



COMMERCIAL REAL ESTATE PURCHASE CONTRACT

Greater Hartford Association of REALTORS®, Inc.



When signed by Buyer and Seller this is intended to be a legally binding contract. This form of Contract is being provided for the convenience of the Buyer and Seller and is not intended to constitute legal advice. If either party has any questions about any aspect of this transaction, he/she should consult with an attorney before signing this Contract.

1. **Parties.** Buyer _____
 Name(s) _____
 Address _____
 Seller _____
 Name(s) _____
 Address _____

2. **Property.** Buyer agrees to purchase from Seller, and Seller agrees to sell to Buyer, certain real property, known as _____
 _____ Number _____ Street _____
 _____ Town _____, Connecticut ("Property").
 Approximate acreage or square feet of land: _____ of building: _____

3. **Fixtures and Personal Property.** Except as stated below, all fixtures located on the Property are included in this sale, and all personal property located on the Property is excluded from this sale. The following personal property is INCLUDED (*NOT APPLICABLE UNLESS FILLED IN*): _____

The following are EXCLUDED (*NOT APPLICABLE UNLESS FILLED IN*): _____

4. **Price.** (a), (b), (c), (d) and (e) *BELOW ARE NOT APPLICABLE UNLESS FILLED IN*
 The total purchase price is \$ _____
 (a) Buyer has made the following deposit with this Contract, to be applied to the total purchase Price, subject to collection: _____
 (b) Buyer will make the following additional deposit by cashier's or certified check on or before _____ calendar days after the date that this Real Estate Contract is fully executed, to be applied to the purchase price or closing costs, subject to collection: _____
 (c) Seller will take back a purchase money note and mortgage as described in the attached rider: _____
 (d) Buyer will assume the existing mortgage on the Property which, at the closing, will not be in default and will have a principal balance of approximately: _____
 (e) Buyer will pay the following amount at the closing by cashier's or certified check by obtaining a Bank or institutional Mortgage as described in Section 5: _____
 (f) Buyer will pay the following balance at the closing by cashier's or certified check: _____

TOTAL \$ _____

5. **Mortgage Contingency:** *THE FOLLOWING MORTGAGE CONTINGENCY IS NOT APPLICABLE UNLESS FILLED IN*
 Buyer will make prompt and diligent efforts to obtain a written commitment for a mortgage loan ("Mortgage") from a bank or other institutional lender on or before _____ ("Mortgage Contingency Date"). Buyer will provide Seller and Broker, no later than the Mortgage Contingency Date, with a copy of any written commitment for a Mortgage obtained by Buyer. Buyer will pay all application fees, points (not to exceed _____), and other charges in accordance with the policies established by the applicable lender. The Mortgage must be on the following terms:
 (a) Amount \$ _____ (c) _____ prevailing rate
 (b) Maximum initial interest rate _____ % per annum (d) Minimum term _____ years

If the Buyer cannot obtain a written commitment for the Mortgage, Buyer may terminate this Contract by providing Seller and Broker, not later than the Mortgage Contingency Date, with written notice of Buyer's inability to obtain such commitment. If Buyer does not elect to so terminate, then this Contract will remain in full force and effect. If Buyer so terminates this Contract, then all deposits will be returned to Buyer, and, except as provided in paragraph 16, the obligations of the parties under this Contract shall end.

6. Deposit and Escrow of Deposits. The deposit(s) payable under this Contract shall be made at the stated time(s) and shall be made by check (cashier's or certified check in the case of the additional deposit) payable to the listing Broker. Time is of the essence with respect to payment of such deposit(s), and if any deposit payable under this Contract is not so paid by Buyer at the stated time, and if such failure shall continue for a period of three (3) calendar days thereafter, then until such time as Buyer makes such deposit(s) Seller shall have the right to (a) declare Buyer to be in default and (b) terminate this Contract by written notice to Buyer, and Seller shall thereafter be relieved of all obligations hereunder. All deposits will be held in escrow by listing Broker in accordance with Connecticut law until:
CHECK ONE.

- ☐ The date on which the Buyer obtains the mortgage commitment described in Section 5
☐ transfer of title

In case of a dispute, listing Broker shall continue to hold all deposits until the parties' rights to the deposits are finally adjudicated or agreed upon. If listing Broker initiates or is made a party in any action arising out of a dispute between the parties over deposits, then any and all costs incurred by listing Broker (including, without limitation, attorneys' fees and court costs) shall be paid by the non-prevailing party.

7. Closing. The closing will take place on _____ or sooner as mutually agreed by the parties.
Date

The closing will be held at the offices of the Buyer's attorney or at such other place as Buyer's mortgage lender may reasonably require.

8. Condition of Property; Possession and Occupancy; Risk of Loss. At the time of closing, Seller shall deliver the Property to Buyer in broom clean condition. At the time of closing, possession and occupancy of the improvements and personal property on the Property included in this Contract shall be delivered to Buyer in the condition they were in on the date of this Contract, subject to ordinary wear and use and, except as otherwise agreed by the parties, free of all tenants and occupants. Seller agrees (unless the Property is a common interest community and Seller is not responsible for the grounds) to continue to maintain the grounds until closing. Buyer shall have the right to inspect the Property for compliance with this Contract before the closing, upon reasonable notice to Seller. Risk of loss or damage to the Property shall be upon the Seller until the closing.

9. Other Conditions. _____

10. Title. Seller will transfer fee simple title to the Property to Buyer by a Connecticut form of Warranty Deed, (or Connecticut Form of Fiduciary Deed if Seller is an Executor, Administrator, Conservator or Trustee), subject to (a) any and all provisions of any ordinance, municipal regulation, or public or private law; declarations, restrictions, covenants, and easements of record; any state of facts that an accurate survey or personal inspection of the Property might reveal; provided that none of the above interfere with the present location of any building not located on the Property, prevent the present use of the Property, or render title to the Property unmarketable; (b) current taxes and municipal assessments; (c) any mortgage which Buyer has agreed to assume under this Contract; and (d) the following additional liens and encumbrances which shall be assumed and paid by Buyer in addition to the purchase price (*NOT APPLICABLE UNLESS FILLED IN*): (sewer and water lines will not be assumed by buyer unless specifically stated below)

11. Adjustments. Adjustments for taxes, association fees, rents, water, fire taxes, sewer, interest, fuel, condominium fees, municipal assessments, and other charges will be made as of the date of closing in accordance with the custom of the Bar Association for the county where the Property is located.

12. Default; Liquidated Damages; Remedies. If Buyer defaults under this Contract and Seller is not in default, Buyer's deposits shall be paid over to and retained by Seller as liquidated damages and both parties shall be relieved of further liability under this Contract, except to the extent of Buyer's obligations under Paragraph 16. If Seller defaults under this Contract and Buyer is not in default, Buyer shall be entitled to any and all remedies provided by law and equity including, but not limited to, specific performance and recovery of amounts spent for mortgage application, appraisal, title search, and tests or inspections. If a legal action is brought to enforce any provision of the Contract, the prevailing party, including a broker who is made party to such action and who has not significantly contributed to the default, shall be entitled to court costs and attorneys' fees.

13. Complete Agreement. This Contract contains the entire agreement between Buyer and Seller concerning this transaction, and supersedes any and all previous written or oral agreements concerning the Property.

14. Assignment. Check applicable item:

- ☐ Buyer shall not assign its rights under this Contract without the written consent of the Seller.
- ☐ Buyer may assign its rights under this Contract without the written consent of the Seller.
- ☐ Other: _____

15. Survival. This Contract shall be binding upon and inure to the benefit of the respective personal representatives, heirs, successors and assigns of Buyer and Seller.

16. Inspections/Tests. Buyer acknowledges that Buyer has had the opportunity to make a full and complete inspection of the Property and other improvements, to the extent desired by Buyer. If Buyer has elected to make a less than thorough inspection, Buyer waives any right to object to any defects in the Property and other improvements that would have been disclosed by a full and complete inspection. Buyer has the right to have the lead inspection or risk assessment described below (unless waived) and the other inspections checked below performed on the Property. Buyer must arrange and pay for all inspections. Buyer must give Seller written notice of any inspection that does not meet the standards set forth below together with a copy of the inspection report, on or before _____ calendar days after the date that this Contract is fully executed (Inspection Contingency Date). If Buyer does not give Seller such notice, Seller shall have no responsibility or obligation concerning any condition to which this paragraph 16 applies. At Buyer's sole cost and expense, Buyer shall restore the Property to substantially the same condition it was in immediately before any inspections.

If an inspection report given by Buyer to Seller on or before the Inspection Contingency Date reveals that the Property or other improvements do not meet the terms set forth below and Seller and Buyer cannot reach a mutually satisfactory agreement regarding these matters, then Buyer may terminate this Contract by giving Seller written notice of termination no later than 3 days after the Inspection Contingency Date. Failure by Buyer to so terminate relieves Seller from all responsibility and obligation concerning any condition to which this paragraph 16 applies. If Buyer terminates this Contract pursuant to Buyer's rights under this paragraph 16, Buyer shall receive all deposited sums and the obligations of the parties under this Contract shall end, except with respect to the obligations under this paragraph 16.

In consideration of the rights of inspection, and whether Buyer exercises such rights or not, Buyer hereby releases Seller, Broker and Co-Broker (if any) from any and all liability related to any defects in the Property or the cost of addressing any environmental condition in the Property of which Seller, Broker or Co-Broker, as the case may be, had no actual knowledge before the execution of this Contract. This release and the obligations and agreements of Buyer contained in this paragraph 16 shall survive the deed and the termination of this Contract.

In completing Section 16, Buyer and Seller understand that: If the Property is "target housing" under federal law (meaning with some exceptions, housing built before 1978), Seller must permit Buyer a 10-day period (unless the parties mutually agree in writing to a different time period) to conduct a risk assessment or inspection of the Property for the presence of lead-based paint and lead-based paint hazards before Buyer is obligated under this Contract. Buyer may waive this right of inspection in writing.

BUYER MAY CONDUCT AN INSPECTION OR RISK ASSESSMENT (as defined by federal law) by a licensed environmental inspector or recognized inspection service for lead-based paint and lead based paint hazards in the Property (as those terms are defined by federal regulation) within the time period stated in paragraph 17, with the results being satisfactory to Buyer, provided that Buyer's determination is reasonable in view of the written report of any such inspection. Buyer may waive this right by completing the WAIVER below (if applicable, Buyer executed HUD notice on lead-based substances, attached).

☐ **WAIVER.** By initialing here: _____, Buyer waives the right to conduct a risk assessment or inspection for the presence of lead-based paint and lead-based paint hazards in the Property. Seller acknowledges such waiver by initialing here: _____

[Items Below Applicable Only If Checked]

☐ **A PROPERTY INSPECTION** performed by an engineer licensed by the State of Connecticut indicating that the buildings and other improvements located on the Property are structurally sound and that the mechanical, electrical and plumbing systems of any of the buildings are in good repair.

☐ **A TERMITE OR WOOD DESTROYING INSECT INSPECTION** performed by a licensed exterminator or inspection service licensed by the State of Connecticut and indicating that the buildings on the Property are not infested by termites or wood-boring insects and that the buildings on the Property are not damaged as a result of such infestation.

☐ **OTHER ENVIRONMENTAL INSPECTIONS/TESTS** of the buildings located on the Property for

- ☐ asbestos
- ☐ mold
- ☐ (other) _____

- ☐ radon
- ☐ urea formaldehyde foam insulation

performed by a licensed environmental inspector or inspection service licensed by the State of Connecticut, the results of which are satisfactory to Buyer, provided that Buyer's determination is reasonable in view of the written report of any inspection and/or test.

17. Due Diligence. Buyer shall have _____ days after the date that this Contract is fully executed to perform the following items of due diligence:

- ☐ Phase I environmental site assessment, to be paid by: _____
- ☐ Phase II environmental site assessment, to be paid by: _____
- ☐ Confirmation of zoning for Buyer's intended use _____
- ☐ Availability of the following utilities or services: _____
- ☐ Other: _____

18. Items to be provided by Seller. Within _____ days after the date that this Contract is fully executed Seller will provide Buyer with a copy of each of the following if in Seller's possession or control:

- ☐ survey
- ☐ engineering report(s)
- ☐ environmental report(s)
- ☐ existing title insurance policy
- ☐ existing leases
- ☐ other: _____
- ☐ rent roll and identification of tenants
- ☐ schedule of income and expenses (most recent year)
- ☐ certificate(s) of occupancy
- ☐ certificate(s) of apartment occupancy

All such items provided to Buyer by Seller shall be kept confidential by Buyer and Buyer's broker (if any) and shall not be disclosed to third parties, other than Buyer's lender and accountant, without the prior consent of Seller.

19. Other conditions. Buyer's obligations hereunder are conditioned upon the following:

20. Execution by Fax or E-Mail. Buyer and Seller consent that they may enter into this Contract, and any amendments and riders hereto, via fax or e-mail.

21. (a) Property Condition Disclosure Report. To the extent required by P.A. 95-311, Seller shall furnish Buyer with a Residential Property Condition Disclosure Report before Buyer's execution of this Contract or credit Buyer with \$500 toward the purchase price at closing.

(b) Smoke and Carbon Monoxide Detectors. In the event the Property is a one or two family residence and Seller fails to provide Buyer at closing with an affidavit concerning smoke and carbon monoxide detectors required by P.A. 13-272, Seller shall credit Buyer with the sum of \$250 at closing unless the transaction is otherwise exempted under subsection (e) of such Act.

22. Notices to Buyer.

(a) Lists of Hazardous Waste Sites. Buyer is notified that the Department of Energy and Environmental Protection is required pursuant to Section 22a-134f of the Connecticut General Statutes to furnish lists of hazardous waste facilities located within the town to the Town Clerk's office. Buyer should refer to these lists and the Department of Environmental Protection for information on environmental questions concerning the Property and the lands surrounding the Property. This paragraph constitutes Seller's notice to Buyer of the availability of such lists, as provided in Section 20-327f of the Connecticut General Statutes.

(b) Lists of Properties where Shooting Sports Conducted. Buyer is notified that a list of local properties upon which hunting or shooting sports regularly take place may be available at the Town Clerk's office. This paragraph constitutes Seller's notice to Buyer of the availability of such lists, as provided in Section 20-327g of the Connecticut General Statutes.

(c) Information Concerning Environmental Matters. Buyer is notified that information concerning environmental matters on the Property and surrounding properties is available from the federal Environmental Protection Agency, the National Response Center, the Department of Defense and third-party providers.

(d) Educational Material Concerning Well Water Testing. If the Property is served by a private well, Buyer is notified that important educational material concerning private well testing is available on the Department of Public Health's web site.

23. Broker(s). Buyer and Seller recognize _____ (firm name) and _____ (firm name) as the sole broker(s) in this transaction.

BUYER

SELLER

REAL ESTATE BROKER(S)

Date: _____ Date: _____ Date: _____