

Contract to Purchase Commercial-Industrial-Investment ("Contract")

Adopted by the
**Commercial Real Estate Council
of Greater Cincinnati**

For exclusive use by REALTORS®.

This is a legally binding contract. If not understood, seek legal advice.
For real estate advice, consult a REALTOR®.



1 _____
NAME OF LISTING REALTOR® FIRM

ADDRESS

2 PROPERTY DESCRIPTION: The undersigned buyer ("Buyer") offers to purchase from the seller ("Seller"), the following described Real Estate ("Real Estate") with improvements and fixtures thereon and with all appurtenant rights, privileges and easements, located in _____ (City) _____ (County), _____ (State) described as _____

_____ further described in Auditor's Plat Book Number _____, Page _____, as Parcel(s) _____.

3 INCLUDED IN THE SALE: The Real Estate shall include, without limitation, the following: all electrical, plumbing, heating and air conditioning equipment, if any, except: _____

4 OTHER ITEMS: The following items shall be included in the sale: _____

5 PRICE AND TERMS: The purchase price shall be \$ _____ ("Purchase Price") payable as follows:

(a) **EARNEST MONEY:** \$ _____ ("Earnest Money") shall be deposited with _____ ("Agent") upon written acceptance of this Contract, in a trust account ("Trust Account") pending closing ("Closing"), on the Real Estate and other items included in the sale in Section 4, if any. The Earnest Money shall be disbursed as follows: (i) at Closing, the Earnest Money shall be applied to Purchase Price and, if deposited with REALTOR® Firm acting as Agent, may be retained by Agent and credited toward the brokerage commission owed REALTOR® Firm or as directed by Buyer; (ii) if either party fails or refuses to perform, or if any contingency is not satisfied or waived, the Earnest Money shall be (a) disbursed in accordance with a release of Earnest Money ("Release") signed by all parties to the Contract; or (iii) in the event of a dispute between the Seller and Buyer regarding the disbursement of the Earnest Money the Earnest Money shall be in accordance with the following:

(1) The Agent shall maintain such funds in the Trust Account until the Agent receives (i) written instructions signed by the parties specifying how the Earnest Money is to be disbursed or (ii) a final court order that specifies to whom the Earnest Money is to be awarded. Both Buyer and Seller acknowledge and agree that, in the event of a dispute between Buyer and Seller as to entitlement of the Earnest Money, the REALTORS® will not make a determination as to which party is entitled to the Earnest Money.

(2) If the Real Estate is located in Ohio, any disbursement of Earnest Money shall be in compliance with Ohio R.C. 4735.24. If, within two years from the date the Earnest Money was deposited in the Agent's Trust Account, the parties have not provided the Agent with such signed instructions or written notice that a court legal action to resolve the dispute has been filed, the Agent shall return the Earnest Money to the Buyer with no further notice to the Seller.

(3) If the Real Estate is located in Kentucky, any disbursement of Earnest Money shall be in compliance with KRS 324.111, and the Agent may initiate the release process. The Agent shall notify all parties at their last known address by certified mail that the Earnest Money shall be distributed to the parties specified in the letter unless all parties enter into a written mutual release, or unless one (1) or more of the parties initiate litigation within sixty (60) days of the mailing date of the certified letter. If neither Buyer nor Seller initiates litigation or enters into a written release within sixty (60) days of the mailing date of the certified letter, the Agent may release the deposit to the party identified in the certified letter without penalty under this section and without civil liability in the courts of the Commonwealth of Kentucky.

Buyer's Initials _____ Date / Time _____ Seller's Initials _____ Date / Time _____

Notwithstanding the foregoing, the Buyer shall retain the right to the deposit in the following circumstances: (i) if Seller fails to accept this offer, (ii) if Seller fails to perform Seller's obligations under this Contract; or (iii) if the contingencies set forth in Section 6, and if applicable, 7 are not satisfied and as a result, Buyer elects to terminate this Contract. Seller shall be entitled to the Earnest Money if Buyer fails to perform Buyer's obligations under this Contract or upon default by Buyer's failure to comply with any material obligation imposed under this Contract.

(b) **BALANCE:** The balance of the Purchase Price shall be paid by cash or certified, cashier's, attorney or title company trust account check, or by federal wire transfer on date of Closing.

6 CONTINGENCIES: The Buyer's obligation to close this transaction is contingent upon the following:

(a) **FINANCING:** _____

 _____.

Buyer agrees to apply for and to make a diligent effort to obtain said financing on or before _____ or this Contract shall become null and void at the option of the Seller. Buyer is relying on Buyer's own understanding of financing to be obtained as well as the legal and tax consequences thereof, if any.

(b) **INSPECTIONS:** Buyer may, at Buyer's sole discretion and expense, perform inspections of the Real Estate prior to the Closing. Buyer's inspection of the Real Estate may include: physical inspection of the condition of the property, title, survey, environmental conditions, the roof, mechanical equipment, zoning and permits, feasibility of intended use, site preparation costs and _____ (collectively, "Buyer's Inspection").

Buyer's Inspection shall be completed within _____ days ("Inspection Period") of acceptance of this Contract. Buyer shall provide written acceptance of the conditions of all such items within the Inspection Period. Seller agrees to provide Buyer with any and all of the above information, if available (i.e.: survey, title, inspection reports) and shall allow access to real estate at reasonable times for the purpose of conducting Buyer's Inspection. If Buyer is not satisfied with the results of Buyer's Inspection then Buyer shall have the option to terminate this Contract by providing written notification to _____ (Listing Firm) prior to the expiration of the Inspection Period. **If Buyer does not provide said notice, then Buyer shall be deemed to be satisfied with the inspection report(s) and the contingency will be considered waived as of, but not prior to, the expiration of the Inspection Period.**

(c) **OTHER:** _____.

7 ADDENDUM: Additional terms and conditions ☐ are ☐ are not set forth as an Addendum attached hereto and made an integral part of this Contract.

8 BUYER'S EXAMINATION: Buyer is relying solely upon Buyer's own examination of the Real Estate and inspections herein required, if any, for its physical condition and character, and the real estate's suitability for Buyer's intended use thereof and not upon any representations by the REALTORS® involved, except for those made by said agents directly to the Buyer in writing.

9 SELLER'S CERTIFICATION: The Real Estate is zoned _____; is ☐ is not ☐ located in a Historic District; and is ☐ is not ☐ located in a flood plain. Seller represents and warrants that to the best of the Seller's knowledge (a) no toxic or hazardous substances or wastes have been disposed upon or released, unless documented and done in compliance with applicable environmental laws, in, on, or from the Real Estate including, but not limited to, asbestos, PCB's, oil and petroleum products; (b) there are not presently nor have there ever been any underground storage tanks or above ground storage tanks located in, on, or under the Real Estate; (c) no City, County, State or Federal orders have been served upon Seller requiring work to be done or improvements to be made which have not been performed; and, (d) a Phase I Environmental Audit ☐ has ☐ has not been furnished to the Buyer. REALTORS® make no representations or warranties concerning the environmental condition of the Real Estate and Buyer has relied solely upon the representations and warranties of Seller as set forth herein or in other disclosures listed in Section 16 of this Contract.

10 CONDITION OF IMPROVEMENTS: Seller agrees that upon delivery of deed, the improvements constituting part of the Real Estate shall be in the same condition as they are on the date of this offer, reasonable wear and tear excepted. Seller shall continue to insure the improvements until Closing naming Buyer as an additional insured as Buyer's interest may appear. In the event of loss before Closing and if such loss shall not be repaired by and at the cost of Seller prior to Closing, the Buyer may elect to accept the property and insurance proceeds, or terminate this Contract, in which latter event Buyer shall be entitled to a return of the Earnest Money.

Buyer's Initials _____ Date / Time _____ Seller's Initials _____ Date / Time _____

11 PRORATIONS: Seller shall be responsible to pay all real estate taxes and assessments accrued on the Real Estate through the date of Closing. Real estate taxes, installments of assessments, rents and operating expenses shall be prorated as of the date of Closing. Buyer shall pay all taxes, installments of assessments, and operating expenses which may become due and payable following date of Closing. Any security and/or damage deposits held by Seller shall be transferred to Buyer at Closing. Real estate taxes and assessments will be prorated based on the most recent official tax duplicate as of the date of Closing.

12 CONVEYANCE AND CLOSING: Seller shall be responsible for transfer taxes, conveyance fees, deed preparation; and shall convey marketable title to the Real Estate, with release of dower, by ☐ deed of general warranty in fee simple absolute or ☐ deed. Buyer shall be responsible for other Closing costs and fees. Such conveyance to take place within _____ days of release or waiver of contingencies, (or at such sooner time as mutually agreeable in writing), to the parties hereto, free, clear and unencumbered as of Closing except restrictions, assessments and easements of record which do not adversely affect the use of the Real Estate, except _____.

Seller shall have the right at Closing to pay for the removal of any and all encumbrances or liens out of the proceeds. At Closing Seller shall execute any document reasonably required by Agent or the title company to effectuate the sale contemplated by this Contract.

13 POSSESSION: Possession shall be given, subject to tenants' rights, upon Closing. Tenants' rights in the Real Estate are: _____

14 INDEMNITY: Seller and Buyer recognize that the REALTORS® involved in the sale are relying on all information provided herein or supplied by Seller or Seller's sources and/or Buyer or Buyer's sources in connection with the Real Estate, and agree to indemnify and hold harmless the REALTORS®, their agents and employees, from any claims, demands, damages, suits, liabilities, costs and expenses (including reasonable attorney's fees) arising out of any misrepresentation or concealment of facts by Seller or Seller's sources and/or Buyer or Buyer's sources.

15 AGENCY DISCLOSURE: Seller and Buyer acknowledge having reviewed and signed the attached state-mandated Agency Disclosure Statement and Dual Agency Disclosure Statement, if applicable.

16 OTHER DISCLOSURES: The following additional disclosures have been provided: _____

- ☐ Lead-based paint (mandatory for properties built prior to 1978 which contain one or more dwelling units).
- ☐ Residential Property Disclosure (mandatory for any property which contains 1-4 dwelling units).
- ☐ Other _____

17 LISTING SERVICE AUTHORITY: Seller and Buyer authorize REALTOR® to disclose this sales information, including sale price and terms, to any Listing Service to which REALTOR® is a member.

18 GOVERNING LAWS: This Contract shall be governed in accordance with the laws of the state in which the Real Estate is located.

19 SOLE CONTRACT: The parties agree that this Contract constitutes their entire agreement, and that no oral or implied agreement exists. Any amendments to this agreement shall be made in writing, signed by both parties and copies shall be attached to all copies of this original agreement. This offer, when accepted, shall be binding upon the parties, their heirs, administrators, executors, successors and assigns. The parties acknowledge that they have been provided the opportunity to have this Contract reviewed by legal counsel prior to signing, unless such contingency has been incorporated into this Contract under Section 6 herein.

20 TIME IS OF THE ESSENCE: Time is of the essence with respect to the performance of every provision of this Contract in which time of performance is a factor.

21 ELECTRONIC SIGNATURES: Manual or electronic signatures on contract documents, transmitted in original, facsimile or electronic format shall be valid for purposes of this Contract and any amendments, addendums or notices to be delivered in connection with this Contract. Only original, manually signed documents shall be valid for deeds or other documents to be recorded at or after closing.

22 EXPIRATION AND APPROVAL: This offer shall remain open for acceptance until _____ o'clock ☐ AM ☐ PM EASTERN STANDARD/EASTERN DAYLIGHT TIME on _____, _____, and a signed copy shall be returned to Buyer upon acceptance.

Buyer's Initials _____ Date / Time _____ Seller's Initials _____ Date / Time _____

WITNESS: _____

BUYER: _____

DATE : _____ Time: _____

Name of Buyer's REALTOR® Firm, if any

BUYER: _____

DATE : _____ Time: _____

22 RECEIPT OF EARNEST MONEY BY AGENT: _____, _____, _____,
CITY STATE DATE

I hereby acknowledge receipt of \$ _____ in accordance with the terms herein.

By: _____
Name_____
Firm**23 COMMISSION:** Seller agrees to pay a commission of _____% of the purchase price to Buyer's REALTOR® Firm, if any.**24 ACTION BY SELLER:** The undersigned Seller has read and fully understands the foregoing offer and hereby ☐ accepts said offer and agrees to convey the Real Estate according to the above terms and conditions, ☐ rejects said offer, or ☐ counteroffers according to the above modifications initialed by Seller, which counteroffer shall become null and void if not accepted in writing on or before _____ o'clock ☐ AM ☐ PM EASTERN STANDARD/EASTERN DAYLIGHT TIME _____, _____ (Date).

WITNESS: _____

SELLER: _____

DATE : _____ Time: _____

SELLER: _____

DATE: _____ Time: _____