shall be refunded to BUYER.

7. **CONDITION OF PROPERTY:** This Contract shall not be effective until SELLER completes and BUYER signs the attached Statement of Condition Addendum for the PROPERTY. SELLER shall maintain the PROPERTY in its present condition through the date of possession. SELLER shall advise BUYER of any substantial change in the condition of the PROPERTY prior to closing.

8. **INSPECTIONS:** BUYER or BUYER'S representative, at BUYER'S expense, may conduct any or all of the inspections listed below within the specified time periods. (Inspection Periods). SELLER shall afford BUYER reasonable access to the Property to conduct the inspections, re-inspections or inspection of any repairs completed by SELLER. BUYER authorizes BUYER'S Inspector(s) to provide SELLER with a copy of any written inspection report obtained by BUYER. BUYER shall be responsible and pay for any damage to the Property resulting from the inspection(s). SELLER agrees that any repairs, which SELLER performs pursuant to the following provisions, shall be completed in a workmanlike manner with good quality materials.

A. **WOOD/PEST INFESTATION INSPECTION.** BUYER may arrange for any inspection by a reputable licensed pest control firm to determine the presence of termite, other wood destroying insect or other pest infestation in the accessible areas of the PROPERTY. If the written inspection report reveals evidence of active infestation, SELLER agrees to pay to have the PROPERTY treated for control of the infestation and to provide BUYER with a certificate evidencing treatment by a reputable, licensed pest control firm, of SELLER'S choice which certificate BUYER agrees to accept. If there is evidence of damage to the PROPERTY resulting from infestation, SELLER agrees to complete and/or pay for repairs, provided the cost does not exceed \$ \_\_\_\_\_ (zero if left blank). If the cost of repairs exceeds this amount, BUYER may cancel this Contract and BUYER'S earnest money will be refunded. Inspection, treatment, and repairs, if any, for termite or other wood destroying insects shall be completed no earlier than thirty (30) calendar days prior to the Closing Date.

B. **MECHANICAL, STRUCTURAL, ENVIRONMENTAL OR HEALTH INSPECTIONS.** Within \_\_\_\_\_ calendar days (TEN DAYS IF LEFT BLANK) after the Effective Date of this Contract, BUYER may conduct inspections of the following: (1) mechanical equipment and systems sold with the PROPERTY unless otherwise expressly excluded, if any, all appliances, plumbing system (including septic system), electrical system, heating system, and central air conditioning system; (2) structural aspect of the PROPERTY, including without limitation the following; foundation slab, roof, fireplace, chimney, siding, windows or doors, ceiling, floors, the exterior, the interior, any wall, fence, deck, sidewalk or driveway; (3) environmental or health hazards affecting the PROPERTY, including without limitation, the following: radon gas, asbestos, lead paint, unre-fomialdehyde foam insulation, or any other environmental or health hazard.

C. **REPAIRS.** If repairs to mechanical equipment or systems are deemed necessary by a qualified professional to put such equipment or system in operating condition or if structural defects, environmental or health hazards are determined to exist and documented by the written report(s) of qualified professionals. BUYER and SELLER agree to complete and/or pay for repairs or remediation as follows:

- (1) BUYER agrees to pay the first \$ \_\_\_\_\_ (zero if left blank) of repairs (NOT APPLICABLE IF DVA FINANCING)
- (2) SELLER agrees to pay the next \$ \_\_\_\_\_ (zero if left blank) of repairs

The provisions of this paragraph relating to repairs DO NOT apply to damage resulting from pest infestation. Such damages are governed by the terms of paragraph 9 (A).

D. **NOTICE OF UNACCEPTABLE CONDITIONS, IF BUYER'S inspections reveal unacceptable condition, the repair cost of which exceeds the total amount which BUYER and SELLER agreed to pay in subparagraph C above, BUYER may, before expiration of the "Inspection Period", deliver a written notice to SELLER electing either of the following options:**

- (1) Cancellation of this CONTRACT, in which case the BUYER'S earnest money will be refunded, or
- (2) Requesting correction of the unacceptable conditions, in which case the buyer shall itemize the unacceptable conditions and be accompanied by the written documentation of qualified professionals.

E. **RESOLUTION OF UNACCEPTABLE CONDITIONS.** At any time after BUYER'S delivery of notice requesting repair of unacceptable conditions as provided in the preceding paragraph, BUYER or SELLER may make demand on the other party to sign a written agreement for resolution of the unacceptable conditions, the repair cost of which exceeds the amount which BUYER and SELLER agreed to pay above,

within five (5) days (the "Demand Period") of receipt of such demand. If BUYER and SELLER cannot reach a written agreement for correction of the unacceptable conditions, the repair cost of which exceeds the total amount which BUYER and SELLER agreed to in subparagraph C above, within the Demand Period, this Contract shall terminate and the earnest money shall be refunded to the BUYER. A written commitment signed by the SELLER agreeing to correct the unacceptable conditions as requested by BUYER at SELLER'S expense prior to closing, or a written commitment, signed by the BUYER agreeing to accept the PROPERTY without correction of the unacceptable conditions shall constitute an agreement for the purposes of this paragraph.

F. FAILURE TO INSPECT. If BUYER, fails to conduct an inspection or fails to deliver a written notice to the SELLER prior to the expiration of the Inspection Period, either canceling this Contract or requesting correction of unacceptable conditions, BUYER shall have waived any right to cancel or right to repairs due to unacceptable conditions which might reasonably have been discovered by an inspection.

F. EXCLUSION FROM INSPECTION. The following items are expressly excluded from the foregoing inspection provisions and shall not be considered unacceptable conditions and may not be used by the BUYER as a basis for canceling a contract or requesting repairs \_\_\_\_\_

9 UTILITIES/MAINTENANCE/CASUALTY LOSS: SELLER AGREES TO LEAVE ALL UTILITIES ON UNTIL THE DATE OF POSSESSION UNLESS OTHERWISE AGREED. SELLER agrees to perform ordinary and necessary maintenance, up keep and repair to the Property and to keep the improvements on the Property fully insured until delivery of SELLER'S deed to BUYER. If before delivery of the deed to BUYER improvements on the Property are damaged or destroyed by fire or other causes including those that could be covered by what is known as fire and extended coverage insurance, the parties agree that the risk of that damage or destruction shall be borne as follows: If the damage is minor SELLER may repair or replace the Property, if the work can be completed before the Closing Date. If SELLER elects not to repair or replace the Property, or if the damage is substantial, SELLER shall notify BUYER in writing and BUYER may enforce or cancel this Contract by written notice to SELLER within 10 days after receiving notice of the damage or destruction of the Property. If BUYER elects to enforce this Contract, the Purchase price shall not be reduced and the Property shall be conveyed in its existing condition at the time, provided SELLER shall credit BUYER the insurance deductible and assign SELLER'S fire and extended coverage proceeds to BUYER at closing. If BUYER elects to cancel this Contract, any earnest money shall be returned to the BUYER.

10. ( ) BUYER'S WARRANTY PLAN. (check if applicable) ( ) SELLER or ( ) BUYER, at a cost not to exceed \$ \_\_\_\_\_, agrees to purchase a homebuyer's warranty plan from \_\_\_\_\_ to be paid at closing. This plan is a limited service contract covering repair or replacement of the working components of the Property for I year from the Closing Date subject to a per claim deductible. \$ \_\_\_\_\_

11. EVIDENCE OF TITLE. Within a reasonable time after the Effective Date, but no later than 14 days prior to the Closing Date. SELLER agrees to deliver to BUYER a title insurance commitment from a company authorized to insure title in the state where the Property is located. Unless there is a defect in title to the Property that is not corrected prior to the Closing Date, BUYER may not object to untimely delivery of the title commitment. The title commitment shall commit to insure a marketable fee simple title in the BUYER upon the recording of the deed or other document of conveyance. However, title to the Property shall be subject to the conditions in this Contract and to customary covenants, declarations, restrictions, zoning laws, easement, party wall agreement, special assessments, and community contracts of record as of the effective date of the title commitment. ("Permitted Exceptions"): BUYER shall have 10 days after receipt of the title commitment to notify SELLER in writing of any valid objections to title to the Property SELLER shall then make a good faith effort to remedy the defects in title. If SELLER does not so remedy the title defects before the Closing Date and BUYER does not elect to waive the objections or extend the Closing Date a reasonable time, not to exceed 60 days, this Contract shall be cancelled and the Earnest Money shall be returned to BUYER. SELLER agrees to provide and pay for an owner's title insurance policy in the amount of the purchase price insuring marketable fee simple title in BUYER, subject to the permitted Exceptions and with the exception of any liens, encumbrances or other matters affecting title to the Property created by BUYER or arising by virtue of BUYER'S activities or ownership. The policy shall also insure BUYER as of the date of recording of the deed or other document of conveyance, against any lien, or right to a lien, for services, labor or material imposed by law and not shown by the public records. SELLER agrees to comply with the requirements of the Title Company for issuance. UNLESS OTHERWISE PROVIDED IN THIS CONTRACT, THE OWNER'S TITLE POLICY WILL INCLUDE MECHANIC'S LIEN COVERAGE.

12. SURVEY: Buyer may, at BUYER'S expense, obtain a survey of the Property before the Closing Date to assure that there are no defects, encroachments, overlaps, boundary line or acreage disputes, or other such matter, that would be disclosed by a survey. Not later than ten days prior to the Closing Date, BUYER shall notify SELLER of any encroachments of any improvements upon, from or onto the PROPERTY or any building setback line, property line, or easement, which encroachment shall be deemed to be a title defect. SELLER shall remedy such defects as are susceptible of being remedied prior to the Closing Date. If SELLER does not so remedy the defects in title, BUYER shall have the option of (A) completing this purchase and accepting the title SELLER is able to convey without remediation in the Purchase Price, or (B) canceling this Contract, in which case the Earnest Money shall be returned to BUYER. BUYER acknowledges that the mortgage inspection report normally required by a lending institution is NOT what is commonly referred to as a stake survey.

13 DELIVERY OF DEED: On or before the Closing Date, SELLER shall execute and deliver a warranty deed and all other documents and funds reasonably necessary to complete the closing. The warranty deed shall convey to BUYER a marketable fee simple title to the PROPERTY free and clear of all liens and encumbrances except as provided in this Contract. ON OR BEFORE THE CLOSING DATE, SELLER AND BUYER AGREE TO DELIVER TO THE CLOSING AGENT A CASHIER'S CHECK OR OTHER CERTIFIED FUNDS SUFFICIENT TO SATISFY THEIR RESPECTIVE OBLIGATIONS UNDER THIS CONTRACT. SELLER ACKNOWLEDGES THAT DISBURSEMENT OF PROCEEDS MAY NOT BE MADE UNTIL AFTER THE WARRANTY DEED OR INSTRUMENT OF CONVEYANCE AND, IF APPLICABLE, MORTGAGE OR DEED OF TRUST HAS BEEN RECORDED.

14. DEFAULTS AND REMEDIES: SELLER or BUYER shall be in default UNDER THIS Contract, if either fails to comply with any material covenant, agreement, or obligation within the time limits required by this Contract. Following default by either SELLER or BUYER, the parties may pursue any remedies or damages available to them at law or in equity. TIME IS OF THE ESSENCE OF THIS CONTRACT.

15. PRORATIONS: The parties agree that all of the following which become due and accrue during the calendar year in which SELLER'S warranty deed is delivered shall be prorated between the parties as of the Closing Date and, for all years thereafter, all of the following, to the extent permitted by applicable law, shall be assumed and paid by the BUYER: Interest on existing loans to be assumed by BUYER, all general/state/county/school and municipal real estate taxes, homes association dues and fees, special assessments and any other contractual obligations of SELLER to be assumed by BUYER.. If the amount of any lien to be prorated for the current year cannot be ascertained from the public record, the amount of the item for the preceding year will be used for the current year's amount. However, if the preceding year's taxes were based on a less improved property, taxes will be computed and prorated based on the preceding year's mill levy at the current assessed value, if ascertainable. The parties agree that if the PROPERTY has been reappraised or reclassified within the preceding year and the actual taxes based on the new value are not available, they agree to a reasonable estimation of the current year's taxes based on the information available on the Closing Date.

16. PARTIES: This is a Contract between SELLER and BUYER. If SELLER or BUYER constitutes two or more persons, the terms "SELLER" or "BUYER" shall be read "SELLERS" or "BUYERS" whenever the sense of the Contract requires. UNLESS IDENTIFIED AS SELLER OR BUYER, ANY ESCROW OR CLOSING AGENT ARE ACTING AS AGENTS ONLY AND ARE NOT PARTIES TO THIS CONTRACT.

17. ENTIRE AGREEMENT AND MANNER OF MODIFICATIONS. This contract and all attachments hereto, including, if applicable, Financing Addendum, Counter-Offer Addendum, Legal Description/Franchise Disclosure Addendum, Statement of Condition Addendum and Amendments constitute the complete agreement of the parties concerning this PROPERTY, supersede all previous agreements, and may be modified only by a written agreement signed by all parties.

18. NOTICES: Any Notice or other communication required or permitted hereunder may be delivered in person or sent by telex, telecopier, or by registered or certified mail, postage prepaid, to the address set forth in this Contract or such other address or number as shall be furnished in writing by any such party. Such notice or communication shall be deemed to have been given as of the date and time so delivered in person, or received by telecopier, telex or mailed.

19. ADDITIONAL TERMS AND CONDITIONS: \_\_\_\_\_  
\_\_\_\_\_

