



PURCHASE AGREEMENT

One-to-Four Residential Units

Prepared by: Agent _____
Broker _____

Phone _____
Email _____

NOTE: This form is used by a buyer broker when preparing an offer for their buyer-client to purchase an interest in one-to-four unit residential property.

When negotiating the purchase of an interest in one-to-four unit residential property to let for income, use **RPI Form 150-4**.

DATE: _____, at _____, California.
Items left blank or unchecked are not applicable.

FACTS:

- 1. Received from _____, as the Buyer(s),
 - 1.1 the sum of \$ _____, evidenced by personal check, or _____, payable to _____, for deposit only on acceptance of this offer.
 - 1.2 Deposit is applied toward Buyer's obligations under this agreement to purchase property
 - 1.3 situated in the City of _____, County of _____, California,
 - 1.4 referred to as _____,
 - 1.5 including personal property, see attached Personal Property Inventory. [See **RPI Form 256**]
 - 1.6 The interest acquired is fee simple, unless leasehold or _____.
- 2. This agreement comprises this five-page form and _____ pages of addenda/attachments. [See **RPI Form 154**]

TERMS: Buyer to pay the purchase price as follows:

- 3. Cash payment through escrow, including deposits, in the amount of \$ _____
 - 3.1 Other consideration paid through escrow \$ _____
- 4. Buyer to obtain a first, or second, trust deed mortgage in the amount of \$ _____ payable approximately \$ _____ monthly for a period of _____ years. Interest on closing not to exceed _____%, ARM. Mortgage points not to exceed _____.
- 5. Take title subject to, or assume a mortgage with an unpaid principal balance of \$ _____
 - a. See attached terms of the mortgage assumed. [See **RPI Form 154-4**]
- 6. Assume an improvement or solar bond lien with an unpaid principal balance of \$ _____
- 7. Note for the balance of the purchase price in the amount of \$ _____ executed by Buyer in favor of Seller and secured by a trust deed on the property junior to above referenced financing.
 - a. See attached terms for seller carryback financing. [See **RPI Form 154-2**]
- 8. **Purchase Price is** \$ 0
 - 8.1 Seller to pay the Buyer Broker fee through escrow in the amount of. \$ _____
 - a. The party wrongfully preventing the intended conveyance to pay the fee.
 - 8.2 Attached is the Agency Law Disclosure. [See **RPI Form 305**]

9. ACCEPTANCE AND PERFORMANCE:

- 9.1 This offer is deemed revoked unless accepted in writing within _____ days after date, and acceptance personally delivered or emailed to Offeror or Offeror's Broker within this period.
- 9.2 After acceptance, Broker(s) are authorized to extend any performance date up to one month.
- 9.3 Any termination of the agreement is by written Notice of Cancellation timely delivered to the other party, the other party's Broker or escrow, with instructions to escrow to return all instruments and funds to the parties depositing them. [See **RPI Form 183**]
- 9.4 On the inability of Buyer to obtain or assume financing as agreed by the date scheduled for closing, Buyer may terminate the agreement.
- 9.5 Buyer's close of escrow is conditioned on Buyer's prior or concurrent closing on a sale of other property, commonly referred to as _____.
- 9.6 Both parties reserve their rights to assign and agree to cooperate in effecting an Internal Revenue Code §1031 exchange prior to close of escrow on either party's written notice. [See **RPI Forms 171 or 172-2**]
- 9.7 Before an action is filed on a dispute arising out of this agreement which remains unresolved after 30 days of informal negotiations, the parties agree to enter into non-binding mediation administered by a neutral dispute resolution organization to settle the dispute.
- 9.8 When Buyer breaches the agreement, Buyer's monetary liability to Seller is limited to \$ _____, or the deposit receipted in Section 1.

10. PROPERTY CONDITIONS:

Check applicable provisions.

10.1 Seller to furnish to Buyer prior to closing:

- a. a structural pest control inspection report and certification of clearance of corrective conditions.
- b. a home inspection report prepared by an insured home inspector showing the land and improvements are free of material defects.
- c. a one-year home warranty policy:
 Insurer _____
 Coverage _____
- d. a certificate of occupancy, or other clearance or retrofitting, required by local ordinance for the transfer of possession or title.
- e. a certification by a licensed contractor stating the sewage disposal system is functioning properly, and when it contains a septic tank, is not in need of pumping.
- f. a certification by a licensed water testing lab stating the well supplying the property meets potable water standards.
- g. a certification by a licensed well-drilling contractor stating the well supplying the property produces a minimum of _____ gallon(s) per minute.
- h. an Energy Audit Report stating the rating for the property's improvements is no greater than _____.
- i. _____
- j. _____
- k. _____
- l. _____
- m. _____
- n. _____

10.2 Seller's Condition of Property Disclosure – Transfer Disclosure Statement (TDS). [See **RPI** Form 304]

- a. Buyer acknowledges previously receiving and reviewing the disclosure; or
- b. On acceptance, Seller to hand Buyer the TDS for Buyer's review. Within ten days after receipt, Buyer may either cancel the transaction based on a reasonable disapproval of the disclosure or deliver to Seller or Seller's Broker a written notice itemizing any material defects in the property disclosed by the statement and unknown to Buyer prior to acceptance. Seller to repair, replace or correct noticed defects prior to closing. [See **RPI** Form 269]
- c. On Seller's failure to repair, replace or correct noticed defects under §10.2b or §10.3a, Buyer may tender the purchase price reduced by the cost to repair, replace or correct the noticed defects, or close escrow and pursue available remedies. [See **RPI** Form 183]

10.3 Buyer to inspect the property twice:

- a. An initial property inspection is conducted on acceptance to confirm the property's condition is substantially the same as observed by Buyer and represented by Seller or Seller Agent prior to acceptance, and when not substantially the same, Buyer to promptly notify Seller in writing of undisclosed material defects discovered. Seller to repair, replace or correct noticed defects prior to closing [See **RPI** Form 269]; and
- b. A final walk-through inspection is required within five days before closing to confirm the correction of any noticed defects under §10.2b and §10.3a and maintenance under §10.4. [See **RPI** Form 270]

10.4 Seller to maintain the property in good condition until possession is delivered.

10.5 Complying smoke detector(s) and water heater bracing exist, and when not, Seller to install.

10.6 Fixtures and fittings attached to the property include, but are not limited to: window shades, blinds, light fixtures, plumbing fixtures, curtain rods, wall-to-wall carpeting, draperies, hardware, antennas, air coolers and conditioners, solar equipment, surveillance equipment, trees, shrubs, mailboxes and other similar items.

10.7 Possession of the property and keys/access codes are delivered: on close of escrow, or as stated in the attached Occupancy Agreement. [See **RPI** Forms 271 and 272]

10.8 Buyer acknowledges prior receipt and review of a booklet and related disclosures containing:

- a. *Environmental Hazards: A Guide for Homeowners, Buyers, Landlords and Tenants* (on all one-to-four units) [See **RPI** Form 316-1]
- b. *Protect Your Family from Lead in Your Home* (on all pre-1978 one-to-four units) [See **RPI** Form 313]
- c. *The Homeowner's Guide to Earthquake Safety* (on all pre-1960 one-to-four units) [See **RPI** Form 315]

11. DUE DILIGENCE CONTINGENCIES:

Check applicable provisions.

Seller to hand Buyer copies, or make available for Buyer's review, the checked items noted in the following checked addenda as soon as reasonably practicable after entry into this agreement.

Within _____ days after Buyer receipt and review of any of the items, Buyer may terminate the agreement based on Buyer's reasonable disapproval of the checked items in the addenda. [See **RPI** Form 183]

- 11.1 Due Diligence Contingencies Addendum. [See **RPI** Form 279]
- 11.2 Homeowners' Association (HOA) Addendum. [See **RPI** Form 309]

12. CLOSING CONDITIONS:

- 12.1 This transaction to be escrowed with _____.
Parties to deliver instructions to escrow as soon as reasonably possible after acceptance.
 - a. Escrow holder is authorized and instructed to act on the provisions of this agreement as the mutual escrow instructions of the parties and to draft any additional instructions necessary to close this transaction. [See **RPI** Form 401]
 - b. Escrow instructions, prepared and signed by the parties, are attached to be handed to escrow on acceptance. [See **RPI** Form 401]
- 12.2 Escrow to be handed all instruments needed to close escrow on or before _____, or within _____ days after acceptance. Parties to hand Escrow all documents required by the title insurer, lenders or other third parties to this transaction prior to seven days before the date scheduled for closing.
 - a. Each party to pay its customary escrow charges. [See **RPI** Forms 310 and 311]
- 12.3 Buyer's title to be subject to covenants, conditions, restrictions, reservations and easements of record.
- 12.4 Title to be vested in Buyer or Assignee free of encumbrances other than those set forth herein. Buyer's interest in title to be insured under a policy issued by _____ title company on a(n) Homeowner(s) policy (one-to-four units), Residential ALTA-R policy (vacant or improved residential parcel), Owner's policy (other than one-to-four units), CLTA Joint Protection policy (also naming Carryback Seller or purchase-assist lender), or Binder (to insure resale or refinance within two years).
 - a. Endorsements _____
 - b. Seller, or Buyer, to pay the title insurance premium.
- 12.5 Buyer to furnish a new fire insurance policy covering the property.
- 12.6 Taxes, assessments, insurance premiums, rents, interest and other expenses to be prorated to close of escrow, unless otherwise provided.
- 12.7 Bill of Sale to be executed for any personal property transferred.
- 12.8 When Seller is unable to convey marketable title as agreed, or when the improvements on the property are materially damaged prior to closing, Buyer may terminate the agreement. Seller to pay all reasonable escrow cancellation charges. [See **RPI** Form 183]
- 12.9 Seller to pay any transfer fees incurred on the transaction.

13. NOTICES:

- 13.1 NOTICE REGARDING SALES DATA: Broker is authorized to report the sale, its price and terms for dissemination and use of participants in brokerage trade associations and listing services.
- 13.2 NOTICE REGARDING REGISTERED SEX OFFENDERS: Pursuant to Section 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet Web site maintained by the Department of Justice at www.meganslaw.ca.gov. Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP code in which he or she resides.
- 13.3 NOTICE REGARDING APPRAISAL OBJECTIVITY: Any appraisal of the property is required to be unbiased, objective, and not influenced by improper or illegal considerations, including, but not limited to, any of the following: race, color, religion (including religious dress, grooming practices, or both), gender (including, but not limited to, pregnancy, childbirth, breastfeeding, and related conditions, and gender identity and gender expression), sexual orientation, marital status, medical condition, military or veteran status, national origin (including language use and possession of a driver's license issued to persons unable to provide their presence in the United States is authorized under federal law), source of income, ancestry, disability (mental and physical, including, but not limited to, HIV/AIDS status, cancer diagnosis, and genetic characteristics), genetic information, or age. If a buyer or seller believes that the appraisal has been influenced by any of the above factors, the seller or buyer can report

Buyer Broker: _____

Broker's DRE #: _____

is the broker for: Buyer
 both Buyer and Seller (dual agent)

Buyer Agent: _____

Agent's DRE #: _____

is Buyer agent (salesperson or broker-associate)
 both Buyer and Seller agent (dual agent)

Signature: _____

Address: _____

Phone: _____

Email: _____

Seller Broker: _____

Broker's DRE #: _____

is the broker for: Seller
 both Buyer and Seller (dual agent)

Seller Agent: _____

Agent's DRE #: _____

is Seller agent (salesperson or broker-associate)
 both Buyer and Seller agent (dual agent)

Signature: _____

Address: _____

Phone: _____

Email: _____

I agree to the terms stated above.

See attached Signature Page Addendum. [RPI Form 251]

Date: _____

Buyer: _____

Signature: _____

Buyer: _____

Signature: _____

I agree to the terms stated above.

See attached Signature Page Addendum. [RPI Form 251]

Date: _____

Seller: _____

Signature: _____

Seller: _____

Signature: _____

REJECTION OF OFFER

Undersigned hereby rejects this offer in its entirety. No counteroffer will be forthcoming.

Date: _____

Name: _____

Name: _____

Signature: _____

Signature: _____