

CONTRACT OF SALE - OFFER AND ACCEPTANCE

("Purchaser")
whose address is: _____

Hereby agrees to purchase from:

("Seller")
whose address is: _____

1. **PROPERTY DESCRIPTION.** Seller hereby agrees to sell all that lot or parcel of land, with all improvements thereon, and any interest appurtenant thereto, situated in South Carolina and being described as follows:

Legal: _____

Mailing: _____ (the "Property")

THE BUYER SELLER IS LICENSED UNDER THE LAWS OF SOUTH CAROLINA AS A REAL ESTATE LICENSEE.

2. **PURCHASE PRICE.** The total Purchase Price for the Property is \$ _____ to be paid by Purchaser as follows:

- a. Earnest Money deposited herewith ("Deposit") \$ _____
- b. Additional Deposit to be paid by _____ \$ _____
- c. A First Mortgage for at least _____ years at prevailing interest rates and terms \$ _____
- d. Balance in cash at Closing \$ _____

3. **FINANCING CONTINGENCY.** If referred to in Section 2-C above, this Contract is subject to the Purchaser obtaining a commitment for the financing referenced above from a lender customarily making such loans in Beaufort County and the surrounding area. Purchaser shall use best efforts to obtain such a loan and shall supply the prospective lender(s) with all requisite information. The timing of this financing contingency is as follows:

- a. **Purchaser's loan application must be submitted within _____ days.**
- b. **Purchaser shall obtain a comfort letter from the lender within _____ days.**
- c. **Purchaser shall obtain a loan commitment within _____ days.**

All time periods run from the date of this Contract. The "comfort letter" is to be in a form customarily used by lenders in Beaufort County.

If Purchaser's bona fide application does not result in a commitment within the above time frame, Purchaser shall have the affirmative obligation of notifying Seller or Seller's agent in writing that the financing contingency has not been satisfied and that the Purchaser has elected to terminate this Contract for failure to obtain financing. Such notice must be received by Seller or Seller's agent not later than five (5) days after the financing contingency expiration date. Upon receipt of notice and execution of any required release forms, the Listing Agency (or other Escrow Agent holding the funds) shall return to the Purchaser any sums heretofore paid as earnest money, and upon such payment, this Contract shall have no force and effect and neither party hereto shall have any rights against the other hereunder. **Notwithstanding the right to cure time period contained in Section 9, the parties acknowledge and agree that time is of the essence with respect to all time periods contained within this Section 3. No right to cure shall apply to the periods contained in this Section 3.** If

Initials: Purchaser _____ Date _____ Seller _____ Date _____

any requisite action called for by this Section is not taken within the time periods contained in this Section, the financing contingency shall be deemed waived.

4. **FURNISHINGS, SYSTEMS.** The property to be sold hereunder includes all heating and air conditioning systems, all fixtures attached to the Property and all plumbing and other equipment, and shall additionally include without limitation the following:

Refrigerator	Freezer	Washer	Dryer	Stove/Oven	Microwave	Cook Top
Dishwasher	Ceiling Fans	Irrigation System		Pool Equipment	Septic System	Furnished
Other _____						

If sold furnished, all furniture & furnishings is included unless specifically excepted by an attached list of excluded items. All appliances, heating, air conditioning, electrical and plumbing systems, fireplace, pool and spa shall be in good working order subject to reasonable wear and tear, which does not adversely affect the normal and regular use thereof. Further, the structure shall be reasonably sound and the roof free of leaks at time of Closing.

5. **WOOD INFESTATION REPORT.** Seller agrees to provide at its expense at Closing an "Official South Carolina Wood Infestation Report (CL-100)" in which no infestation or damage is reported or if there is damage observed, that it is insufficient to recommend repair. Such report must be dated within 45 days of the Closing and shall be provided to Purchaser's closing attorney not less than seven (7) days prior to closing. If infestation or sufficient damage is observed, Seller shall cause same to be repaired prior to closing or permit Purchaser's closing attorney to escrow funds from the sales proceeds at Closing in an amount equal to the costs of such repair.

6. **OTHER TERMS.** Other terms and conditions of this Contract are:

7. **DATE OF CLOSING.** The closing of this Contract shall take place on or before _____, (the "Closing") at the office of Purchaser's attorney or other offices stipulated by Purchaser. Unless otherwise provided herein, Seller shall deliver possession of the Property to Purchaser at Closing. Seller and Purchaser authorize their respective attorneys and the settlement agent to furnish to Listing Broker and Selling Broker copies of the final HUD-1 settlement statement for the transaction.

8. **CONDITION OF PROPERTY.** Purchaser has viewed the premises and, subject to the terms set forth in Section 4, Section 5 or Section 10, is purchasing the Property in its present condition "as is," except for:_____. The parties understand that "as is" means that the property is being conveyed in the condition in which it is presently found subject to the aforementioned sections. Purchaser shall be permitted to have an inspection of the property performed to insure that all heating, air-conditioning, electrical and plumbing systems, fireplace, and appliances are in good working order and that the home is structurally sound and free from leaks in accordance with the requirements of Section 4. At Closing, the Property shall be delivered in the same condition as existing at the time of this Contract except for those required improvements or agreed upon repairs. The Selling Agent recommends that Purchaser obtain an inspection.

9. **DEPOSITS / DEFAULT.** All money deposited by Purchaser hereunder shall be applied toward the Purchase Price at Closing. Upon the failure of either party to comply with the terms hereof within the stipulated time, and after receipt of notice of said default with a ten (10) day right to cure, it is understood and agreed by and between the parties hereto that either party may proceed with all rights and remedies at law or in equity against the defaulting party. In the case of a Purchaser default, the Seller may elect, in lieu of all other remedies, the forfeiture of the Deposit as liquidated and agreed upon damages. The parties agree that the Escrow Agent shall not disburse the Deposit until Seller and Purchaser have executed a release form authorizing the disbursement or until a court of competent jurisdiction has directed a disbursement. In the event of a forfeiture of the Deposit, it shall be divided equally between Seller and the Listing

Initials: Purchaser _____ Date _____ Seller _____ Date _____

Agency; provided, however, that the amount to be received by the Listing Agency shall not exceed the amount of the commission it would have earned had this sale been completed. In the event of any litigation commenced because of a default hereunder, the prevailing parties in such litigation shall be entitled to recover attorney fees and court costs from the non-prevailing parties.

The Escrow Agent shall not be required to institute or maintain any litigation unless indemnified to its satisfaction for its attorney fees, cost disbursements, and all other expenses and liabilities to which it may, in its judgment, be subjected in connection with this action. The Seller and Purchaser shall at all times indemnify the Escrow Agent against all actions, proceedings, claims and demands arising out of this transaction relating to the holding of the Deposit. In the event of a dispute between the Seller and Purchaser which cannot be resolved, the Escrow Agent shall have the option of depositing the Deposit into the Clerk of Court's Office, pending resolution of the disposition of said funds, and Escrow Agent shall bear no further responsibility for said Deposit. The Purchaser hereby acknowledges that the Deposit shall be held in escrow by the Escrow Agent, _____

10. **RISK OF LOSS AND DAMAGE.** In case the Property is wholly or partially damaged by fire, storm or other casualty, Purchaser may elect for ten (10) days after receiving written notice thereof, to proceed hereunder with a mutually agreed adjustment in the Purchase Price, or terminate this Contract and receive back all money deposited hereunder. **In the event the Property is damaged by the Purchaser, or by any person upon the Property on the Purchaser's behalf (i.e. – inspector), such damage shall be repaired by Purchaser.**

11. **PRORATIONS; CLOSING COSTS; ASSESSMENTS.** All expenses of ownership (and rents, if any) shall be prorated to the date of Closing. Purchaser is responsible for any applicable real estate transfer fees. Seller shall be responsible for the South Carolina deed-recording fee required by SC Code §12-24-10. Purchaser shall be responsible for County recording fees for the deed and any mortgage. Purchaser shall pay the cost of securing a title examination, title insurance, and a survey (except a Beach Protection Act survey, which is the responsibility of Seller); each party shall pay its own attorneys fees. Unless otherwise agreed to in this Contract, Seller shall be obligated to pay any regime or property owner association special assessment approved by its Board of Directors or similar body prior to closing; provided, however, a special assessment to cover insurance premiums, whenever assessed prior to closing, shall be pro-rated based on ownership over the period covered by the premium.

12. **BROKER DISCLAIMER.** Seller and Purchaser agree that the Selling Agency & Listing Agency are acting only as real estate agents in this transaction and as such have no responsibility for and make no oral or written representations concerning the condition of the premises, terms of the sale or title to the Property, nor are they responsible or accountable for payment of the Purchase Price or for any other funds, except the Deposit. Neither Agency guarantees payment of any check received as deposit money hereunder. Seller and Purchaser acknowledge that the Agencies: (1) give no guaranty or warranty of any kind, express or implied, as to the physical condition of the Property; (2) give no warranty, express or implied, as to the merchantability or fitness for a particular purpose regarding the Property; (3) give no guaranty or warranty concerning any inspection or report concerning the Property or the accuracy of any published square footage of the Property; (4) give no guaranties or warranties regarding any rental income or other economic benefit of the Property to Purchaser; (5) give no guaranties or warranties regarding any regime or property owner association special assessments which may apply to the Property; and (6) are not responsible for the accuracy of any information contained in the Seller's Property Condition Disclosure Statement.

13. **TITLE.** Seller shall convey marketable title to the Property to Purchaser in fee simple by proper deed in recordable form with covenants of general warranty, subject to normal utility easements, applicable restrictive covenants, governmental regulations and assessments. If an owner's title binder can be issued by an ALTA title insurance company at standard rates with standard exceptions for the Beaufort County area, title shall be deemed to be marketable. Purchaser acknowledges that Selling Agency has recommended that an attorney examine the title to the Property on Purchaser's behalf. If the Property is a condominium or subject to covenants or restrictions, Purchaser shall have the obligation to verify all regime and property owner regular or special assessments.

Initials: Purchaser _____ Date _____ Seller _____ Date _____

14. **NON-RESIDENT TAX WITHHOLDING.** Seller shall comply with the provisions of South Carolina Code §12-9-310 and U.S. Internal Revenue Code §1445 (as amended) regarding withholding requirements for sellers who are not South Carolina or U.S. residents.

15. **STATUTORY AND OTHER ADDENDA.**

- a. The Beach Management Act is is not applicable to this Contract; if applicable, attached hereto and incorporated herein is the requisite Beach Management Act Disclosure Addendum.
- b. The Purchaser has has not reviewed a South Carolina Property Condition Disclosure Statement.
- c. The South Carolina Vacation Rental Act does does not apply to this transaction.
- d. This Contract applies does not apply to a residence built prior to 1978. If such residence was built prior to 1978, this Contract is subject to the Lead Based Paint Contingency Addendum and the Lead Based Paint Disclosure, both of which are attached hereto and incorporated herein.
- e. Flood Insurance is required is not required for any federally insured mortgage on the Property.
- f. An Inspection Report Addendum is is not attached to this Contract and incorporated herein by reference.
- g. Also attached hereto and incorporated herein are the following Addenda:

16. **MISCELLANEOUS.** The invalidity or unenforceability of any provision of this Contract shall not affect the other provisions hereof and this Contract shall be construed in all respects as if such invalid and unenforceable provision were omitted. This Contract may be executed in counterparts, each of which shall be deemed to be an original. The parties agree that any offer, counteroffer, and/or acceptance may be communicated by the use of facsimile (FAX) and that the signatures, initials, and handwritten or typewritten modifications to any of the foregoing shall be deemed to be valid and binding upon the parties as if the originals were present on the documents in the handwriting of each party. This Contract shall be governed and construed in accordance with the laws of the State of South Carolina. No failure of a party to exercise any power or right granted hereunder or to insist upon strict compliance with any obligation specified herein, and no practice at variance with the terms hereof, shall constitute a waiver of said power or right unless expressly authorized in writing by the affected party. If either party is a corporation, limited liability company, trust, or partnership, it shall provide evidence that: (i) the persons executing this Contract are authorized to act on behalf of the entity, and (ii) that the entity is validly and legally existing and in good standing and the undersigned individuals agree that the principals of the purchasing entity will personally endorse any financing described above if required by the lender. This Contract shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, devisees, personal representatives, successors and assigns. This Contract may not be assigned by Purchaser without Seller's written consent. This Contract constitutes the entire agreement between the parties hereto and may be modified only in writing.

THIS IS A LEGALLY BINDING CONTRACT WHEN SIGNED. PURCHASER AND SELLER SHOULD SEEK LEGAL ASSISTANCE IF THE CONTENTS OF THIS CONTRACT ARE NOT UNDERSTOOD. PURCHASER AND SELLER ACKNOWLEDGE RECEIPT OF A COPY OF THIS CONTRACT.

Initials: Purchaser _____ Date _____ Seller _____ Date _____

BOTH BUYER AND SELLER ACKNOWLEDGE RECEIVING, READING, AND UNDERSTANDING THE SOUTH CAROLINA REAL ESTATE COMMISSION'S AGENCY DISCLOSURE FORM.

Initials: Purchaser _____ Date _____ Seller _____ Date _____

IN WITNESS WHEREOF, the undersigned parties have executed this Contract on the date set forth beneath their respective signatures. The later date shall be the date of the fully-executed Contract for purposes of all time periods set forth herein.

WITNESSES:

Purchaser

Date

Purchaser

Date

WITNESSES:

Seller

Date

Seller

Date

Listing Agent: _____ Company: _____

LISTING AGENT IS ACTING ON BEHALF OF SELLER AS A (CHOOSE ONLY ONE) SELLER'S AGENT
DUAL AGENT OR DESIGNATED AGENT

Selling Agent: _____ Company: _____

SELLING AGENT IS ACTING ON BEHALF OF PURCHASER AS A (CHOOSE ONLY ONE) BUYER'S AGENT
SUBAGENT OF THE SELLER DUAL AGENT OR DESIGNATED AGENT

(The foregoing form may be used only by members in good standing of the Hilton Head Area Association of REALTORS®.)

This is the unmodified Hilton Head Area Association of REALTORS® recommended contract form.

This form has been modified from that recommended by the Hilton Head Area Association of REALTORS®