



Disclosure Confirmations to the
PURCHASE AGREEMENT
Southwest Iowa Association of REALTORS®



Date of Offer _____, 20__ Address _____

I. DISCLOSURE CONFIRMATIONS.

A. AGENCY. Buyer and Seller confirm that written disclosures of agency representation were provided to them. They understand who is representing them, and the disclosures were provided prior to signing this Offer For Real Estate.

B. Licensee is related to Buyer or Seller(relationship) _____

C. Agent has interest in property (explain) _____

D. SELLER DISCLOSURE OF PROPERTY CONDITION. If this offer is for 1 to 4 unit residential property, Seller or Seller's Agent must deliver a written disclosure statement to Buyer prior to Seller accepting an offer, or counter-offering to Buyer. By signing below Buyer confirms one of the following:

Buyer has received, reviewed and signed the Seller's Disclosure of Property Condition.

This offer is **contingent** upon Buyer promptly receiving, reviewing and signing Seller's Disclosure of Property Condition. If not delivered at time of offer Buyer has 3-5 days from date of receipt of Seller Disclosure to void this offer.

Check here if Seller is exempt from providing disclosure under the Code of Iowa.

E. LEAD-BASED PAINT. If this offer is for a residential property built prior to 1978, Seller or Seller's Agent must provide Buyer with: (1) an EPA-approved lead hazard information pamphlet and (2) Seller's Lead-Based Paint Disclosure Information Statement. By signing below, Buyer confirms the following:

Buyer has received and read the above described documents.

Check here if Seller is exempt from providing documents under EPA regulations (property built 1978 or later).

F. RADON. Buyer confirms one of the following:

Buyer Has received, reviewed and signed the "Iowa Radon Home-Buyers and Sellers Fact Sheet", prepared by the Iowa Department of Public Health.

The Seller is exempt from providing the "Iowa Radon Home-Buyers and Seller Fact Sheet."

G. REQUEST TO COMPLETE FORM DOCUMENTS AND REALTOR® PERMISSION TO CALL. Buyer and Seller request that Broker selects and completes documents allowed by law, and authorizes REALTOR®/Broker to call, fax, and email their respective clients.

1. _____
 BUYER Signature DATE

1. _____
 SELLER Signature DATE

2. _____
 BUYER Signature DATE

2. _____
 SELLER Signature DATE



PURCHASE AGREEMENT
Southwest Iowa Association of REALTORS®

Date of Offer _____, 20____

II. PURCHASE OFFER: The undersigned Buyer _____
hereby offers to purchase the real property locally known as (address)_____
City _____, Iowa. Zip _____ County _____
legally described as _____

Subject to and together with any reasonable easements, zoning restrictions, restrictive covenants and mineral reservations
of record, if any, and agree as follows:

The purchase price shall be \$ _____ and upon acceptance the earnest money in the amount of
\$ _____ will be deposited (cashed) and held in trust by [] Listing Broker or [] other
_____. Buyer to pay the balance of the purchase price in the form of a
cashier's check, certified check or money order at closing.

[] A. NEW MORTGAGE: This agreement is contingent upon the Buyer obtaining one of the following loans: [] Conv.
[] FHA [] VA [] USDA Rural Development, at _____
Lender. Mortgage not to exceed \$ _____ with note interest at ____% or less for _____ years.

Buyer agrees, upon the final acceptance of this contract, to make loan application within _____ calendar
days and to make a good faith effort to obtain a loan as stated above. If Buyer has NOT obtained full written
commitment including appraisal, or loan denial on or before _____ (date), this contract shall be null and
void unless both parties have agreed to a timely signed extension. The Buyer hereby gives the Seller's Agent
permission to monitor the loan process.

- [] VA Escape Clause/FHA Amendatory Clause is attached.
[] Letter from the lender attached. [] Letter to follow within: _____ calendar days.

If the original loan application is denied, the Buyer authorizes and instructs the Lender to provide the denial letter
in writing to the Buyer, the Seller, and all real estate licensees involved in the transaction. Upon notification of
denial, the contract shall be void and the earnest money will be refunded to Buyer, upon written release of both
parties, unless Seller and Buyer mutually agree in writing within two (2) calendar days from receipt of notification of
loan denial that an additional loan application to another lender will be made or that additional loan information will
be submitted to the original lender.

- [] 1. If this property does not appraise at the purchase price or greater, or the appraisal includes any required
repairs, Buyer and Seller have the option to amend the purchase price in writing, or negotiate appraisal required
repairs. If no agreement is reached this contract is void and earnest deposit to be returned to the Buyer upon
written release of both parties.
[] 2. This offer is contingent upon and subject to Buyer closing and obtaining proceeds of the sale of Buyer's
property located at (address) _____.

[] B. CASH in the form of a cashier's check, certified check or money order to be paid on settlement date.
This offer is not contingent upon Buyer obtaining financing. Seller has the right to receive verification of funds.

[] C. OTHER FINANCING TERMS/CONTINGENCIES: _____

III. CLOSING AND POSSESSION: Closing shall be on or before _____, 20____ and possession to be given at time of closing **or** on (date) _____, 20____, at _____ a.m. p.m. and adjustment of interest, taxes, insurance and rents to be made on this date. All property including keys, alarm/garage codes, and garage door remotes shall be delivered to Buyer at time of possession.

Escrow/Closing Company to be: _____

IV. CONDITION OF PROPERTY: The property as of the date of this agreement including buildings, grounds, and all improvements will be preserved by the Seller in its present condition until possession, ordinary wear and tear excepted. The Buyer shall be permitted within _____ calendar days to make a final walk through inspection of the property prior to possession or closing, whichever is sooner, in order to determine that there has been no material change in the condition of the property.

A. INCLUDED PROPERTY: All property that integrally belongs to, is specifically adapted to, or is part of the real estate (except rental items), that is attached, such as wall to wall carpeting, vinyl, light fixtures, bulbs, ceiling fan(s), mirrors, shelving, shades, rods, blinds, awnings, shutters, storm windows, storm doors, screens, plumbing fixtures, automatic heating equipment, air conditioning equipment (except window), door chimes, alarm devices, built-in items, electrical service cable, garage door opener and control(s), other attached fixtures, radio and/or attached TV receiving equipment, fencing, trees, bushes, shrubs, plants, garden bulbs, water heaters and softeners, sump pumps, attached or fitted floor coverings, installed security systems, central vacuum systems and accessories, in-ground lawn sprinkler systems and component parts, built-in appliances, fireplace screen, fire grate and attached equipment, appurtenant structures or equipment, and storage buildings shall be considered a part of real estate and included in this sale. **All items noted on the Seller's Disclosure of Property Condition Report, dated _____, 20____ to remain, unless so noted in section B.** Also to include _____

B. PERSONAL PROPERTY AND DEBRIS: Seller agrees to remove all debris and all personal property not included herein from the property by possession date unless there is a prior written agreement by all parties. Additional personal property and rental items to be removed include: (i.e. water softener, LP or other gas tank): _____

C. PROPERTY INSPECTIONS: Within _____ calendar days after the final acceptance date, Buyer may at Buyers expense, have the property inspected by a person or persons of their choice to determine if there are (1) safety or environmental deficiencies; or (2) structural, mechanical, plumbing, electrical or other deficiencies. **These inspections are not to be construed as inspections to bring a home into compliance with the current local building codes.** Seller shall not be required to bring a home into compliance with current building codes unless property was built when current codes were in effect. Within the same period, the Buyer's agent shall notify the Seller's agent in writing, of deficiencies the Buyer requests to have the Seller correct. The Seller's agent shall notify the Buyer's agent in writing within 5 calendar days or _____ (days) of what steps, if any, the Seller will take to correct the deficiencies prior to closing. The Buyer's agent shall notify the Seller's agent in writing within 2 calendar days or _____ (days) that (1) such steps are acceptable, in which case the agreement as so modified shall be binding upon all parties, or (2) that such steps are not acceptable, in which case the agreement may be voided and any earnest money shall be returned to Buyers upon signed release of all parties. **In the event the inspection is not completed within the specified time frame, the Buyer acknowledges that the Buyer is accepting the property in its existing condition.**

- 1. Buyer selects property inspection to determine the material physical condition of the house, land, improvements, fixtures, equipment, any additional structures and any hazardous conditions on the real estate. This offer is contingent upon these inspections.
- 2. See attached Additional Inspections Addendum. This offer is contingent upon the attached additional inspections addendum.
- 3. See attached Septic System and Repair Addendum. (Inspection report required at the time of transfer).
- 4. Buyer has been advised of the availability of property inspections but Buyer waives the real estate inspections and is purchasing the property in its existing condition. _____/_____ initial.

D. PEST INSPECTION: Buyer at Buyers' expense, or Seller in the case of a VA loan, shall have the property inspected for termites or other wood destroying insects by a licensed Pest Inspector prior to closing. If active infestation or damage due to prior infestation is discovered, Seller shall have the option of either having the property treated for infestation by a licensed pest exterminator and having any damage repaired with Buyers written approval, or canceling this agreement. Buyer agrees to accept the property after treatment and repairs. However, Buyer may accept the property in its existing condition without such treatment or repairs.

Buyer waives pest inspection _____/_____(initial).

E. NEW CONSTRUCTION: If the improvements on the subject property are under construction or are to be constructed, this agreement shall be subject to approval of plans and specifications by the parties within _____ calendar days of final acceptance of this agreement. This offer to buy is not a construction contract. The contract for construction will be a separate agreement between the Contractor and Buyer which will set forth all of the terms, conditions and specifications of the property to be constructed. **Broker and agents make no warranties as to the quality of construction, or materials or habitability.**

F. WARRANTY PLAN:

- 1. Buyer has been advised of a home warranty plan and will make their decision during the inspection period.
- 2. Seller to provide warranty coverage to be paid by Seller at closing in the amount not to exceed \$_____
- 3. Buyer will provide warranty coverage if so desired.
- 4. Buyer declines warranty coverage. _____/_____(initial).

G. SURVEY: The Buyer may, prior to closing, have the property surveyed at Buyer's expense. If the survey, certified by a Registered Land Surveyor, shows any encroachment on said property or if any improvements located on the subject property encroach on lands of others, such encroachments shall be treated as a title defect and handled accordingly.

H. FLOOD HAZARD ZONE: If the property is in a flood hazard area it may be necessary to purchase Flood Insurance in order to obtain financing. **Buyer should consult a lender and insurance carrier to determine if the property is in a flood hazard area.**

I. Other provisions to be provided for in this agreement are as follows: _____

THIS AGREEMENT IS ALSO SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:

1. TRUST PAYMENTS: Buyer authorizes the company financing this purchase to pay all funds to Broker or independent third party for the benefit of Seller. Seller authorizes Broker to accept and manage payments and disbursements. At time of settlement, funds of the purchase price may be used to pay taxes, other liens, and closing costs to comply with the above requirements, to be handled under supervision of Broker, and subject to approval of Buyer on title questions which may be needed to produce marketable title. **If Buyer is refunded any Earnest Money, any expenses incurred on Buyer's behalf shall be deducted and paid to creditors.** If agreed to by the broker, any interest on the trust account shall be forwarded to the Iowa Association of REALTORS® Foundation, a charitable non-profit entity, or as directed and mutually agreed in writing by both Buyer and Seller.

2. REAL ESTATE TAXES, SPECIAL ASSESSMENTS, AND CHARGES:

- a. All regular taxes due and payable in the fiscal year in which possession is given are to be paid by Seller as well as all unpaid taxes that are liens for prior years.
- b. All regular taxes for the fiscal year in which possession is given (due and payable in the following fiscal year) are to be pro-rated between Buyer and Seller as of the date of possession. The basis of such proration shall be the taxes that were certified and payable in the prior fiscal year. If such taxes are not based upon a full assessment of the present property improvements; ie new construction, survey splits, etc. then, the proration shall be based on the current mill levy rate and the assessed value for the tax period to date of possession shown on the assessors records, less tax abatement, if any. **Buyer should verify any potential future tax liabilities.**

Buyer _____/_____/_____ and Seller _____/_____/_____ by initialing acknowledges they have read this page.

c. All charges for solid waste removal, utilities, and assessments for maintenance attributable to Seller's possession are to be paid by Seller. All liens caused by Seller's ownership, such as mechanics liens, mowing, snow removal, etc. are to be paid by Seller. All special assessments spread on the Treasurer's Books at the time of the closing of this offer are to be paid by Seller, **except for – Real Estate Improvement District (REID's) which shall be negotiated as follows:** _____

d. All subsequent taxes and special assessments are to be paid by Buyer.

3. INSURANCE: Seller agrees to maintain existing insurance, and Buyer shall immediately confirm insurability of property and may also purchase insurance. In the event of substantial damage or destruction prior to closing, this agreement may be null and void if Buyer desires. Buyer, however, shall have the right to complete the closing and receive insurance proceeds regardless of the extent of the damage plus a credit towards the purchase price equal to the amount of the Seller's deductible on such policy. The property shall be deemed substantially damaged or destroyed if it cannot be restored to its present condition on or before closing date.

4. RENTAL PROPERTY: If subject property is going to be a rental property, Buyer is responsible to investigate and understand any housing codes that may apply. Buyer is responsible to register with the city with the rental registration and inspection program within 30 days from when property is ready to rent.

5. DUTIES OF PARTIES:

Seller and Buyer acknowledge and agree that REALTOR®/Broker, its affiliated licensees and employees: (1) must respond to all questions of the parties, however they are not required to discover hidden defects or give advice on matters outside the scope of their real estate license; (2) make no representations or warranties as to the physical or mechanical condition of the property, its size, value, future value, income potential, whether the basement is waterproof, etc.; (3) are not qualified to advise on questions concerning the condition of the property, the legal sufficiency, legal effect or tax consequences of this document or transaction. **For such matters, Seller and Buyer are advised to consult the appropriate professional(s).**

Seller and Buyer acknowledge that the Seller of real property has a legal duty to disclose in good faith MATERIAL ADVERSE FACTS and MATERIAL DEFECTS of which Seller has actual knowledge and which a reasonable inspection by Buyer would not reveal. Buyer is advised to request that special provisions be written into this contract prior to signing, to cover any and all conditions which Buyer might consider being questionable or problematical (whether such be inspection for termites, drainage, water and soil conditions, adequacy of structure or any components, zoning, boundaries, utility connections, or any other matters).

By acceptance of the offer, the Seller warrants and represents the following: (1) that Seller has no notice or knowledge of any planned public improvement which may result in special assessments or other liens; (2) that no government agency has served any notice requiring repair, alterations or corrections of any existing conditions. **This representation of Seller shall survive the closing of this transaction.**

6. TITLE INSURANCE OR ABSTRACT: The Seller agrees to perfect the title so that upon conveyance, title shall be deemed marketable in compliance with this agreement. If closing is delayed due to Seller's inability to provide marketable title, Buyer may rescind this agreement and the earnest deposit shall be refunded to Buyer.

a. Buyer chooses title insurance coverage. Buyer selects: Expanded Basic coverage Buyer waives expanded and holds harmless real estate company and its agents from any liability from waiving expanded title insurance ___/___ (initial). The Real Estate Settlement Procedures Act (RESPA) states that the Seller cannot make the sale conditioned on the use of a particular title insurance company. Buyer selects _____ title company. The cost of any title insurance policies and endorsements shall be equally divided between Buyer and Seller.

b. Buyer at Buyer's expense chooses to have an attorney's opinion, the attorney to be _____. Seller at Seller's expense, shall have the abstract continued to the date of closing and delivered to the attorney selected by the Buyer.

c. Title Certificate in lieu of abstracting. Costs to be designated as follows: _____

7. CLOSING FEE: Buyer agrees to pay a closing fee of \$_____ to _____ unless Buyer is obtaining VA financing which restricts Buyer from paying this fee, then such costs of the closing shall be paid by the Seller.

8. CONVEYANCE: At closing Seller shall deliver either a warranty deed or fiduciary's deed, if applicable, to Buyer, or such party or parties as Buyer may direct, conveying title together with such other documents as may be required to record the deed, transfer personal property, if any, and protect Buyer from mechanics' liens.

9. GENERAL PROVISIONS: In the performance of each part of this agreement, time shall be of the essence. This agreement shall be binding on and inure to the benefit of the heirs, executors, administrators, assigns and successors in interest of the respective parties. This agreement shall survive the closing. Paragraph headings are for the convenience of reference and shall not limit nor affect the meaning of this agreement. Words and phrases herein, including any acknowledgement hereof, shall be construed as in the singular or plural number, and as masculine, feminine or neuter gender, according to the context.

10. ENTIRE AGREEMENT: This document contains the entire agreement of the parties and supersedes all prior offers with respect to the property. This offer may be modified only by a written agreement signed and dated by both parties. This Purchase Agreement shall not be assigned by Buyer without the written consent of Seller.

11. NOTICE: Any notice required under this agreement shall be deemed delivered when it is received or provided either by hand delivery, facsimile, electronic communication or certified mail. Persons designated for receipt or to give any notice shall be Seller and Buyer or their Broker or Agent. Buyer and Seller agree that all documents relating to the sale of this property, including this offer, counteroffers and acceptances (1) may be transmitted electronically, (2) shall be treated in all respects as originals.

12. MEDIATION: In the event of a dispute, Buyer and Seller agree to consider mediation as an alternative to initiating legal action. The mediation will be conducted in accordance with the rules and procedures of a mutually agreed mediation service. Even when utilizing mediation, parties may still seek legal remedies.

13. OTHER PROVISIONS: All other provisions, if any, shall be by addendum or amendment to this agreement.

14. INDEMNITY: If a mutual mistake regarding the rights and obligations of the parties is discovered after closing, that mistake shall be corrected by a mutual agreement. If the error is a monetary mistake, it is to be assessed and immediately collected from the party originally legally liable.

15. REMEDIES OF THE PARTIES:

- a. If the Seller fails to fulfill this agreement Seller will pay the Broker the commission in full.
- b. If Seller fails to fulfill this agreement, Buyer shall have the right to have all payments returned or to proceed by an action or actions at law or in equity.
- c. If Buyer fails to fulfill this agreement, all payments by Buyer may be forfeited and retained by Seller as provided in the Iowa Law.
- d. Buyer and Seller understand any earnest deposit money can only be released through written mutual consent by Buyer and Seller or by court order.
- e. In addition to the foregoing remedies, Buyer and Seller each shall be entitled to any and all other remedies, or action at law or in equity, including foreclosure, and the party at fault shall pay costs and attorney fees, and a receiver may be appointed.

16. COURT APPROVAL: If the property is an asset of any estate, trust, conservatorship, or receivership, this contract shall be subject to court approval. If necessary, the appropriate fiduciary shall proceed promptly and diligently to bring the matter on for hearing for court approval. In this event a Court Officer's Deed shall be used.

17. RELEASE OF INFORMATION: Upon closing Buyer and Seller authorize the release of sold information ie. price, financing and property information regarding the purchase of this property to the Multiple Listing Service of the Southwest Iowa Association of REALTORS® Inc.

18. REMUNERATION: Buyer and Seller acknowledge and understand that Broker and/or its agents may receive financial remuneration from the sale of title insurance or other forms of insurance or products or services. Pursuant to the Real estate Settlement Procedures Act (Regulation X), 24 CFR Part 3500, Buyer and Seller acknowledge receipt of the Controlled Business Arrangement Disclosure Statement, as required by law.

Buyer _____ / _____ and Seller _____ / _____ by initialing acknowledges they have read this page. Rev. 4/29/11

19. JOINT TENANCY IN PROCEEDS AND IN SECURITY RIGHTS IN REAL ESTATE. If Seller, immediately preceding this offer, holds title to the property in joint tenancy, and such joint tenancy is not later destroyed by operation of law or by acts of Seller, then (1) the proceeds of this sale, and any continuing and/or recaptured rights of Seller in real estate shall be and continue in Seller as joint tenants with rights of survivorship and not as tenants in common; and (2) Buyer in the event of the death of either Seller agree to pay any balance of the proceeds of this sale to the surviving Seller and to accept deed from such surviving Seller. This paragraph assists in determining how the proceeds will be distributed to the Seller.

20. JOINT TENANCY: If BUYERS are married, their interest herein shall be joint tenancy or tenants in common. (Title to be held in joint tenancy unless otherwise specifically indicated.) If you have questions about how to take title seek legal advice.

SEE ADDITIONAL ATTACHED ADDENDUMS:

_____ _____ _____

OFFER EXPIRATION: If this offer is not accepted on or before _____ at _____: _____ a.m. p.m., CST it shall become null and void and all payments if applicable, shall be repaid to the Buyer without liability on the part of the Broker to either party. **This is a legally binding contract. If not understood, seek competent legal advice.**

Buyer Signature (Optional): Single or Married Print Legal Name Date

Buyer Signature (Optional): Single or Married Print Legal Name Date

Agent Signature **Agent Email** **Phone #**

Broker Name Broker Address Broker Phone #

SELLER'S ACCEPTANCE. The undersigned Seller of the above property accepts the above offer and agrees to sell this property according to the terms offered on this: (date) _____, 20__ , (time) _____ a.m./ p.m. Seller's Broker shall be able to take backup offers up to the time of closing after this offer has been accepted by Seller and shall shall not continue to show this property for sale.

SELLER'S COUNTER-OFFER. The undersigned Seller of the above property counters (see attached counter offer) which then becomes an integral part and incorporated within the above described purchase agreement.

SELLER'S REJECTION. The undersigned Seller of the above property rejects this Buyer's written offer to purchase the above. (date) _____, 20__ , (time) _____ a.m. p.m.

Seller Signature (Optional): Single or Married Print Name Date

Seller Signature (Optional): Single or Married Print Name Date

Agent Signature **Agent Email** **Phone #**

Broker Name Broker Address Broker Phone #

COUNTEROFFER # _____

Southwest Iowa Association of REALTORS®

IN RESPONSE to the Offer

IN RESPONSE to the Counteroffer made by Buyer Seller

Address _____, we, the undersigned, do hereby make and submit the following Counteroffer to

sell purchase the above described real estate:

PRICE \$ _____ and/or modify/add the following terms and conditions:

OTHER TERMS: All other terms and conditions of the offer to buy, for the above described real estate, dated the _____ day of _____, 20_____, shall remain the same.

RIGHT TO ACCEPT OTHER OFFERS: This Counteroffer may be withdrawn by offeror (Seller or Buyer) at any time prior to notification, delivery and acceptance of this counteroffer, without liability on the part of either party or the real estate agent involved, the Offeror (Seller or Buyer) reserves the right to withdraw this counteroffer by notifying other party of withdrawal prior to acceptance of this counteroffer. Seller's Broker may continue to show the property, continue to receive offers and may take backup offers, up to the time of closing.

Check box A or B

EXPIRATION: This counteroffer shall expire unless notification of acceptance is given to offeror or the appropriate agent by _____, 20_____ a.m. p.m.

NO EXPIRATION DATE. Buyer understands if seller chooses no expiration date that seller may continue to show the property and may accept any other offer that may be presented to them at any time without any notice.

Executed this _____ day of _____, 20_____, at _____ a.m. p.m..

 Seller

Buyer

 Seller

Buyer

ACCEPTANCE ~ REJECTION ~ COUNTER OF COUNTEROFFER

I (We), the undersigned, accept reject counter the above counteroffer at _____ a.m. p.m.

This _____ day of _____, 20_____ and agree to be bound by the terms and conditions set forth herein. Receipt of a copy of this counteroffer is acknowledged by the undersigned.

 Buyer

 Seller

 Buyer

 Seller

ACKNOWLEDGEMENT OF RECEIPT I (We), the undersigned, acknowledge notice, delivery and receipt of a copy of this counteroffer and acceptance, properly executed by all the parties hereto.

 Seller Buyer Time & Date

 Seller Buyer Time & Date Rev. 4/29/11