

# CONTRACT FOR PURCHASE OF REAL ESTATE

\_\_\_\_\_  
(the "Purchaser"), offers to purchase from \_\_\_\_\_  
\_\_\_\_\_  
(the "Vendor"), the following described real estate and other property located in \_\_\_\_\_ County, Indiana, commonly known as \_\_\_\_\_, the legal description of which is:

and including all improvements thereto either permanently installed, or which belong to or are used in connection with the real estate, wherever located, such as electrical or gas fixtures, heating equipment, hot water heater and water softener (if not leased); window shades and venetian blinds, curtain and drapery rods and fixtures; screens, storm doors and windows, and awnings; television and radio antennae; and

(all referred to as the "Real Estate" for \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) (the "Purchase Price), subject to the following written terms and conditions:

## 1. Payment. The Purchase Price shall be paid as follows:

**1.1 Earnest Money Deposit.** Purchaser herewith tenders to vendor, through \_\_\_\_\_, Vendor's agent, \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) (the "Earnest Money").

The Earnest Money shall be applied to the Purchase Price and shall be credited first to any portion thereof payable in cash at the time of closing. The Earnest Money shall be returned immediately to Purchaser if this offer is not accepted.

**1.2 Payment on Closing.** On closing this transaction, Purchaser shall -  
(select appropriate Sub-paragraph)

- 1.21 pay the Purchase Price less the Earnest Money in cash to Vendor
- 1.22 pay Vendor the Purchase Price in cash less the Earnest Money and the unpaid balance, determined as of date of closing, of a loan secured by the existing first mortgage on the Real Estate which Purchaser shall assume and agree to pay and which obligation shall survive the delivery of the deed.

## 2.1 Financing.

(Select either Sub-paragraph 2.1 or 2.2 or delete entire paragraph)

2.1 Assumption of Existing Loan: Vendor represents that the following describes the loan secured by a mortgage to be assumed by Purchaser:

Name of Lender \_\_\_\_\_  
Type of Mortgage \_\_\_\_\_  
(FHA, VA, Conventional, RRM, etc.)

Approximate Balance Due \_\_\_\_\_  
Current Interest Rate Per Annum \_\_\_\_\_  
Monthly Payment \_\_\_\_\_  
Monthly Charges for (taxes, insurance,  
Mortgage insurance, if any) \_\_\_\_\_

Purchaser agrees to pay interest at the maximum initial rate of \_\_\_\_\_% per annum if necessary to obtain lender's consent to Purchaser's assumption of the mortgage, Purchaser shall also pay any transfer fees charged by lender, and will reimburse Vendor for Vendor's funds, if any, held in escrow by the lender.

2.2 New Loan. Purchaser's obligation under this Contract is subject to Purchaser's ability to obtain the following described loan:

Type of Mortgage \_\_\_\_\_  
(FHA, VA, Conventional, RRM, etc.)  
Amount \_\_\_\_\_  
Maximum Initial Interest Per Annum \_\_\_\_\_  
Maximum Cost for origination fees,  
discount points or similar charges \_\_\_\_\_

If the loan to be obtained is one guaranteed by the Veterans Administration or insured by the Federal Housing Administration, Vendor agrees to pay that portion of any discount points, origination fees, or similar costs charged by a lender which exceeds the maximum amount Purchaser is permitted to pay, provided the amount to be paid by Vendor does not exceed \_\_\_\_\_ Dollars (\$\_\_\_\_\_).

2.3 VA or FHA Loans. If this Contract is subject to Purchaser's obtaining a loan guaranteed by the Veterans Administration (VA) or insured by the federal Housing Administration (FHA), the following provision shall apply:

It is agreed, that notwithstanding any other provision of this Contract, the Purchaser shall not be obligated to complete the purchase of the Real Estate or to incur any penalty by forfeiture of Earnest Money deposits or otherwise if in the case of a VA loan the Purchase Price exceeds the reasonable value of the land and improvements established by VA or unless in exceeds the reasonable value of the land and improvements established by VA or unless in the case of a FHA loan, the Vendor fails to deliver to Purchaser a written statement issued by the case of a FHA loan, the Vendor fails to deliver to Purchaser a written statement issued by the case of a FHA setting forth the appraisal value of the property for mortgage insurance purposes of not less than \_\_\_\_\_ Dollars (\$\_\_\_\_\_)

Which statement the Vendor agrees to deliver tot he Purchaser promptly after such which statement the vendor agrees to deliver to the Purchaser promptly after such appraised value statement is made available to the vendor. The Purchaser shall, however, have the privilege and option of proceeding with the consummation of this Contract without regard to the amount of the appraised valuation made by FHA or the reasonable value established by VA. The appraised valuation made by FHA is arrived at to determine the maximum mortgage FHA will insure. FHA does not warrant the value or the condition of the property. Therefore, the Purchaser should satisfy himself that the price and the condition of the property are acceptable.

2.4 Vendor's Right to Cancel. If written approval of Purchaser's assumption of an existing loan (if approval is a condition of such assumption) or a written commitment for a loan as described above is not obtained by \_\_\_\_\_ 20\_\_\_\_\_, Vendor may cancel this Contract and shall immediately return the

Earnest Money to Purchaser.

2.5 Purchaser's Right to Cancel. Purchaser shall make a bona fide effort to Obtain the financing or approval described above in a prompt and diligent manner but if unable to obtain such financing or approval, may cancel this Contract in which event Vendor shall immediately return the Earnest Money to the Purchaser.

**4. Survey and Title Evidence.**

(select Appropriate Sub-paragraphs)

4.1 Vendor, at (Vendor's) (Purchaser's) expense, shall furnish Purchaser an Owner's Policy of Title Insurance in an amount equal to the amount of the Purchase Price from Chicago Title Insurance Company insuring marketable title subject only to such exceptions as are permitted by this Contract.

Survey or Location Report      or       Staked Survey

4.2 Purchaser shall receive a Plat of Survey of the Real Estate satisfactory to Purchaser, certified as of a current date, showing the location of all improvements and easements located thereon. Vendor (shall) (shall not) be required to furnish such a survey at Vendor's expense.

4.3 The title evidence selected and a survey, if required, shall be ordered by the Party obligated to pay the charges therefor immediately after acceptance of this offer if Purchaser does not require financing or after receipt of notice that Purchaser's loan or assumption of an existing loan has been approved.

**5. Taxes and Assessments.**

Purchaser assumes and agrees to pay all assessments for public improvements becoming a lien after closing and much of the real estate taxes assessed for and becoming a lien during the calendar year in which closing occurs as shall be allocable to Purchaser on and after closing. Vendor shall pay the balance of such taxes, using, for closing purposes, the present tax rate if the applicable tax rate has not been set, and provided that both installments of real estate taxes payable during the calendar year in which closing occurs shall be paid by Vendor. Any taxes not assumed by Purchaser and which are not due and payable at the time of closing shall be allowed to Purchaser as a credit on the cash payment required on closing, and Vendor shall not be liable thereafter for such taxes.

**6. Risk of Loss.**

Vendor shall bear the risk of loss or damage to the improvements occurring subsequent to the acceptance of this Contract and until delivery of the deed. If damage occurs and the damage cannot be repaired for an amount not to exceed 10% of the purchase Price, either party may cancel this Contract and Vendor will pay Purchaser without delay the Earnest money and any sums expended by Purchaser for surveys or title evidence. If the damage can be repaired for a sum less than 10% of the Purchase Price, Vendor shall pay for such repair.

**7. Inspection, Purchaser acknowledges that Vendor has made no warranties or representation pertaining to the quality or condition of the real estate and that Purchaser has inspected the premises and agrees to purchase the real estate in an "as is" condition.**

**8. Prorations.** Rents, if any, and interest on any loan to be assumed by Purchaser shall be prorated to date of closing.

**9. Default.** If Vendor, through no fault of Vendor, is unable to convey marketable title as required by this Contract and defect or defects are not waived by Purchaser, Vendor's sole obligation shall be to return promptly the

Earnest money and any sums expended by Purchaser for survey or title evidence; provided, however, Purchaser shall have the right to pay and satisfy any existing liens not otherwise assumed by Purchaser and deduct that amount from the Purchase Price. If vendor refuses to perform as required Purchaser may pursue all available legal and equitable remedies.

If Purchaser refuses to perform as required by this Contract, Vendor may elect either to pursue all available legal or equitable remedies or declare a forfeiture hereunder and retain the Earnest Money as liquidated damages.

**10. Closing and Possession.**

10.1 The transaction shall be closed at a time and place acceptable to the parties but in no event later than \_\_\_\_\_, 20\_\_\_\_. either party may, however, request and receive a \_\_\_\_\_ day extension of the closing date in the event the transaction cannot be closed due to delay in obtaining the title evidence, title clearance work, survey or loan approvals, provided that such delay does not result from the fault of the party requesting the extension.

10.2 At closing Vendor shall - deliver to Purchaser an executed \_\_\_\_\_ deed in recordable form conveying marketable title to the Real estate subject only to exceptions permitted by this Contract.

10.3 Possession of the Real Estate shall be delivered to the Purchaser -  
(Select Appropriate Sub-paragraph)  
10.30 on the date of closing.  
10.31 By \_\_\_\_\_ 20\_\_\_\_\_.

**11 Additions**

12 **Duration of Offer.** This offer shall expire if written acceptance endorsed Hereon is not delivered to Purchaser or left for Purchaser (at) (with) \_\_\_\_\_ on or before \_\_\_\_\_ o'clock \_\_\_\_\_ M., \_\_\_\_\_ 20\_\_\_\_\_.  
Dated \_\_\_\_\_ 20\_\_\_\_\_.  
Signature \_\_\_\_\_ Signature \_\_\_\_\_  
Printed \_\_\_\_\_ Printed \_\_\_\_\_  
(Purchaser) (Purchaser)

**ACCEPTANCE OF OFFER AND RECEIPT FOR EARNEST MONEY**

The Undersigned, Vendor, hereby accepts such offer and acknowledges receipt of \_\_\_\_\_ Dollars (\$\_\_\_\_\_) as Earnest Money to be held for Purchaser's benefit and either applied, returned, or forfeited according to the terms of this Contract for Purchase of Real Estate.

Vendor agrees to pay \_\_\_\_\_, Vendor's Agent, the sum of \_\_\_\_\_ Dollars (\$\_\_\_\_\_) as commission for services rendered upon consummation of this transaction.

Dated \_\_\_\_\_, 20\_\_\_\_\_.  
Signature \_\_\_\_\_ Signature \_\_\_\_\_  
Printed \_\_\_\_\_ Printed \_\_\_\_\_