

Purchase and Sale Agreement

SAMPLE

PURCHASE AND SALE AGREEMENT FOR COMMUNITY HOUSING

This Purchase and Sale Agreement (hereinafter the "Agreement") is a legal document which defines the terms and conditions under which the subject Community Housing (hereinafter the "Property") is to be transferred. It confers binding obligations and liabilities upon the parties who sign it. Both the Buyer and the Seller are advised to consult an attorney prior to signing this Agreement or any amendments or addenda to it.

All parties to this Agreement understand that The Blaine County Housing Authority, (hereinafter "Housing Authority") is not acting as a real estate broker in the purchase and sale of the subject Property. The Housing Authority represents neither the Buyer nor the Seller and is acting solely in the interest of the Housing Authority in furtherance of the goals expressed in the Housing Guidelines and in accordance with the Deed Covenant on the Property. The Housing Authority makes no representations as to the condition, quality, or suitability of the Property for Buyer's purposes. In signing this Agreement, the Buyer and Seller agree to indemnify and hold harmless in perpetuity the Housing Authority its Commissioners and employees from any injury, loss, or liability incurred in their ownership of the Property or as a result of this transaction. The Buyer and Seller are strongly advised to seek the advice of competent legal and real estate professionals to represent their interests in this purchase and sale transaction.

The Buyer and Seller acknowledge that this Property is subject to a Deed Covenant, which either has been or will be recorded in Blaine County, Idaho. This Deed Covenant places significant limitations on, among other things, the price for which the Property can be re-sold and the terms and conditions of such re-sale. The Buyer and Seller, by their signatures on this Agreement, acknowledge that they have read and understand the Deed Covenant and that they agree to be bound by all of the terms thereof. Buyer and Seller further acknowledge that the purchase and sale of this Property will be handled in accordance with the procedures set out in the Blaine County Housing Authority "Housing Guidelines", a copy of which has previously been provided to Buyer and Seller and which are by this reference made a part hereof.

Property Address: _____

Legal Description: _____

City of: _____, Blaine County, State of Idaho.

The **Buyer**, _____
(herein called "Buyer") hereby agrees to buy,

and the **Seller**, _____ (herein
called "Seller") hereby agrees to sell the above described Property for the

Price of \$ _____,

_____ Dollars, (herein
called "Purchase Price") on the following terms and conditions:

- 1) The Purchase Price is payable in cash, cashier's check, loan proceeds, or certified funds at closing.
- 2) Escrow and Closing of this transaction shall be handled by _____
_____ ("Escrow Agent" or "Closing Agent").

- 3) Title Insurance shall be provided by _____.
- 4) An Earnest Money Deposit in the amount of One Thousand & No/100 Dollars (\$1,000.00), in the form of a personal or cashier's check made out to the Escrow Agent is attached to this agreement. Upon mutual acceptance of this Agreement, an escrow will be opened and the Earnest Money Deposit will be deposited in the Escrow Agent's trust account. The Earnest Money Deposit will be credited to the Buyer at Closing.
- 5) The Buyer's offer to purchase, unless agreed to in writing by Seller before such time, shall expire on _____, 20 __, at 5:00 pm.
- 6) Buyer shall be entitled to possession of the Property on date of Closing. Closing shall occur not later than _____.
- 7) Within three business days after mutual acceptance of this Agreement, Seller shall provide to Buyer a completed "Property Disclosure Form" meeting the requirements of Title 55, Chapter 25 of the Idaho Code.

8) CONTINGENCIES:

a. INSPECTION CONTINGENCY:

- i. This offer is contingent upon Buyer's inspection and written approval of the condition of the Property on or before _____ at 5:00 pm.
- ii. During this period, and with reasonable notice to Seller, Buyer shall have the right, at Buyer's expense, to thoroughly inspect the Property and conduct any inspections, tests, surveys, and any other studies of the Property and of the rights (such as water rights) associated with the Property which Buyer deems necessary to make an informed decision to purchase.
- iii. Buyer may employ professionals, with qualifications satisfactory to Buyer, to conduct or assist in such inspections.
- iv. Seller agrees to provide reasonable access to Buyer and/or professionals retained by Buyer for the conduct of such inspections.
- v. Buyer agrees to indemnify and hold harmless Seller from any injury, loss, or liability resulting from such inspections.
- vi. If Buyer fails to provide written approval of the condition of the property to Seller by the date and time noted in paragraph 8a.i., above, the Earnest Money Deposit shall be returned to Buyer, this offer shall become null and void and neither party shall have any further obligation hereunder.
- vii. If Buyer, in the course of Buyer's inspection of the Property, should discover a material adverse condition or defect previously undisclosed or unknown to Buyer, Buyer shall have the option to (a) terminate this Agreement, or (b) provide Seller with notice of such condition or defect and a list of acceptable remedies. Should Buyer elect option (b), Seller shall have five business days from receipt of such notice to give Buyer notice that Seller will cure such condition or defect prior to closing, in which case the Inspection Contingency shall be conclusively deemed satisfied. If Seller does not give notice within the specified time frame that Seller agrees to cure such condition or defect, or if Seller gives such notice but fails to correct such condition prior to Closing, Buyer shall have the option to waive the contingency or to declare this Agreement null and void, in which case Earnest Money Deposit shall be returned to Buyer.

b. LEAD-BASED PAINT CONTINGENCY:

If the structures on the Property were constructed prior to 1978, it qualifies as "target housing" for lead-based paint hazards.

Check one of the following:

Structures were constructed prior to 1978

Structures were not constructed prior to 1978

If structures on the property were constructed prior to 1978, Seller has completed and signed a "Lead-Based Paint Disclosure of Information" form and Buyer acknowledges receipt thereof. Buyer either Waives the right to conduct a Lead-Based Paint Inspection or Elects to Inspect as per the Lead-Based Paint Addendum attached hereto.

c. APPRAISAL CONTINGENCY:

The Buyer, at Buyer's expense, will obtain an appraisal of the subject property. The appraisal shall be ordered by buyer within ten days of mutual acceptance of this Agreement. This Agreement is contingent upon the Property value determined by that appraisal being not less than the Purchase Price.

d. FINANCING CONTINGENCY:

This Agreement is contingent upon Buyer securing financing on terms acceptable to Buyer. Buyer agrees to use Buyer's best efforts to obtain such financing.

- i. Buyer shall make written application for such financing within five business days after mutual acceptance of this Agreement.
- ii. Buyer shall provide Seller with a copy of a "Pre-Approval" letter from Buyer's financing source within ten business days of mutual acceptance of this Agreement.
- iii. If Buyer has not waived or satisfied this contingency in writing on or before _____, this Agreement shall terminate and the Earnest Money Deposit shall be returned to Buyer (less any expenses incurred on behalf of Buyer in connection with this Agreement).

9) SALE OF OTHER PROPERTY OWNED BY BUYER:

Buyer acknowledges that, per the Deed Covenant and the BCHA Community Housing Guidelines, the ownership of a Community Home is conditioned upon the Buyer not having an ownership interest in other residential property within Blaine County.

10) OTHER CONTINGENCIES:

If none, check this box :

□

If Buyer has not waived or satisfied this/these "Other Contingencies" in writing on or before _____, then this Agreement shall terminate, and the Earnest Money Deposit shall be returned to Buyer (less any expenses incurred on behalf of Buyer in connection with this Agreement).

11) ADDITIONAL TERMS AND CONDITIONS:

If none, check this box :

□

12) ITEMS INCLUDED IN THIS SALE: (see page 6, paragraph V, for list of standard inclusions)

If none, check this box :

□

13) ITEMS EXCLUDED FROM THIS SALE:

If none, check this box :

□

□

14) PAYMENT OF COSTS:

The following costs related to this transaction shall be paid by the parties indicated:

Appraisal-----Paid by Buyer
 Standard Title Insurance Policy-----Paid by Seller
 Escrow and Closing Fees-----Shared Equally
 Assessments (if applicable)-----Prorated
 Well and Septic Inspections (if applicable)-----Paid by Seller
 Septic Pumping-----Paid by Seller
 BCHA Administrative Fee (as described in deed restriction)---Paid by Seller

Other Items:

_____ Paid by _____
 _____ Paid by _____

15) AGENTS:

The Buyer and Seller understand that The Blaine County Housing Authority (hereinafter “Housing Authority”) is not acting as a real estate broker in the purchase and sale of the subject Property. The Housing Authority represents neither the Buyer nor the Seller and is acting solely in the interest of the Housing Authority in furtherance of the goals expressed in the Housing Guidelines and in accordance with the Deed Covenant on the Community Housing Unit. The Buyer and Seller are encouraged to seek the advice of competent professionals to represent their interests in the proposed purchase and sale transaction.

If Buyer or Seller has chosen to utilize the services of a licensed real estate agent, broker or attorney, said party shall within 5 business days after execution of this agreement, provide Housing Authority with a letter from said representative acknowledging that he/she has reviewed and understands the covenants that affect the resale of the Community Home by the Housing Guidelines and the Deed Restriction. **Any costs or fees relating to the employment of such broker, agent, or attorney shall be the sole responsibility of the party employing said representative.**

If a real estate Broker, agent, or attorney represents either party, please provide the following information:

Name, Address, and Phone Number of **Buyer’s** attorney, broker, or agent:

□

Name, Address, and Phone Number of **Seller’s** attorney, broker, or agent:

□

-OR- If either Buyer or Seller has chosen NOT to utilize the services of a licensed real estate broker, agent, or attorney, that party, by initialing below, represents and warrants that said party is representing his/her/their own interests in this transaction and will in good faith do and perform all actions and execute all agreements necessary to consummate a sale of the referenced Community Housing , pursuant to the terms of this Agreement, the Housing Guidelines, and the Deed Restriction.

Buyer's Initials _____
Buyer's Initials _____

Seller's Initials _____
Seller's Initials _____

The Buyer and Seller are once again encouraged to seek the advice of competent professionals to represent their interests in the proposed purchase and sale transaction.

ADDITIONAL TERMS AND CONDITIONS:

(All parties are advised to carefully review the following)

- I. **Withdrawal of Offer** – This offer to purchase may be withdrawn by Buyer at any time before written acceptance by Seller by notifying Seller in writing of such withdrawal.
- II. **Closing Date** – The “date of Closing” or “Closing” means the date on which all documents are either recorded or accepted by an escrow agent and the sale proceeds are available to Seller. On or before the date of Closing, Buyer and Seller shall deposit with the Closing Agent all funds and instruments necessary to complete the sale
- III. **Pro-Rations** – Taxes, Insurance, dues, assessments (using the last available assessment as a basis), rent, interest, reserves, liens, encumbrances, utility billings, or obligations assumed shall be pro-rated as of the date of closing.
- IV. **Closing Costs** – The Buyer and/or Seller may incur closing costs in addition to those listed herein. In the event that Buyer assumes Seller’s existing financing, and unless otherwise agreed or provided by law or required by lender, Buyer shall purchase Seller’s reserve account.
- V. **Included Items** – If present in or on the Property at the date Buyer executes this Agreement, and unless specifically excluded herein, all items attached to the Property (including window blinds and coverings, floor coverings, plumbing and lighting fixtures, television antennae, fireplaces, awnings, heating, ventilation, and cooling systems, ranges, microwave ovens, dishwashers, refrigerators, alarm systems, fences, gates, irrigation pumps, fixtures and equipment, water and ditch rights, and any other items appurtenant to the property) shall be included in the sale.
- VI. **Disclosure** – Seller shall, within three business days after mutual acceptance of this Agreement, provide to the Buyer an executed “Seller’s Property Disclosure Form” pursuant to Title 55, Chapter 25 of the Idaho Code. Buyer shall have three business days from receipt of this form in which Buyer may chose to rescind this offer based upon the information contained in said form. Said rescission, if exercised, shall be delivered, in writing, to Seller within said three business day period.
- VII. **Existing Financing** – If the terms of this Agreement contemplate Buyer’s assumption of, or taking title subject to, any of Seller’s existing financing, Seller shall, within three business days after mutual acceptance, provide Buyer with copies of all notes, mortgages, deeds of trust, or other financing documents to be assumed or taken subject to. Buyer shall have five business days from receipt thereof to notify Seller of his approval or disapproval of the terms of said documents. Buyer’s approval shall not be unreasonably withheld.
- VIII. **Business Day** – The term “Business Day” or “Business Days” as used in this Agreement shall mean Monday through Friday, excluding Saturday and Sunday and excluding holidays as defined by Idaho Code, Section 67-5302.
- IX. **Mutual Acceptance** – The term “mutual acceptance” as used in this Agreement shall mean that date on which both Buyer and Seller have agreed, in writing, to all of the terms and conditions of this Agreement and any amendments or addenda hereto.
- X. **Counterparts** – This Agreement may be executed in one or more counterparts, each of which is deemed to be an original hereof, and all of which together constitute one and the same Agreement.
- XI. **Facsimile Transmission** – Facsimile transmission of any signed original document and retransmission of any signed facsimile transmission shall be the same as personal delivery of the original document. At the request of either party or the closing agent, the parties will confirm facsimile transmitted signatures by signing an original document.
- XII. **Standard Title Insurance Policy** – Within three business days after mutual acceptance of this Agreement, the Seller shall order, from the title insurance company specified in page 2, paragraph 3) of this Agreement, a commitment to issue a policy of title insurance for the subject property. Within ten business days after mutual acceptance of this Agreement, Seller shall deliver to Buyer a copy of said commitment showing the condition of title to the subject property. Buyer shall have five business days from the receipt of the commitment within which to object to the condition of the title as set forth in the commitment. If the Buyer does not object within the stated time period, Buyer shall be deemed to have accepted the condition of the title. The Seller shall, within a reasonable time after Closing, furnish to the Buyer a title insurance policy in the amount of the purchase price of the property showing marketable and insurable title subject to the liens, encumbrances, and defects elsewhere set out in this Agreement to be assumed or discharged by the Buyer.
- XIII. **Extended and Other Title Coverage** – A standard policy of title insurance does not cover certain potential problems or risks such as liens, boundary disputes, claims of easement, and other matters or

claims not of public record at the time of closing. Under Idaho law, such potential claims against the property may have become a legal obligation before the purchase of the property and may not yet be of public record as of the date of Closing. Title insurance companies may be able to issue an “extended” coverage title insurance policy which may insure the title to the property against some or all of these potential problems. Such a policy will typically require payment of an additional premium or fee, and may also require the payment of fees for additional services such as surveys or inspections. The Buyer is advised to discuss the benefits of and/or necessity for such a policy with the title insurance company and the Buyer’s attorney.

- XIV. **Conveyance of Title** – Title to the Property is to be conveyed by Warranty Deed, unless otherwise provided for herein. Title shall be marketable and insurable except for rights reserved in federal patents, state or railroad deeds, building, zoning, or land use restrictions and/or regulations and ordinances of any governmental unit, and rights of way or easements established or of record. Liens, encumbrances, or defects to be discharged by Seller may be paid by Closing Agent from Seller’s proceeds at Closing. No liens, encumbrances, or defects, except those which are to be discharged by Buyer or assumed by Buyer or which Buyer is taking title subject to, shall exist unless otherwise specified in this Agreement.
- XV. **Default by Buyer** – If the Buyer defaults in the performance of this Agreement, Seller will have the option of either accepting the Earnest Money Deposit as liquidated damages, and upon such acceptance this Agreement will terminate and neither party will have any further rights hereunder, OR pursuing any other lawful right or remedy, including specific performance, to which the Seller may be entitled.
- XVI. **Default by Seller** – If title to the property is not marketable, or cannot reasonably be made marketable by the date of Closing, or if the Seller fails to consummate the sale as herein agreed, the Buyer shall have the option to accept return of the Earnest Money Deposit with Seller paying for the full cost of title insurance, escrow and legal fees, and Buyer’s appraisal, if any, and upon such acceptance this Agreement will terminate and neither party will have any further rights hereunder, OR pursuing any other lawful right or remedy, including specific performance, to which Buyer may be entitled.
- XVII. **Interpleader** – In the event of a dispute between Seller and Buyer as to the Earnest Money Deposit, the holder of said deposit shall be entitled to file an interpleader action in a court of competent jurisdiction, as provided by statute.
- XVIII. **Attorney’s Fees** – If either party initiates or defends any legal action or proceeding or arbitration which is related in any way to this Agreement, the prevailing party shall be entitled to recover from the non-prevailing party all reasonable costs and attorney’s fees including such costs and fees on appeal and in any bankruptcy proceeding.
- XIX. **Risk of Loss** – Prior to the Closing of this transaction, all risk of loss shall remain with the Seller. In addition, should the property be materially damaged by fire or other cause prior to closing, this agreement shall be voidable at the option of Buyer. In such event, Buyer shall give written notice to the Seller of Buyer’s intent to void the Agreement and Buyer shall be entitled to a full refund of the Earnest Money Deposit.
- XX. **Entire Agreement** – This Agreement, including any fully and mutually executed written amendments or addenda hereto, contains the entire agreement of the parties with respect to the matters set forth herein and replaces and supercedes any prior agreements or negotiations with respect to such matters. No agreements, representations, or warranties including, without limitation, any warranty of habitability, not expressly set forth herein shall be binding on either party.
- XXI. **Time is of the Essence of this Agreement**
- XXII. **Indemnity of Blaine County Housing Authority** - The Buyer and Seller hereby indemnify and hold harmless the Blaine County Housing Authority, its Commissioners and employees from any damage, liability or loss, including attorney’s fees, suffered by said Buyer or Seller in connection with any matter relating to or resulting from this Agreement, the purchase and sale transaction contemplated herein, the Deed Covenant on the Property, or the Blaine County Housing Authority Housing Guidelines. The Housing Authority does not warrant or make any representations regarding any aspect of the property, title thereto, or physical factors thereof (including, but not limited to, size, footages, wetlands, flood plains, avalanche zones, hazardous waste, environmental or health factors, taxes, liens, governmental regulations, or suitability for habitation). The Buyer and Seller hereby waive any and all claims, present or future, against the Housing Authority relating to any of these matters. This indemnity and waiver shall survive the Closing of this purchase and sale transaction.
- XXIII. **FIRPTA – Tax Withholding at Closing** – The parties hereto agree that they will fully comply with the Foreign Investment in Real Property Tax Act (“FIRPTA”). If Seller is not a “foreign person” under FIRPTA, at Closing Seller shall sign an affidavit stating the same. If Seller is a “foreign person” under FIRPTA, the Closing Agent shall withhold from the sale proceeds the appropriate tax amount and submit such amount and any required forms to the Internal Revenue Service. Seller hereby indemnifies and holds harmless the Buyer, Housing Authority, and Closing Agent from any and all liability, including attorney’s fees, related to Seller’s taxes under FIRPTA, or otherwise, which indemnification and hold harmless shall survive the Closing of the transaction.

THIS IS INTENDED TO BE A LEGALLY BINDING AGREEMENT. THE PARTIES ARE ADVISED TO SEEK THE ADVICE OF AN ATTORNEY BEFORE SIGNING IT.

In the event that this form is received by electronic transmission and or e-mail, the parties hereto acknowledge that they have not changed or altered the content of this form template.

□

BUYER'S ACCEPTANCE: Buyer hereby acknowledges having read this entire Agreement, including the "Additional Terms and Conditions", and having received a copy of this Agreement.

CHECK HERE IF ADDENDUM(S) ATTACHED

Buyer's Signature

Buyer's Signature

Signature

Date

Signature

Date

Printed Name:

Address:

Phone:

Printed Name:

Address:

Phone:

□

SELLER'S ACCEPTANCE: On the date noted below, Seller acknowledges having read this entire Agreement, including the "Additional Terms and Conditions" and Seller hereby approves and accepts the sale as set forth in this Agreement "AS IS" -or- Subject to the attached Counteroffer. Seller agrees to carry out all of the terms required of the Seller by this Agreement and hereby acknowledges receipt of a true copy of this Agreement signed by all parties.

Seller's Signature

Seller's Signature

Signature

Date

Signature

Date

Printed Name:

Address:

Phone:

Printed Name:

Address:

Phone:

SAMPLE

ADDENDUM TO PURCHASE AND SALE AGREEMENT

Community Housing

- (a) Property is Subject to a Deed Covenant. The Buyer and Seller acknowledge that this Property is subject to a Deed Covenant (“**Deed Covenant**”), which either has been or will be recorded in Blaine County, Idaho. This Deed Covenant places significant limitations on, among other things, the price for which the Property can be re-sold and the terms and conditions of such re-sale. The Buyer and Seller, by their signatures on this Agreement, acknowledge that they have read and understand the Deed Covenant and that they agree to be bound by all of the terms thereof. Buyer and Seller further acknowledge that the purchase and sale of this property will be handled in accordance with the procedures set out in the Blaine County Housing Authority (“**Housing Authority**”) “Housing Guidelines” (the “**Housing Guidelines**”), a copy of which has previously been provided to Buyer and Seller and which are by this reference made a part hereof.

- (b) Sale of Other Property Owned By Buyer. Buyer acknowledges that, per the Deed Covenant and the Housing Authority Housing Guidelines, the ownership of a Community Home is conditioned upon the Buyer not having an ownership interest in other residential property within Blaine County. Should Buyer have such an ownership interest, Buyer agrees to immediately list such other property for sale per the terms of the Deed Covenant and Housing Guidelines. In the event that the ownership interest in such other property has not been sold within the time frame set out in the Deed Covenant and Housing Guidelines, Buyer acknowledges that Buyer must immediately list this Community Home.

- (c) Housing Authority is not a Real Estate Broker. All parties to this Agreement understand that Housing Authority is not acting as a real estate broker in the purchase and sale of the Property. The Housing Authority represents neither the Buyer nor the Seller and is acting solely in the interest of the Housing Authority in furtherance of the goals expressed in the Housing Guidelines and in accordance with the Deed Covenant on the Property. The Housing Authority makes no representations as to the condition, quality, or suitability of the Property for Buyer’s purposes. In signing this Agreement, the Buyer and Seller agree to indemnify and hold harmless in perpetuity the Housing Authority, its Commission and employees from any injury, loss, or liability incurred in their ownership of the Property or as a result of this transaction. The Buyer and Seller are strongly advised to seek the advice of competent legal and real estate professionals to represent their interests in this purchase and sale transaction.

- (d) Services of Licensed Real Estate Agent, Broker or Attorney. If Buyer or Seller has chosen to utilize the services of a licensed real estate agent, broker or attorney, said party shall within five (5) business days after execution of this Agreement, provide Housing Authority with a letter from said representative acknowledging that he/she has reviewed and understands the covenants affecting the resale of the Community Home by the Housing Guidelines and the Deed Covenant. **Any costs or fees relating to the employment of such broker, agent, or attorney shall be the sole responsibility of the party employing said representative.**

If a real estate broker, agent, or attorney represents either party, please provide the name, address and phone number on page 4 of the Purchase and Sale Agreement. If either Buyer or Seller has chosen NOT to utilize the services of a licensed real estate Broker, Agent, or Attorney, that party, by initialing below, represents and warrants that said party is representing his/her/their own interests in this transaction and will in good faith do and perform all actions and execute all agreements necessary to consummate a sale of the referenced Community Home, pursuant to the terms of this Agreement, the Housing Guidelines, and the Deed Covenant.

Buyer’s Initials _____
Buyer’s Initials _____

Seller’s Initials _____
Seller’s Initials _____