

# LOT/LAND PURCHASE AND SALE AGREEMENT

1. **Purchase and Sale.** In exchange for the promises outlined in this agreement and other valuable considerations, the receipt and adequacy of which are hereby confirmed, the buyer listed below

\_\_\_\_\_ (“Buyer”) agrees

To buy and the underdeigned seller \_\_\_\_\_ (“Buyer”) agrees to sell all that tract or parcel of land, with such improvements as are located thereon. Described as follows: All that tract of land known as: \_\_\_\_\_ (Address) (City), Tennessee, \_\_\_\_\_ (Zip), as recorded in \_\_\_\_\_ County Register of Deeds Office \_\_\_\_\_ deed book(s), \_\_\_\_\_ page(s), and/or \_\_\_\_\_ instrument

number and as further described as: \_\_\_\_\_ together with all fixtures, landscaping, improvements, and appurtenances, all being hereinafter collectively referred to as the “Property.”

**This box must be selected to include it in this Agreement.** The complete and official description of the Property is outlined in the attached agreement titled “Legal Description Exhibit.”

**A. LEASED ITEMS.** Any leased items remaining with the Property (e.g., billboards, irrigation systems, fuel tanks, etc.) will be handled as follows:

\_\_\_\_\_ The Buyer agrees to take over all lease payments starting from the Closing date. If the leases cannot be transferred, the Seller will settle the outstanding balance in full by or before the Closing

If the Buyer does not agree to assume a leased item, **THIS BOX MUST BE SELECTED FOR IT TO APPLY TO THIS AGREEMENT.** The Buyer opts not to take over the Seller's current lease of \_\_\_\_\_; therefore, the seller must terminate the lease and remove the leased items from the property before closing.

**B. FUEL.** Any fuel present on the property will be prorated, with costs charged to the buyer and credited to the seller at the prevailing market rate at closing.

2. **Purchase Price, Payment Method, and Closing Costs.** The buyer affirms that, unless stated otherwise in this agreement, they will have sufficient funds at closing to fulfill the purchase of the property as outlined in this lot/Land purchase and sale agreement (referred to as “Agreement” or “Purchase” and sale “Agreement”). The agreed upon purchase is: \_\_\_\_\_, in US Dollars (“Purchase Price”) and will be paid to the Seller or Seller’s Closing Agency through one of the following methods:

- i. A wire transfer through the Federal Reserve Bank;
- ii. a cashier’s check issued by a financial institution as defined under 12 CFR § 229.2(i); or
- iii. another method expressly approved in writing by the Seller

This price is determined as follows (**Select one. Any section not selected will not be included in this Agreement**)

- for the Property as a single tract, not calculated by the acre, OR
- per acre, with the Purchase Price calculated based on the actual acreage of the Property at \$ \_\_\_\_\_ per acre determined by a current or mutually agreed-upon survey, OR
- For the entire Property as a single tract, with the Purchase Price subject to adjustment at \$ \_\_\_\_\_ per acre if the actual acreage of the Property, based on a current or mutually agreed-upon survey, differs by more or less than \_\_\_\_\_ acre(s) from the estimated acreage

**A. Appraisal (Choose either option 1 or 2 below. Any section not selected will not be included in this Agreement):**

1. This Agreement **IS NOT** dependent on the appraised value equaling or exceeding the agreed Purchase Price.

2. This Agreement **IS CONTINGENT** on the appraised value equaling or exceeding the agreed Purchase Price. If the appraised value meets or surpasses the Purchase Price, this condition is considered fulfilled. In recognition of the Buyer conducting an appraisal, the adequacy of such consideration is hereby acknowledged. If the appraised value of the Property falls below the Purchase Price, Buyer, shall immediately inform the Seller using the Notification Form or a comparable written notice. The Buyer will then have three (3) days to either:

1. waive the appraisal contingency by providing notice through the Notification Form or an equivalent written agreement

**OR**

2. terminate the Agreement by notifying the Seller through the Notification Form or an equivalent written notice.

If terminated within the specified time frame, the Buyer will be entitled to a refund of the Earnest Money/Trust Money.

If the Buyer does not waive the appraisal contingency or terminate the Agreement as outlined above, the contingency will be considered satisfied. Following this, a failure to appraise cannot be used as grounds for loan denial or to terminate the Agreement. The Seller retains the right to request supporting documentation demonstrating that the appraised value did not meet or exceed the agreed Purchase Price.

## **B. Closing Expenses.**

**1. Seller Expenses.** The Seller agrees to settle all outstanding loans associated with the Property, including any penalties, costs for release preparation, and applicable recording fees. This includes paying any accrued or outstanding association dues or fees, and any fees necessary to obtain lien payoff letters, estoppel letters, or statements of accounts from associations, property management companies, mortgage holders, or other lienholders. The Seller is responsible for their Closing fee, agreement preparation fees, attorney's fees (if applicable), deed preparation fees, notary fees for the deed, and any financial institution wire transfer or commercial courier fees related to lien disbursement. Additionally, the Seller agrees to comply with any required withholdings or payments under the Foreign Investment in Real Property Tax Act (FIRPTA). Failure to meet these obligations constitutes a default by the Seller.

**If the Seller is subject to FIRPTA tax withholding, the Buyer's Closing Agent will collect the withholding amount from the Seller at Closing.** If FIRPTA does not apply, the Seller must sign the necessary affidavits certifying exemption as a condition of Closing. *The Seller is responsible for obtaining independent tax advice or counsel regarding these matters before the Closing Date.*

**2. Buyer Expenses.** The Buyer agrees to cover all transfer taxes and recording fees associated with the deed of conveyance and deed of trust. The Buyer will also be responsible for their Closing fee, agreement preparation fees, and attorney's fees (if applicable); preparation of the note, deed of trust, and other loan-related agreements; mortgage loan inspection or boundary line survey; credit report fees; premiums required for private mortgage insurance, hazard insurance, and flood insurance; required escrow deposits for insurance premiums and property taxes; prepaid interest; re-inspection fees related to appraisal; and all costs related to obtaining and closing a loan. These costs include, but are not limited to, fees for appraisal, loan origination, discount points, application, commitment, underwriting, agreement review, courier services, assignment, photographs, tax service, notary services, wire transfers, and any other charges imposed for the disbursement of the Seller's proceeds in accordance with this Agreement.

## **3. Title Expenses.**

The expenses for the title search, mortgagee's policy, and owner's policy (with rates filed with the Tennessee Department of Commerce and Insurance) will be allocated as follows:

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Simultaneous issue rates will apply. The Buyer is advised to consult with their Closing Agency prior to Closing to obtain independent advice regarding the availability and coverage of an American Land Title Association (ALTA) Standard Owner's Insurance Policy and, if applicable, an Extended Owner's Insurance Policy.

**Not all the items listed above (Seller Expenses, Buyer Expenses, and Title Expenses) apply to every transaction and may be adjusted as follows:**

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**Closing Agency for Buyer & Contact Information:** \_\_\_\_\_

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**Closing Agency for Seller & Contact Information:** \_\_\_\_\_

**C. Financial Contingency – Loan(s) To Be Obtained:** This Agreement is contingent upon the Buyer securing a loan in the principal amount of up to \_\_\_% of the Purchase Price stated above, which will be secured by a deed of trust on the Property. The term "ability to obtain" refers to the Buyer meeting the Lender's customary and standard underwriting requirements to qualify for the loan specified herein.

If the Buyer, having acted in good faith and adhered to the terms outlined below, is unable to secure financing by the Closing Date, the Buyer may terminate this Agreement by providing written notice using the Notification Form or an equivalent written agreement. The Seller has

the right to request supporting documentation related to the loan denial. In the event of termination, the Buyer will receive a refund of the Earnest Money/Trust Money. For purposes of this Agreement, "Lender" refers to the financial institution providing the loan.

The loan will be of the type selected below (**Check the applicable boxes. Any items not selected will not be included in this Agreement**):

- Conventional Loan     Rural Development/USDA
- Other \_\_\_\_\_

The Buyer may seek a loan with different terms and conditions and proceed with Closing the transaction, provided that all other terms and conditions of this Agreement are met and the new loan does not result in additional costs to the Seller. The Buyer is required to Close the transaction if they are able to secure a loan with the terms outlined in this Agreement or any other loan for which they have applied and received approval.

**Loan Obligations: *The Buyer agrees and/or certifies as follows:***

- 1) Within three (3) days of the Binding Agreement Date, the Buyer must submit a loan application and pay for a credit report. The Buyer shall promptly notify the Seller or the Seller's representative that the loan application has been submitted, providing the Lender's name and contact information, and confirming that the Buyer has instructed the Lender to order the credit report. These certifications must be communicated via the Notification Form or an equivalent written notice.
- 2) Within fourteen (14) days of the Binding Agreement Date, the Buyer must certify and represent to the Seller, using the Notification Form or an equivalent written notice, that:
  - a) The Buyer has informed the Lender of their Intent to Proceed and confirms they have sufficient funds to Close as outlined in the signed Loan Estimate; and
  - b) The Buyer has requested the appraisal to be ordered and confirms that the appraisal fee has been paid.
- 3) The Buyer agrees to actively and diligently pursue loan qualification and approval in good faith;
- 4) The Buyer agrees to promptly and consistently provide any required documentation to the Lender and/or loan originator;
- 5) Unless explicitly stated otherwise in this Agreement, the Buyer affirms that the loan is not contingent upon the leasing or sale of any other property, and such conditions cannot be cited as a reason for loan denial; and
- 6) The Buyer agrees not to knowingly make any significant changes to their financial situation that could negatively impact their ability to secure the Primary Loan or any other loan mentioned in this Agreement

If the Buyer fails to comply with sections 2.C.(1) and/or 2.C.(2) above or fails to provide the necessary notice, the Seller may issue a written demand for compliance using the Notification Form or an equivalent written agreement. If the Buyer does not provide the requested documentation within two (2) days of receiving the demand, the Buyer will be deemed in default, and the Seller's obligation to proceed with the sale will be terminated.

**THIS BOX MUST BE CHECKED IN ORDER FOR IT TO BE A PART OF THIS AGREEMENT.**

- Financing Contingency Waived** (e.g. "All Cash", etc.):

Buyer's obligation to Close is not contingent upon any financial conditions. While the Buyer retains the right to secure a loan, they must provide proof of sufficient funds to Close (e.g., bank statement, Lender's commitment letter) within five (5) days of the Binding Agreement Date.

If the Buyer fails to provide this proof, the Seller may issue a written demand for compliance using the Notification Form or an equivalent written notice. Should the Buyer fail to furnish the requested proof within two (2) days of receiving such

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a demand, the Buyer will be considered in default, and the Seller's obligation to proceed with the sale will be terminated. Any failure to Close due to insufficient funds will be treated as a default by the Buyer. If this Agreement is contingent upon an appraisal, the Buyer must order the appraisal and provide the Seller with the name and contact information of the appraisal company, along with proof that the appraisal was ordered, within five (5) days of the Binding Agreement Date.

If the Buyer fails to meet this requirement, the Seller may issue a written demand for compliance using the Notification Form or an equivalent written notice. Should the Buyer fail to provide the requested information within two (2) days of receiving such a demand, the Buyer will be deemed in default, and the Seller's obligation to proceed with the sale will be terminated.

**Earnest Money/Trust Money.** Buyer has paid or shall pay within \_\_\_\_\_ days after the Binding Agreement Date to

\_\_\_\_\_(name of Holder) ("Holder")

located at \_\_\_(address of Holder), an Earnest Money/Trust Money deposit of \$\_\_\_\_\_by check (OR \_\_\_\_\_) (“Earnest Money/Trust Money”).

**A. Failure to Receive Earnest Money/Trust Money.** If the Earnest Money/Trust Money (if applicable) is not received by the Holder on time, or if the Earnest Money/Trust Money check or other payment instrument is dishonored for any reason by the issuing bank, the Holder must promptly notify both the Buyer and Seller of the Buyer's failure to deposit the agreed Earnest Money/Trust Money. The Buyer will then have one (1) day to provide the Earnest Money/Trust Money in immediately available funds to the Holder. If the Buyer fails to do so, they will be considered in default, and the Seller may terminate this Agreement by providing written notice to the Buyer or the Buyer’s representative via the Notification Form or an equivalent written agreement. If the Buyer delivers the Earnest Money/Trust Money in immediately available funds, such as through a wire transfer or cashier's check, before the Seller chooses to terminate, the Seller will be deemed to have waived their right to terminate, and the Agreement will remain valid and enforceable.

**B. Handling of Earnest Money/Trust Money upon Receipt by Holder.** Earnest Money/Trust Money (if applicable) must be deposited promptly after the Binding Agreement Date, or on the agreed-upon delivery date as specified in this Earnest Money/Trust Money section or in the Special Stipulations section of this Agreement. The Holder may only disburse Earnest Money/Trust Money under the following circumstances:

- (a) At Closing, as a credit toward the Buyer’s Purchase Price;
- (b) Upon receiving a written agreement signed by all parties with an interest in the funds;
- (c) Based on an order from a court or arbitrator with jurisdiction over any dispute involving the Earnest Money/Trust Money;
- (d) Based on a reasonable interpretation of the Agreement; or
- (e) By filing an interpleader action, with the funds paid to the clerk of the court with jurisdiction over the matter.

The Holder may deduct costs and expenses, including reasonable attorney’s fees, from any interpleaded funds. The prevailing party in the interpleader action will be entitled to recover from the other party the costs and expenses reimbursed to the Holder.

No party may seek damages from the Holder (nor will the Holder be liable) for any matters arising from or related to their performance of duties under this section. Earnest Money/Trust Money will not be disbursed before fourteen (14) days after deposit unless written evidence of clearance by the bank is provided.

#### **4. Closing, Prorations, Special Assessments and Association Fees.**

**A. Closing Date.** This transaction shall be closed (“Closed”) (evidenced by delivery of warranty deed and payment of Purchase Price, the “Closing”), and this Agreement shall expire at 11:59 p.m. local time on the \_\_\_\_\_day of \_\_\_\_\_, \_\_\_\_\_ (“Closing Date”), or on an earlier date mutually agreed upon by the parties in writing. The expiration of this Agreement does not eliminate a party's right to seek remedies in the event of default. Any extension of the Closing Date must be documented in writing and agreed to by the parties using the Closing Date/Possession Date Amendment or an equivalent written agreement.

1. **Possession.** Possession of the Property will be transferred as follows (Select the applicable boxes below. Any unselected options will not be included in this Agreement):
- at closing as evidenced by delivery of warranty deed and payment of Purchase Price;

**OR**

- as agreed in the attached and incorporated Temporary Occupancy Agreement;

**B. Prorations.** Real estate taxes, rents, dues, maintenance fees, and association fees for the Property for the calendar year in which the sale is Closed will be prorated as of the Closing Date. If taxes for the calendar year are reassessed or adjusted after Closing, both parties agree to pay their respective recalculated share. Real estate taxes, rents, dues, maintenance fees, association fees for prior years, and any rollback taxes, if applicable, will be the responsibility of the Seller.

**C. Greenbelt.** If the Property is currently classified by the property tax assessor as “Greenbelt” (minimum of 15 acres or otherwise qualifies), does the Buyer intend to maintain the Greenbelt classification? (**Select the applicable boxes below. Any unselected options will not be included in this Agreement**):

- The Buyer intends to maintain the Property's Greenbelt classification and understands it is their responsibility to submit a timely and proper application to ensure this status. If the Buyer fails to submit the application as required, they will be responsible for any rollback taxes assessed. The Buyer is advised to consult with the tax assessor of the county where the Property is located before submitting this offer to confirm that their intended use qualifies for Greenbelt classification.
- The Buyer does not intend to maintain the Property's Greenbelt classification, and any rollback taxes will be paid by the Seller at the time of Closing.

**D. Special Assessments.** Special Assessments approved or levied before the Closing Date will be paid by the Seller at or before Closing unless otherwise specified as follows:

**E. Association Fees.** The Buyer will be responsible for all homeowner or condominium association transfer fees, administrative fees (excluding statement of accounts), capital expenditures or contributions resulting from the transfer of the Property, and similar expenses required by the association, property management company, and/or the bylaws, declarations, or covenants associated with the Property. This applies unless otherwise stated in this Agreement or unless such expenses are specifically assigned to the Seller under the applicable bylaws, declarations, and/or neighborhood covenants.

**5. Title and Conveyance.**

**A.** The Seller warrants that at Closing, they will convey or ensure the conveyance of good and marketable title to the Property to the Buyer or the Buyer's assign(s) through a general warranty deed, subject only to the following:

1. Zoning regulations;
2. Setback requirements and general utility, sewer, and drainage easements of record as of the Binding Agreement Date, provided that the improvements do not encroach on them;
3. Subdivision and/or condominium declarations, covenants, restrictions, and easements of record as of the Binding Agreement Date; and
4. Leases and other encumbrances specified in this Agreement.

If a title examination, closing or loan survey conducted in accordance with Tenn. Code Ann. § 62-18-126, boundary line survey, or other related information reveals material defects, the Buyer may, at their discretion:

1. Accept the Property with the defects; OR
2. Require the Seller to remedy the defects before the Closing Date. The Buyer must notify the Seller of such defects in writing via the Notification Form or an equivalent written notice. If the defects are not addressed before the Closing Date, the Buyer may choose to extend the Closing Date through mutual written agreement, documented with the Closing Date/Possession Amendment form or an equivalent written agreement. If the defects remain unresolved by the Closing Date or any mutually agreed-upon extension, this Agreement will terminate, and the Buyer will be entitled to a refund of the Earnest Money/Trust Money.

"Good and marketable title," as referred to herein, means title that a title insurance company licensed to operate in Tennessee will insure at its standard rates, subject only to standard exceptions. The title search or abstract used to confirm good and marketable title must be deemed acceptable by both the title insurance agent and the issuing title insurance company. The Seller agrees to provide any necessary affidavits and execute any agreement required by the issuing title insurance company to facilitate this process.

**B.** The Buyer warrants that they are not a sanctioned nonresident alien, a sanctioned foreign business, or a sanctioned foreign government, nor an agent, trustee, or fiduciary acting on behalf of any such entity. Therefore, the Buyer affirms that they are not prohibited from purchasing the Property under Tenn. Code Ann. §66-2-301, et seq.

**C. Deed.** Name(s) on Deed to be: \_\_\_\_\_

The Buyer is responsible for consulting with the closing agency or attorney before Closing to determine the appropriate manner in which they will hold title to the Property.

**6. Inspections and any additional requirements that are included as part of this Agreement.**

**ALL INSPECTIONS ARE TO BE MADE AT BUYER'S EXPENSE.** The Buyer, along with their inspectors and/or representatives, shall have the right and responsibility to access the Property during normal business hours for the purpose of conducting inspections and/or tests. The Buyer agrees to indemnify the Seller for any actions taken by the Buyer, their inspectors, and/or representatives while exercising these rights. The Buyer's obligation to indemnify the Seller will survive the termination of this Agreement by either party and shall remain enforceable. The Buyer must complete the inspections outlined in this section and either: Accept the Property in its current condition by providing written notice to the Seller; OR Terminate the Agreement as specified in each applicable section marked below.

[Select any or all of the following stipulations. Unselected items are not a part of this Agreement.]

□ **A. Feasibility Study.** The Buyer has the right to review all aspects of the Property, including but not limited to governmental, zoning, soil, and utility service matters related to the Property. After conducting this good faith review, which is acknowledged as sufficient consideration, the Buyer must notify the Seller and/or the Seller's Broker in writing within \_\_\_\_\_ days of the Binding Agreement Date if the Buyer is not satisfied with the results of the review. In such a case, this Agreement will automatically terminate, and the Broker will promptly refund the Earnest Money/Trust Money to the Buyer. If the Buyer does not provide such notice within the specified time frame, this contingency will be considered waived by the Buyer. The Seller agrees to allow the Buyer and/or the Buyer's agents and employees free access to the Property during normal business hours for purposes of: (1) Inspection of the Property and (2) Conducting any soil or other tests reasonably necessary. The Buyer agrees to indemnify and hold harmless the Seller, the Broker, and the Broker's Affiliated Licensees from any loss, injury, cost, or expense arising from the Buyer's inspection or entry upon the Property.

□ **B. Building Permit.** This Agreement is contingent upon the Buyer's ability to obtain all necessary licenses and permits from the appropriate governmental authorities to make specific improvements to the Property. If, despite acting in good faith, the Buyer is unable to secure the required licenses and permits, the Buyer may terminate this Agreement by providing written notification to the Seller and/or the Seller's Broker within \_\_\_ days of the Binding Agreement Date. Upon termination, the Holder shall promptly refund the Earnest Money/Trust Money to the Buyer. If the Buyer does not provide such notification within the specified time frame, this contingency will be considered waived by the Buyer.

□ **C. Permit for Sanitary Septic Disposal System.** This Agreement is contingent upon the Buyer securing a permit for a sanitary septic disposal system from the Tennessee Ground Water Protection Office for the county where the Property is located (commonly situated at the local Health Department). The permit must allow for the system to be installed on the Property in a location that aligns with the Buyer's planned improvements. If, despite acting in good faith, the Buyer is unable to meet this condition, the Buyer must notify the Seller and/or the Seller's Broker in writing within \_\_\_ days of the Binding Agreement Date. Upon providing proper notice, the Buyer may void this Agreement, and the Earnest Money/Trust Money will be refunded. If the Buyer fails to deliver such notice within the specified time frame, this contingency will be considered waived by the Buyer.

□ **D. Rezoning.** This Agreement is contingent upon the Property being rezoned to \_\_\_\_\_ by the appropriate governmental authorities on or before \_\_\_\_\_. (Buyer or Seller) \_\_\_\_\_ shall be responsible for pursuing the rezoning of the Property and covering all associated costs. All rezoning applications must be submitted to the Seller for approval prior to filing, and such approval shall not be unreasonably withheld. Both parties agree to cooperate fully, sign necessary agreements, and support the rezoning application process. If, despite acting in good faith, the Buyer determines that the Property cannot be rezoned as desired, the Buyer may notify the Seller and/or the Seller's Broker in writing within 48 hours of the specified date. Upon providing such notice, this Agreement will automatically terminate, and the Holder shall promptly refund the Earnest Money/Trust Money to the Buyer. If the Buyer fails to deliver the required notice within the stated time frame, this contingency will be considered waived by the Buyer.

□ **E. Well Test.** This Agreement is contingent upon the well water serving the Property passing a suitability test for drinking, conducted by a testing laboratory chosen by the Buyer or required by the Buyer's Lender, prior to Closing. The Buyer is responsible for ordering, supervising, and paying for the well water test. Additionally, the Agreement is contingent upon the well providing an adequate quantity of water to meet the Buyer's intended use for the Property. If, after conducting the well test as outlined, the Buyer determines that the test results are unacceptable, the Buyer may provide written notification to the Seller and/or the Seller's Broker within \_\_\_ days of the Binding Agreement Date. Upon providing such notice, this Agreement will automatically terminate, and the Holder shall promptly refund the Earnest Money/Trust Money to the Buyer. If the Buyer fails to provide the required notice within the specified time frame, this contingency will be deemed waived by the Buyer.

□ **F. Other Inspections.** Refer to the Special Stipulations section for any additional inspections required by the Buyer.

□ **G. No Inspection Contingencies.** The Buyer accepts the Property in its current condition. All parties acknowledge and agree that the Property is being sold "AS IS," including any and all faults.

**7. Final Inspection.** The Buyer and/or the Buyer's inspectors/representatives shall have the right to perform a final inspection of the Property on the Closing Date or within \_\_\_ day(s) prior to the Closing Date. This inspection is solely to verify that the Property is in the same or better condition as it was on the Binding Agreement Date, excluding normal wear and tear, and to confirm that all agreed-upon repairs or replacements have been completed. The Property shall remain in this condition until the Closing Date, at the Seller's expense. Completion of the Closing constitutes the Buyer's acceptance of the Property in its condition as of the time of Closing, unless otherwise specified in writing.

**8. Buyer's Additional Due Diligence Options.** If any of the matters listed below are of concern to the Buyer, the Buyer should address those concerns through a specific contingency outlined in the Special Stipulations section of this Agreement.

**A. Survey and Flood Certification.** Survey work and flood certifications are the most reliable methods for identifying boundary lines, encroachments, easements, and flood zone classifications. The Buyer has the option to obtain a survey, a closing loan survey, or



a boundary line survey, as well as flood zone certifications.

**B. Insurability.** Many factors can impact the insurability and insurance rates of a property, including changes in Flood Zone Certifications, updates to earthquake zone maps, the Buyer's insurability, and prior claims made on the Property. It is the Buyer's right and responsibility to evaluate the insurability, coverage, and cost of insuring the Property. The Buyer is also responsible for determining whether any exclusions will apply to the Property's insurability.

**C. Water Supply.** The water supply system may or may not comply with state and local requirements. It is the Buyer's right and responsibility to verify the system's compliance with these regulations. [For more details, the "Water Supply and Waste Disposal Notification" form can be requested.]

**D. Waste Disposal.** The waste disposal system may or may not meet state and local requirements. It is the Buyer's right and responsibility to confirm the system's compliance. Additionally, the Buyer may, at their own expense, obtain a septic system inspection letter from the Tennessee Department of Environment and Conservation, Division of Ground Water Protection. [For further information, the "Water Supply and Waste Disposal Notification" form can be requested.]

**E. Title Exceptions.** At Closing, the general warranty deed will be subject to subdivision and/or condominium declarations, covenants, restrictions, and easements of record. These may impose obligations and limitations on the Buyer's use of the Property, including its inclusion in a Planned Unit Development (PUD). There may also be fees and assessments associated with these exceptions.

**F. Toxic/Foreign Substances.** Testing, such as a Phase 1 study, may be conducted to detect the presence of radon or other potentially hazardous substances. The Buyer may also wish to investigate or have the Property inspected for underground tanks, tires, appliances, garbage, foreign or unnatural materials, asbestos, polychlorinated biphenyls (PCBs), urea-formaldehyde, methane gas, radioactive materials, or evidence of methamphetamine production.

**G. Land Issues.** The Buyer may want to investigate potential land-related concerns, such as the presence of fill, mine shafts, wells, diseased or dead trees, or private or non-dedicated roadways. Additionally, the Buyer may wish to evaluate or inspect for signs of sliding, settling, earth movement, upheaval, or earth stability issues, whether detected in previous inspections or evaluations or through new inspections conducted on the Property.

**H. Rights and Licenses.** Certain Properties may include mineral, oil, and timber rights, which may or may not transfer with the Property. Additionally, licenses or usage permits for crops, minerals, water, grazing, timber, hunting, or fishing—such as participation in a Crop Rotation Program—may exist. Buyers are encouraged to consult with their closing agency to address any questions about leases or other agreements that may be part of the chain of title.

**9. Disclaimer.** The real estate firms and licensees representing or assisting the Seller and/or Buyer, along with their brokers (collectively referred to as "Brokers"), are not parties to this Agreement and do not assume any liability for the performance or nonperformance of the Seller or Buyer. The Buyer and Seller agree that Brokers are not responsible for matters revealed through a survey, flood certification, title search, or inspection of the Property; the insurability or cost of insuring the Property; the condition of the Property, its components, or any items within; building materials and construction techniques; geological issues present on the Property; failure to physically inspect the Property before entering this Agreement or Closing; necessary repairs or their costs; hazardous or toxic materials; tax or legal implications of the transaction; the availability, capability, or costs of utilities, sewer, septic systems, or community amenities; pending or proposed condemnation actions involving the Property; acreage, square footage, or boundary information; school district boundaries or other school-related details; the appraised or future value of the Property; off-property conditions that could impact the Property; financing terms, conditions, or availability; and the current or proposed uses and zoning of the Property. The Buyer and Seller acknowledge that Brokers are not experts on these matters and affirm that they have not relied on any advice, statements, or representations from Brokers or their affiliated licensees. Both parties waive and agree not to assert any claims against Brokers related to these issues. The Buyer and Seller are strongly encouraged to engage appropriately qualified experts or professionals of their choice to provide independent advice and counsel regarding these or any other concerns about the Property. Additionally, the Buyer and Seller acknowledge that photographs, marketing materials, and digital media used in marketing the Property may remain publicly available after Closing, and Brokers shall not be liable for the use of such materials that are beyond their control.

**10. Brokerage.** As outlined in separate agreement(s), the parties acknowledge and agree that the Brokers involved in this transaction may receive compensation for their services, which may come from multiple parties. All parties to this Agreement further agree and acknowledge that any real estate firm participating in this transaction shall be considered a third-party beneficiary solely for the purpose of enforcing their compensation rights. As such, they have the right to initiate legal action under this Agreement to recover any compensation owed, including reasonable attorney's fees and court costs. It is also acknowledged that **Broker compensation is not determined by law and that compensation rates are fully negotiable.**

**11. Default.** If the Buyer defaults under this Agreement, the Earnest Money/Trust Money shall be forfeited as damages to the Seller and applied as a credit against the Seller's damages. The Seller may also choose to pursue additional damages or specific performance of the Agreement, or both, through legal action. If the Seller defaults, the Buyer's Earnest Money/Trust Money shall be refunded, and the Buyer may choose to pursue damages or specific performance of the

Agreement, or both, through legal action. Should any party file a lawsuit for breach or enforcement of this Agreement (including suits filed after Closing that relate to this Agreement), the prevailing party shall be entitled to recover all enforcement costs, including reasonable attorney's fees. If any party exercises their right to terminate this Agreement due to the default of the other party, the terminating party retains the right to pursue any and all legal remedies against the defaulting party following termination. Both parties agree that all remedies outlined in this Agreement are fair and equitable, and neither party shall claim a lack of mutuality of remedies, rights, or obligations as a defense in the event of a dispute.

**12. Non-Assignability.** This Purchase and Sale Agreement may not be assigned by the Buyer without the prior written consent of the Seller.

**Other Provisions.**

- A. Binding Effect, Entire Agreement, Modification, Assignment, and Binding Agreement Date.** This Agreement shall benefit and be binding upon the parties involved, as well as their heirs, successors, legal representatives, and approved assigns. It represents the complete and entire agreement between the parties, and no modifications shall be valid unless signed by all parties or approved assigns. Any representation, promise, or inducement not included in this Agreement shall not be binding on any party. Both Buyer and Seller agree that no real estate agent working with or representing either party has the authority to bind the Buyer, Seller, or any assignee to any contractual terms unless explicitly authorized in writing within this Agreement. Any approved assignee must comply with all terms and conditions outlined in this Agreement. The parties also authorize either licensee to record the time and date when the notice of acceptance of the final offer is received. This recorded time and date shall be referred to as the Binding Agreement Date and will be used to establish all performance deadlines.
- B. Survival Clause.** Any provision within this Agreement that, by its nature and effect, must be performed after Closing shall survive the Closing and the delivery of the deed. Such provisions will remain binding on the parties to this Agreement and will continue to be fully enforceable thereafter.
- C. Governing Law and Venue.** This Agreement is intended to serve as a agreement for the purchase and sale of real property and shall be governed by and interpreted in accordance with the laws of the State of Tennessee. Any disputes arising under this Agreement shall be resolved in the courts of the State of Tennessee.
- D. Time of Essence.** Time is of the essence in this Agreement.
- E. Terminology.** For the purposes of this Agreement, the following interpretations shall apply as the context requires: (1) The singular shall include the plural, and the plural shall include the singular; (2) All pronouns shall refer to and include the person, entity, firm, or corporation to which they relate.; (3) The masculine shall include the feminine, and the feminine shall include the masculine. (4) The term "day(s)" used in this Agreement shall refer to calendar day(s) ending at 11:59 p.m. local time, unless otherwise **If a performance deadline**, excluding the Closing Date, Date of Possession, or Offer Expiration Date, falls on a Saturday, Sunday, or legal holiday, the deadline shall automatically extend to the next business day. Holidays are defined as federal holidays pursuant to 5 U.S.C. § 6103. For calculating any time period in this Agreement, the starting day shall be the day following the initial date (e.g., the Binding Agreement Date) specified. Local time is determined by the location of the Property.

- F. Responsibility to Cooperate.** The Buyer and Seller agree to take all necessary actions and provide, execute, and/or deliver any information or documentation reasonably required to fulfill the responsibilities and obligations of this Agreement in a timely manner. Except for matters caused by clerical errors, omissions, or incorrect information, the parties' approval of the closing agreement shall signify their acceptance of any differences between this Agreement and the Closing. Furthermore, the Buyer and Seller agree that, if requested after Closing, they will correct any agreement and pay any amounts owed as appropriate to address mistakes, clerical errors, omissions, or errors resulting from incorrect information.
- G. Notices.** Except as otherwise stated in this Agreement, all notices and demands required or permitted under this Agreement must be in writing and may be delivered by one of the following methods: (1) in person; (2) via a prepaid overnight delivery service; (3) by facsimile transmission (FAX); (4) through the United States Postal Service, using postage prepaid, registered or certified mail with return receipt requested; or (5) by email. A notice will be considered given as of the date and time it is actually received. Receipt of a notice by the real estate licensee or Broker assisting a party as a client or customer will be considered notice to that party for all purposes under this Agreement, including any amendments, unless otherwise stated in writing.
- H. Risk of Loss.** The risk of hazard, casualty loss, or damage to the Property shall remain with the Seller until the transfer of title. If a casualty loss occurs prior to Closing and exceeds 10% of the Purchase Price, either the Seller or the Buyer may choose to terminate this Agreement, in which case the Earnest Money/Trust Money will be refunded to the Buyer.
- I. Equal Housing.** This Property is being sold in compliance with equal housing laws and without regard to race, creed, color, sex, religion, handicap, familial status, or national origin.
- J. Severability.** If any portion or provision of this Agreement is determined to be invalid or unenforceable for any reason, that specific portion or provision shall be severed from the rest of the Agreement. The remaining portions or provisions will remain unaffected and in full force and effect. If the Agreement is rendered invalid due to the severed provisions, the offending language will be amended to comply with state and federal laws.
- K. Alternative Dispute Resolution.** In the event the parties choose to use Alternative Dispute Resolution, the "Resolution of Disputes by Mediation Addendum/Amendment" (RF629) should be incorporated into this Agreement.
- L. AGREEMENT Construction.** Any uncertainty or ambiguity in this Agreement shall not be interpreted against any party. Instead, it shall be construed as though all parties jointly prepared this Agreement.
- M. Section Headings.** The Section Headings in this Agreement are provided for reference purposes only and shall not be considered to alter the content or limit the scope of any Section.

**14. Method of Execution.** The parties agree that signatures and initials transmitted via facsimile, other photocopy methods, or digital signatures as defined by applicable State or Federal law shall be considered valid and treated as originals. The final Lot/Land Purchase and Sale Agreement, including all required signatures and initials, may be executed in part with original signatures and in part with facsimile, photocopy, or digital signatures, in compliance with applicable State or Federal law.

**15. Exhibits and Addenda.** All exhibits and/or addenda attached to, listed in, or referenced within this Agreement are hereby incorporated as part of this Agreement:

**16. Special Stipulations.** The following Special Stipulations, if conflicting with any preceding section, shall control:

**17. Time Limit of Offer.** This Offer may be withdrawn at any time before acceptance by providing Notice. The Offer will terminate if it is

not countered or accepted by \_\_\_\_\_ o'clock  a.m./  p.m. on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

**LEGAL AGREEMENT:** This is a significant legal agreement that establishes important rights and obligations. If you have any questions or concerns about its content, you are encouraged to consult with your attorney. Neither the Broker nor any Agent or Facilitator is authorized or qualified to provide advice regarding the advisability or legal implications of its provisions.

**NOTE:** Any provisions in this Agreement that are preceded by a “” must be marked to be included as part of this Agreement. Any blank spaces left uncompleted shall be considered as zero or not applicable.

**WIRE FRAUD WARNING:** Never rely on wiring instructions received via email. Cybercriminals are hacking email accounts and sending fraudulent emails with fake wiring instructions that appear genuine and sophisticated. Always verify wiring instructions independently, either in person or through a phone call to a trusted and verified phone number. Never wire money without double-checking the accuracy of the instructions. **NEVER ACCEPT WIRING INSTRUCTIONS FROM YOUR AGENT OR BROKER.**

**BY SIGNING BELOW, YOU CONFIRM THAT YOU HAVE REVIEWED AND UNDERSTAND ALL THE TERMS OUTLINED IN THIS AGREEMENT.**

|   |   |
|---|---|
| Buyer hereby makes this offer.<br>_____   |   |
| <b>BUYER</b><br>_____   | <b>BUYER</b><br>_____   |
| _____ at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm | _____ at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm |
| <b>Offer Date</b>   | <b>Offer Date</b>   |

|  |   |
|--|---|
| Seller hereby:   |   |
| <input type="checkbox"/> <b>ACCEPTS</b> – accepts this offer.<br><input type="checkbox"/> <b>COUNTERS</b> – accepts this offer subject to the attached Counter Offer(s).<br><input type="checkbox"/> <b>REJECTS</b> – rejects this offer and makes no counter offer. |   |
| _____  | _____   |
| <b>SELLER</b>  | <b>SELLER</b>   |
| _____ at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm  | _____ at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm |
| <b>Date</b>  | <b>Date</b>   |

**Acknowledgement of Receipt.** \_\_\_\_\_ Hereby acknowledges receipt of the final accepted offer on \_\_\_\_\_ at \_\_\_\_\_ o'clock  AM /  PM. This date shall be referred to as the Binding Agreement Date for the purpose of establishing performance deadlines as outlined in the Agreement.

**For Information Purposes Only:**

|   |                                |
|---|--------------------------------|
| Listing Company: _____  | Selling Company: _____         |
| Listing Firm Address: _____   | Selling Firm Address: _____    |
| Firm License No.: _____   | Firm License No.: _____        |
| Firm Telephone No.: _____   | Firm Telephone No.: _____      |
| Listing Licensee: _____   | Selling Licensee: _____        |
| Licensee License Number: _____  | Licensee License Number: _____ |
| Licensee Email: _____   | Licensee Email: _____          |
| Licensee Cellphone No.: _____   | Licensee Cellphone No.: _____  |
| Home Owner's / Condominium Association (“HOA/COA”) / Property Management Company: _____ |                                |

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

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