

City of Royal Oak
Oakland County, Michigan

Request for Proposals
For

**Real Estate Services for
Neighborhood Stabilization Program (NSP)**

Real Estate Listing Agreement Bid Documents

Advertisement
Program Description
Form of Proposal
Bidder Information
Hold Harmless Agreement
Listing Agreement
Draft Purchase Agreement

Contract No. ITB-SBP-PLAN-11-008

**City of Royal Oak
Oakland County, Michigan**

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Real Estate Services for
Neighborhood Stabilization Program (NSP)**

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Index of Documents

<u>Index</u>	<u>Page</u>
Advertisement	AD 1
Program Description	PD 1-5
Form of Proposal*	FOP 1
Bidder Information*	BI 1
Hold Harmless Agreement	HH 1
Listing Agreement	LA 1-2
Draft Purchase Agreement	PA 1-4

*required bid documents

City of Royal Oak
Oakland County, Michigan

**Real Estate Services for
Neighborhood Stabilization Program (NSP)
Request for Proposal**

Contract No. ITB-SBP-PLAN-11-008

Advertisement

Notice to Real Estate Agents:

Sealed proposals will be received by the Clerk of the City of Royal Oak, Michigan, up to 3:00 p.m. on **August 24, 2011**, at which time all proposals will be publicly opened and read aloud for "Real Estate Services for Neighborhood Stabilization Program (NSP), Contract No. ITB-SBP-PLAN-11-008".

Bid responses shall include a sales commission as a percentage of the sale price, for the listing, showing, and sale of up to four (4) NSP single-family properties.

The Program Description, Listing Agreement and Sample Purchase Agreement, including the list of four (4) identified properties for sale, may be examined at the Housing Office, City Hall, 211 Williams Street, Royal Oak, Michigan 48068, on or after 8:00 a.m. August 10, 2011. They can not be mailed. The Request for Proposal will also be available on August 10, 2011 at the City of Royal Oak website at www.ci.royal-oak.mi.us/city/appforms.html.

This is a NSP funded project, under the Community Development Block Grant Program. Minority, female, and Section 3 firms are specifically invited to bid on this Contract. The right to reject any or all proposals and the right to waive defects in proposals will be reserved by the City.

Melanie Halas
City Clerk

To be advertised in The Daily Tribune – August 10, 2011

To be advertised in Michigan Chronicle – August 10, 2011

City of Royal Oak Real Estate Services for Neighborhood Stabilization Program (NSP)

Program Description

The City of Royal Oak is making available to eligible applicants a home buyer program designed to reclaim abandoned and foreclosed homes. The Neighborhood Stabilization Program (NSP) is funded by the Housing and Economic Recovery Act (HERA) of 2008 and is operated through the Michigan State Housing Development Authority (MSHDA).

In response to the rise in foreclosures and the negative effects to surrounding neighborhoods and communities, the U. S. Congress passed the HERA in 2008. Through MSHDA, the City of Royal Oak submitted an application and was approved for funding activities with a total grant of \$1,000,000. The funded activities are the Acquisition/Rehab/Resale of single family properties and Demolition of Blighted Structures. The full approved application can be viewed on the City's website, www.ci.royal-oak.mi.us or at the Royal Oak Public Library.

The legislation provides for the administration of the NSP program by the Department of Housing and Urban Development (HUD) as an adjunct to the Community Development Block Grant Program (CDBG). The City will follow established requirements and procedures for property acquisition, procurement, and contracting currently in place with its CDBG program.

The program allows the City of Royal Oak to purchase homes at a discount, make all necessary repairs to bring the property up to current building and energy codes, and make them available to sell to qualified homebuyers. Homebuyers must obtain a first mortgage and use the property as the homebuyer's principal residence.

Eligible Properties

Eligible properties are abandoned or foreclosed single-family properties that must be within the geographic boundaries of the areas of greatest need, as determined by HUD-approved methodologies. All properties must be vacant. All properties must be purchased at 1% below an appraisal of current market value completed within 60 days of an offer to purchase.

A home is considered abandoned if mortgage or tax foreclosure proceedings have been initiated, no mortgage or tax payments have been made for 90 days, AND the property has been vacant for at least 90 days. A home is considered foreclosed if title has been transferred from the former owner in a foreclosure proceeding, or transfer in lieu of foreclosure, in accordance with state or local law.

The property, upon completion of rehabilitation, will meet requirements of HUD's Housing Quality Standards, the Michigan State Historic Preservation Office, and U.S. Environmental Protection Agency and Michigan Dept. of Community Health Lead Based Paint regulations. All new construction work will meet the 2006 Michigan Residential

Code and newly installed appliances, windows, doors, heating and cooling equipment will meet the U. S. Environmental Protection Agency's Energy Star rating.

Eligible Homebuyers

Homebuyers must have incomes within 120% of the area's median income, adjusted for family size, as determined by the U. S. Department of Housing and Urban Development (HUD); have completed an eight-hour homebuyer education from a HUD-certified Housing Counselor; and must be able to secure a fixed rate mortgage from a qualified lender.

Applicants must use the property as their principal residence, be lawful residents of the United States, have a steady sustained income, and have no history of bankruptcy or foreclosure within the last three years. The City of Royal Oak will obtain credit reports at no cost to the applicant. The City is required to consider gross income for all household members.

These are the maximum **income limits**, per household size:

	<u>120%</u>
1	\$58,700
2	67,125
3	75,500
4	83,900
5	90,600
6	97,300
7	104,000
8	110,700

Application Procedures

All applicants must complete the attached application and submit the required documents as noted on page 3 of the application in order to determine initial eligibility. These include, but are not limited to, recent Federal and State Income Tax returns, copies of payroll stubs, and Social Security or other benefits award letter.

Applicants must also provide a pre-approval letter from a recognized lending institution for a fixed-rate first mortgage. Adjustable rate loans, balloon mortgages, interest-only mortgages, and land contracts are not eligible. Escrow accounts for property taxes and homeowner insurance are required.

Prospective homeowners must complete an 8 hour Homebuyer Education course from a HUD certified Housing Counselor. The cost of the course is paid by the City of Royal Oak.

The City will process each application on a case-by-case basis. Additional financial information, ie, assets and liabilities, may be required. Available homes have been acquired and necessary repairs will have been completed by the City prior to purchase by homeowner.

All application information, property acquisition, rehabilitation costs, and mortgage information is subject to MSHDA review and approval. A closing is conducted for the applicant's first mortgage as provided by the lender.

Scope of Work

The City will enter into an exclusive Listing Agreement with the real estate broker for the sale of the following single-family homes:

1. NSP2 321 E. 12 Mile Road
2. NSP3 211 N. Campbell
3. NSP4 4241 Crooks Road
4. NSP5 1825 E. 10 Mile Road

See attached photographs of each property.

Bidders are required to propose a commission fee based on a percentage of the sale price, as well as provide a description of their experience, capabilities, and marketing plan.

Award and Execution of the Listing Agreement

It is the intention of the City to award the Listing Agreement to the lowest responsible, single bidder, provided that bid is reasonable and in the best interest of the City.

Bid proposals will be evaluated based on the following criteria:

1. Experience
2. Capacity
3. The Brokerage Commission
4. Minority and/or Women-Owned Business
5. Geographic Locality

The bidder to whom the Listing Agreement is awarded will be required to execute the Listing Agreement and to furnish all bonds, certificates of insurance, and an executed Hold Harmless Agreement within five (5) business days after receiving written notice of the award, or within such extended period as may be approved by the City; and in the case of his/her failure to do so, he/she may be considered by the City to have abandoned his/her interests in the Listing Agreement, and his/her proposal guaranty may be declared forfeited to the City, and the Listing Agreement may be awarded to another bidder.

Payment

The Brokerage fees, as established in the bid response, shall be paid in full at the closing of the sale of each property. There shall be no advancement of funds or progress payments.

Title VI Compliance

The City of Royal Oak, in accordance with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 USC 2000d-d4 and Title 24, Code of Federal Regulations, Department of

Housing and Urban Development, Community Development Block Grant Program, Part 570, and all requirements issued pursuant to such Act, hereby notifies all bidders that minority business enterprises will be afforded full opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of gender, disability, race, color, sex or national origin in consideration for an award.

During the performance of the Listing Agreement, the contractor, for itself, its assignees, and successors in interest, (hereinafter referred to as the “contractor”), agrees as follows:

1. Compliance with Regulations

The contractor shall comply with the regulations relative to nondiscrimination in federally assisted programs of the Department of Housing and Urban Development (HUD), Title 24, Code of Federal Regulations, part 570 (hereinafter referred to as the Regulations), as they may be amended from time to time, herein incorporated by reference and made a part of this Listing Agreement.

2. Nondiscrimination

The contractor, with regard to the work performed during the Listing Agreement, shall not discriminate on the grounds of race, color, sex, or national origin in the selection and retention of subcontractors, including procurement of materials and leases of equipment. The contractor shall not participate either directly or indirectly in discrimination prohibited by the Regulations, including employment practices when the Listing Agreement covers a program set forth in Appendix B of the Regulations.

3. Subcontracts, including Procurement of Materials and Equipment

In all solicitations either by competitive bidding or negotiations made by the contractor for work to be performed under a subcontract, including procurement of material for leases of equipment, each potential subcontractor or supplier shall be notified by the contractor of the contractor’s obligations under this Listing Agreement and the Regulations relative to nondiscrimination on the ground of race, color, sex, or national origin.

4. Information and Reports

The contractor shall provide all information and reports required by the Regulation or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information and its facilities as may be determined by the City of Royal Oak, or appropriate Federal Agency to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of a contractor is in exclusive possession of another who fails or refuses to furnish this information, the contractor shall so certify to the City of Royal Oak and the appropriate Federal Agency as needed, and shall set forth what efforts it has made to obtain the information.

5. Sanctions for Noncompliance

In the event of the contractor's noncompliance with the nondiscrimination provisions of this Listing Agreement, the City of Royal Oak shall impose such sanctions as HUD may determine to be appropriate, including, but not limited to:

- A. Withholding of payments to the contractor under Listing Agreement until the contractor complies; and/or
- B. Cancellation, termination, or suspension of the Listing Agreement, in whole or in part.

6. Incorporations and Provisions

The contractor shall include the provisions of paragraphs (1) through (5) in every subcontract, including procurement of materials and leases of equipment, unless exempt by Regulations or directives issued pursuant thereto. The contractor shall take such action with respect to any subcontractor or procurement as the City of Royal Oak or appropriate Federal Agency may direct as a means of enforcing such provisions, including sanctions for noncompliance.

Contact Person

Any bidder having questions concerning the bid should contact:

Richard Bremer, Housing Finance Officer
Housing Office
City of Royal Oak
211 Williams Street
Royal Oak, MI 48068-0064

P (248) 246-3133
F (248) 246-3139
E rickb@ci.royal-oak.mi.us

Bidding Schedule

Advertisement	August 10, 2011
Bid Opening	August 24, 2011
Estimated Contract Award	August 31, 2011

Rejection of Proposals

The City of Royal Oak reserves the right to reject any and all proposals received and the right to waive defects in proposals as a result of this request or make an award deemed in the best interest of the City.

The City of Royal Oak provides Equal Housing Opportunity
and Equal Employment Opportunity.



Form of Proposal

The undersigned hereby offers to furnish to the City of Royal Oak all materials and/or services at the prices quoted in conformance with the City's Program Requirements described herein:

Brokerage Fee Based on Percentage of Sales Price

Bid Exceptions

The Bidder certifies that this Bid is in compliance with all specifications except as listed on the following lines (use additional sheet if necessary):

Bid Valid Date/Timeframe

The Bidder certifies that this Bid is valid for the following length of time from the date of signature.



Firm Tax Identification Number: _____

Firm Name: _____

Firm Mailing Address: _____

Firm Phone #: _____ Firm Fax #: _____

Firm Representative, Print Name & Title:

E-Mail Address of Firm Representative: _____

Signature of Firm Representative: _____

Date of Submittal: _____

Hold Harmless Agreement

"To the fullest extent permitted by law,

(*firm name*)

agrees to defend, pay in behalf of, indemnify, and hold harmless the City of Royal Oak, its elected and appointed officials, employees and volunteers and others working for or in behalf of the City of Royal Oak, against any and all claims, demands, suits, or loss, including all costs connected therewith, and for any damages which may be asserted, claimed or recovered against or from the City of Royal Oak, its elected and appointed officials, employees, volunteers or others working in behalf of the City of Royal Oak, by reason of personal injury, including bodily injury and death; and/or property damage, including loss of use thereof, which arise out of or is in any way connected or associated with this Agreement."

Firm Name: _____

Firm Representative, Print Name & Title:

Signature of Firm Representative: _____

Date: _____



**CITY OF ROYAL OAK
NEIGHBORHOOD STABILIZATION PROGRAM (NSP)
EXCLUSIVE LISTING AGREEMENT**

NAME OF BROKER: _____
 Address: _____

 Phone # _____

Seller: City of Royal Oak
 211 Williams
 Royal Oak, MI 48068
 Joseph Murphy, Planner
 (248)246-3285

1. **CONSIDERATION AND TERM OF CONTRACT:** This Agreement entered into this _____ day of _____, by and between the above mentioned broker (“the Broker”), and the City of Royal Oak (“the Seller”) in consideration of the agreement of the **BROKER** to market the property hereinafter described and to use the best efforts to find a buyer, the **SELLER** grants to the **BROKER** the exclusive right to sell the property from _____ to 11:59 P.M. on _____ (six months).
2. **PROPERTY DESCRIPTION:** These residential properties are located in the City of Royal Oak, Oakland County, Michigan, commonly know as **see attached list** (the “Properties”). These Properties are being sold together with all improvements & appurtenances, if any, now in or on the premises including all buildings, fixtures, built-in appliances, all window treatments including hardware, attached floor coverings, attached fireplace doors, screens, gas logs, garage door opener and controls, screens, storm windows and doors, landscaping, fences and mailboxes, all ceiling fans, if any, and gas, oil and mineral rights owned by the **SELLER** and refrigerator, microwave, oven/stove range unit, if any.
3. **PRICE/TERMS:** **SELLER** agrees to sell the properties for the sum of **see attached list** to be paid upon terms and conditions as approved by the Michigan State Housing Development Authority (MSHDA), per NSP regulations.
4. **COMMISSION:** **SELLER** agrees to pay the **BROKER**, for its services in marketing and selling the property, a commission of _____% of the sale price upon the consummation of the sale. The commission will be due and payable if a buyer is obtained for the Property by anyone, including the **SELLER**, during the term of this contract at the price and terms set forth herein, or upon any other price and terms agreed upon by the **SELLER**, further said commission will be paid if:
 - a. The **SELLER** refuses to sell when a ready, willing and able buyer is produced at price and terms.
 - b. The **SELLER** refuses or is unable to complete a sale pursuant to the terms of a duly executed Offer To Purchase, Purchase Agreement, Contract of Sale, or such other equivalent agreement signed by **SELLER**.
 - c. The **SELLER**, or anyone, sells (or enters into a contract to sell or receives a deposit) within 180 days from the termination or expiration of this contract to anyone to whom the property has been shown or who has learned of the Property because of the **BROKER’S** efforts, during the term of this contract provided, however, the **SELLER** will not be obligated to pay such commission if the Properties are sold through another licensed real estate broker who is paid a commission fee during this protection period.
 - d. If a sale is not consummated because of the **SELLER’S** refusal to perform, then the full commission shall be due and payable upon such refusal. If a sale is not consummated because of the **BUYER’S** failure to perform and the deposit made is forfeited, **SELLER** agrees that 50% of the deposit (but not in excess of the amount of the full commission) shall be retained by the **BROKER** in full payment for services rendered in this transaction
5. **MULT-LIST/COOPERATION:** **SELLER** authorizes **BROKER** to file this listing with any multiple listing services or any other medium selected by **BROKER** and provide any such

multiple listing service with a copy of this agreement, any changes in this agreement and any post-closing information including the sales price. The **SELLER** authorizes the **BROKER** to offer cooperation as provided by the multiple listing services, either through the multiple listing services or otherwise, and to offer such compensation to the cooperating Broker as established by the **BROKER**.

6. **CANCELLATION:** This contract can be cancelled or revoked only by mutual consent of both the **BROKER** and **SELLER** in writing.
7. **TITLE:** The **SELLER** represents and warrants that they are the exclusive holders of the interest to be conveyed hereunder, or that they are duly authorized agents of the holders of said interest and are specifically empowered to enter into this contract and to convey the interest set forth. The **SELLER** will execute and deliver a Warranty Deed, Land Contract, or other instruments of assignment or conveyance as shall be required. By agreement on a subsequent Purchase Agreement, **SELLER** will furnish an owner's title insurance policy without standard exceptions. Any deed required shall have full covenants of warranty and conveyance thereunder and shall be free of all encumbrances and liens except restrictions, easements, reservations and covenants of record, and (e.g. special assessments): _____.
8. **SHOWING/SIGNS:** The **BROKER** is hereby authorized to photograph the Property and publish such photographs, retain a key and cause a sign to be erected on the Property and to remove all other "for sale" signs. The **BROKER** shall have access to the buildings on the Property for the purpose of showing the same at reasonable hours. The **BROKER** is authorized to attach a lock box to be used for the purposes of storing key(s) that provide access to the property by authorized persons.
9. **MARKET:** Upon **SELLER'S** written acceptance of the terms of any Offer to Purchase, Purchase Agreement, Contract of Sale, or equivalent, the **BROKER** shall not continue to market the property nor present any other offers received after the time of acceptance.
10. **REFERRAL:** **SELLER** agrees to refer to **BROKER** all inquiries concerning the property during the period of this contract.
11. **AGENCY:** The **BROKER** and **SELLER** hereby designate _____ as the **SELLER'S** designated agent and _____ as the supervisory broker.
12. **LEAD BASED PAINT:** **SELLER** represents and warrants that the Properties were built before 1978 and that therefore, the federally-mandated lead-based paint disclosure regulations apply to these properties.
13. **INFORMATION:** **SELLER** agrees to provide the **BROKER** or buyer with all information required by any law including Sellers Disclosure and Lead Based Paint Disclosure.
14. **HEIRS:** The covenants herein shall bind the heirs, personal representative, administrators, executors, assigns and successors of the respective parties.
15. **NON-DISCRIMINATION:** It is agreed by the **BROKER** and the **SELLER**, parties to this agreement, that as required by law, discrimination because of race, religion, color, national origin, sex, marital status, age, height, weight, or physical or mental handicap, or family status, by said parties in respect to the sale of the subject property is **PROHIBITED**.
16. **BINDING CONTRACT:** This contract shall be binding upon execution by **SELLER** or **SELLER'S** agents and the **BROKER** and its authorized agents.
17. **OTHER:** _____
18. **ACKNOWLEDGEMENT:** The **SELLER** and **BROKER** have read, acknowledge, and accept the terms of this Contract and has received a completed copy of this Contract.

By _____
 Broker Date

 Seller City of Royal Oak Date

 Print Name

 Print Name

 Address

 211 Williams, Royal Oak MI, 48068

CITY OF ROYAL OAK
NEIGHBORHOOD STABILIZATION PROGRAM
LISTING AGREEMENT

Schedule of Properties for Sale

1. 321 E. 12 Mile Rd., Royal Oak MI 48073 Sale Price \$130,000
Lot 6, Brookwood Subdivision, as recorded in Liber 21, Page 15 of Plats,
Oakland County Records. 25-10-376-029

2. 211 N. Campbell Rd., Royal Oak MI 48067 Sale Price TBD
Lot 31, Golden Oak Park Subdivision, as recorded in Liber 18, Page 22 of Plats,
Oakland County Records. 25-15-483-021

3. 4241 Crooks Rd., Royal Oak, MI 48073 Sale Price TBD
Lot 9, Hillcrest Manor Subdivision, as recorded in Liber 66, Page 19 of Plats,
Oakland County Records. 25-05-282-017

4. 1825 E. 10 Mile Rd., Royal Oak, MI 48067 Sale Price TBD
Lot 71 and the West 37 feet of Lot 72, Royopark Subdivision as recorded in Liber
18, Page 9 of Plats, Oakland County Records. 25-23-356-031

**CITY OF ROYAL OAK
NEIGHBORHOOD STABILIZATION PROGRAM**

PURCHASE AGREEMENT

AGREEMENT between City of Royal Oak (Seller) of
211 Williams Street, Royal Oak, MI 48068-0064 (Address)
and _____ (Buyer)
of _____ (Address)

The parties to this agreement to convey real estate agree as follows:

- 1. RECITALS:** This home is owned by the City of Royal Oak and was developed with funds from the Neighborhood Stabilization Program (NSP) as administered by the Michigan State Housing Development Authority (MSHDA). The NSP was authorized by the Housing and Economic Recovery Act of 2008 (HERA) to acquire and rehabilitate foreclosed properties and make them available to low and middle income families. All applicable federal and state regulations govern the sale of this property including, but not limited to, Equal Housing Opportunity, Equal Employment Opportunity and regulations of the Community Development Block Grant Program (CDBG).
- 2. BUYER'S ELIGIBILITY:** The program requires that buyers' annual income be within prescribed limits as detailed in the Program Description. Buyer certifies that their income is within _____% of the area's median income, adjusted for family size, as determined by the U.S. Department of Housing and Urban Development (HUD). Buyer must also complete an eight-hour homebuyer education class from a HUD-certified Housing Counselor prior to closing. Seller will pay for the homebuyer education class. Buyers are required to occupy the home as their primary residence. Buyer agrees to comply with all NSP regulations and requirements.
- 3. PROPERTY DESCRIPTION:** Buyer offers to buy property located in Oakland County, commonly known as _____ (address) and legally known as (see legal description attached as exhibit A) with Sidwell # _____, subject to existing building and use restrictions, zoning ordinances and easements, if any.
- 4. PRICE:** Buyer offers to purchase for the sum of \$_____
- 5. GOOD FAITH DEPOSIT:** Buyer agrees to deposit \$_____ as a good faith gesture to apply to the purchase price into an escrow account set up for the purpose of completing this sale. Seller agrees to refund the deposit only if the sale is not closed as a result of an inspection as described by paragraphs 11-12 below, or review by the MSHDA as described in paragraph 15 below. Buyer forfeits the deposit if any other reason prevents the sale from closing.

6. **TERMS:** Seller will deliver a Warranty Deed at closing. Buyer will deliver the full purchase price at closing less down payments deposited in escrow and less the amount of the Homebuyer Assistance Program Second Mortgage provided by the MSHDA, upon execution based upon Buyer's pre-approved first loan mortgage from _____ (name of lender) in the amount of \$_____, representing the difference between the full purchase price and any down payments and the Homebuyer Assistance Program Second Mortgage.
Buyer is required to place minimum of 1% of the purchase price as down payment, in the amount of \$_____.
The Buyer's first mortgage must be a fully amortizing, fixed-rate mortgage – no adjustable rate, balloon or interest-only loans are allowed. Closing costs must be competitive and reasonable and the payment of points to buy down the interest rate is not allowed. Buyer must qualify for financing equal to 80% of the sales price and with a payment no more than 30% of their gross monthly income.
7. **BUYER'S PURCHASE CONTINGENCIES:** Buyer's obligation is not contingent upon the sale or exchange of any other property by Buyer. Other contingencies may apply under other paragraphs of this agreement.
8. **FIXTURES AND IMPROVEMENTS:** All improvements and appurtenances are included in the purchase price including, if there now, the following: all buildings; landscaping; lighting fixtures, shades and bulbs; ceiling fans; drapery, curtains, shades, blinds and hardware; kitchen appliances built-in, including garbage disposal; wall-to-wall carpeting; attached mirrors, shelves, and workbenches; water softener (unless rented), water heater; sump pump; incinerator; water pump and pressure tank; heating and air conditioning units (window units excluded); attached humidifiers; heating units including wood stoves; fireplace screens, doors, grates, and inserts; liquid heating or cooking units and equipment; and detached storage buildings and refrigerator and oven/stove unit, but excluding N/A.
9. **PROPERTY TAXES:** Seller will pay all delinquent taxes prior to closing. This current year's taxes will be prorated and adjusted at the date of closing.
10. **ASSESSMENTS:** Seller will pay any existing assessments, sidewalk repairs, or liens which are due and payable on the property on or before the tentative closing date.
11. **SURVEY:** The Buyer may arrange and pay for a boundary stake survey with improvements and easements showing on the survey. The Buyer shall have the right to terminate this agreement if the survey reports are not acceptable to the Buyer by giving written notice within 10 calendar days after this agreement is fully executed.

- 12. INSPECTIONS:** The Buyer may arrange and pay for an inspection of the buildings on the property. The Buyer may arrange and pay for inspections for lead-based paint, termites or pests, plumbing, heating, venting, air conditioning, electrical, structural, and roof. The Buyer shall have the right to terminate this agreement if the inspection reports are not acceptable to the Buyer by giving written notice within 10 calendar days after this agreement is fully executed. The parties agree to negotiate in good faith the execution of repairs, if any, needed and discovered by the inspection. The parties agree to give a three (3) business day window for this process. If Buyer and Seller are unable to settle in the three-day window, the Buyer may terminate the agreement for a full refund of the deposited money in escrow. Buyer agrees that Buyer is not relying on any statement or representation by Seller except as expressly set forth in this agreement. Buyer agrees to accept premises at closing "as-is", if substantially similar to the conditions at inspection.
- 13. SELLER'S DISCLOSURE STATEMENT:** Buyer received Seller's Disclosure Statement and Lead-based Paint Seller's Disclosure Form with this Purchase Agreement.
- 14. TITLE INSURANCE:** A standard ALTA Owner's Policy of Title Insurance in the amount of the purchase price shall be furnished to Buyer and a commitment to issue a policy insuring marketable title vested in Buyer, including a real estate tax status report, shall be made available for Buyer's inspection prior to closing. The insurance may serve to cover both parties. The premium will be paid by the Seller.
- 15. CLOSING:** Closing will be held after a review of closing documents and good faith estimate by the MSHDA and within ten (10) days after all parties have been notified that all necessary documents have been prepared. An additional thirty (30) days will be allowed to accommodate delays in title work or the correction of title defects which can readily be corrected or any other reasonable delays consistent with this agreement. Buyer and Seller agree to pay for their actual closing costs as outlined by the title agency at closing.
- 16. POSSESSION:** Possession to be delivered at the closing date in substantially similar to the conditions at inspection. Seller may occupy until delivery. Seller will remove all personal property, make arrangements for final payment of utilities, and deliver all keys to Buyer at the closing.
- 17. DISPUTES AND CLAIMS:** This agreement will be governed by state law. Should any dispute arise between the parties, the parties agree to express them in writing within five (5) days of arising. Such expression must include the proposed remedy. The parties agree that no punitive damages may be sought absent fraud or willful or malicious acts. The parties agree to take any dispute to a binding arbitration panel who will act in accordance with American Arbitration Association rules. The prevailing party may recover costs and attorney's fees from the other party.

OFFERED:

ACCEPTED:

WITNESSES (Optional):

