Real Estate Contract (Offer and Acceptance)

***UNIVERSITY OF ARKANSAS***

 The Board of Trustees of the University of Arkansas ("Buyer"), for the [*Insert campus or unit name*], makes the following offer to \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ("Seller" whether one or more):

1. The University officer signing this offer is authorized to extend an offer to purchase. However, only the Board of Trustees of the University of Arkansas holds the authority to convey real property. Accordingly, the Buyer’s obligation to complete a purchase of the Property is conditioned upon approval of a resolution by the Board of Trustees of the University of Arkansas, confirming the Board’s consent to conveyance of the Property and the terms of this contract. [*This provision may be omitted if the sale has already been approved by the Board*.]
2. Subject to and on the terms and conditions set forth herein, Buyer offers to purchase, and Seller offers to sell, the following described property situated in \_\_\_\_\_\_\_\_\_\_\_\_\_\_ County, Arkansas (the “Property”):

[*Insert legal description of property or reference an exhibit with the legal description*]

1. At closing the Buyer will pay the cash sum of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_($\_\_\_\_\_\_\_\_\_\_) for the Property. Buyer and Seller shall divide equally the closing agent's fee. Seller will pay recording fees for any release deeds and Buyer will pay the recording fee for the general warranty deed. Buyer's counsel will prepare the general warranty deed and any other closing documents required by Buyer at closing. Seller hereby authorizes the closing agent to have prepared any release deeds, affidavits or other documents required to be executed by Seller at closing.
2. Conveyance shall be made to Buyer, or as directed by Buyer, by general warranty deed, subject to recorded restrictions and easements which, in the Buyer's sole discretion, do not materially affect the merchantability of the Property or Buyer's intended use of the Property. Seller shall also execute at closing an affidavit stating in substance that the Property is not subject to adverse possession claims and that no work or materials have been performed on the Property within one hundred and thirty (130) days of closing for which a lien might be asserted.
3. Seller shall furnish Buyer, at Seller's cost, an owner's title insurance policy, in the amount of the purchase price, reflecting merchantable title and issued on terms and conditions satisfactory to Buyer's attorney. The title insurance policy shall be issued by a company that is both qualified to do business in the State of Arkansas and acceptable to Buyer. If objections are made to Seller's title, Seller shall have a reasonable time, not to exceed thirty (30) days from the date of Buyer's notification of such objections, to cure such defects to Buyer's satisfaction.
4. General property taxes and special assessments due on or before the closing date shall be paid by Seller. Seller shall also pay through the date of closing general taxes and special assessments for the year in which closing occurs. The amount of such taxes and assessments shall be calculated based upon the previous year's tax statement and prorated through the closing date. Provided, however, if a reassessment or millage change takes effect in the year in which closing occurs, the prorated taxes and assessments shall be based upon the reassessed value and any millage change.
5. Seller represents to Buyer that Seller has full power and authority to execute this real estate contract and that there are no options, rights of first refusal or contracts, written or oral, for the sale of the Property or which otherwise would affect Seller's obligations hereunder. Within thirty (30) days from the date of acceptance, Seller shall furnish Buyer complete copies of all written lease or rental agreements affecting the Property and a list of all deposits held by Seller for tenants occupying the Property. Seller represents to Buyer that there are no lease agreements, written or oral, extending more than two (2) months from the date of this real estate contract or that, if there are such rental or lease agreements, Seller will disclose them to Buyer in writing within thirty (30) days from the date of this real estate contract. Buyer shall have the right to review all lease and rental agreements applicable to the Property and Buyer may terminate this real estate contract if it determines, in its sole discretion, that such lease agreements or rental agreements materially affect its intended use or enjoyment of the Property. Buyer may also require Seller to obtain written estoppel certificates from each tenant, in a form approved by Buyer's counsel, to be furnished to Buyer at or prior to closing.
6. The closing date shall be at a time and place established by Buyer and is estimated to occur within sixty (60) days following the date the Board of Trustees of the University of Arkansas approves a resolution confirming this contract. Buyer may extend the closing date beyond such time if necessary to complete title requirements, inspections or review and approval of agencies of the State of Arkansas. Possession shall be delivered to Buyer upon closing.
7. Unless specifically excluded herein, all structures, improvements, fixtures and attached equipment, if any, are included in the purchase price. Such fixtures and attached equipment shall include, but not be limited to, the following: air conditioners, ranges, carpeting, indoor and outdoor light fixtures, ceiling fans, window and door coverings, awnings, antennas and any other items bolted, nailed, screwed, buried or otherwise attached to the real Property.
8. A standard letter of termite and pest control clearance and a termite policy on a form approved by the Arkansas State Plant Board shall be furnished to Buyer at Seller's expense at or prior to closing, unless Buyer waives this requirement.
9. Buyer will inspect the Property prior to closing and is not relying upon any warranties, representations or statements of Seller or Seller's agent, if any, as to the age or condition of the improvements, other than those specified in this Contract. SELLER WARRANTS AND REPRESENTS TO BUYER THAT, TO THE BEST OF SELLER’S KNOWLEDGE AND BELIEF, IMPROVEMENTS ON THE PROPERTY DO NOT CONTAIN ASBESTOS AND THAT THE PROPERTY IS FREE FROM OTHER ENVIRONMENTAL HAZARDS, SUBSTANCES OR CONDITIONS. Prior to closing Buyer may inspect the Property for asbestos or other environmental hazards and, if the Property, fixtures or improvements are found to contain asbestos or other environmental hazards, Buyer may terminate this contract on written notice to Seller unless Seller agrees to deduct the cost of removal or remediation from the purchase price. Buyer may obtain at its cost a Phase I environmental report performed by a licensed engineer or firm selected by Buyer. If the report discloses asbestos, lead paint or other environmental hazards of any nature whatsoever requiring remediation, Buyer will have the right to terminate this contract unless Seller elects to pay the cost of remediation or to reduce the purchase price by the cost of remediation.
10. Seller further warrants and represents to Buyer that all electrical, heating and air conditioning systems, plumbing, roof, foundation and structural components, appliances and related equipment are, and will be at closing, in good condition or normal working order. Buyer shall have the right, at Buyer's expense, to conduct such inspections as Buyer deems appropriate and to notify Seller at least fifteen (15) days prior to closing of any such systems, components or equipment are not in good condition or normal working order. Seller shall be required to pay the cost to remedy or repair such defects or conditions or, in the alternative, Seller may reduce the purchase price in an amount determined by Buyer as the estimated cost of such repairs or remediation. If Seller fails or refuses to repair or remediate defects or conditions noted by Buyer's inspection or to reduce the purchase price as aforesaid, Buyer may terminate this contract or, in the alternative, Buyer may accept the Property in its condition at closing and receive a credit against the purchase price for the estimated cost of such repairs.
11. The risk of loss or damage to the Property by fire or other casualty occurring up to the time of closing is assumed by the Seller.
12. Seller covenants that no broker has been involved in this real estate contract or that if a broker is involved, Seller will pay any commission owed.
13. This real estate contract contains the entire agreement of the parties and may not be changed, modified or amended except by a written instrument signed by both parties. There are no agreements or representations, written or oral, with respect to the subject matter of this contract which are not contained herein.
14. Seller shall provide to Buyer any disclosure required by Governor’s Executive Order 98-04.
15. This offer expires if not accepted by 5:00 p.m., \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_. Written acceptance shall be delivered to Buyer at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_or, if mailed, shall be received by Buyer no later than said date.

Board of Trustees of the University

of Arkansas, acting for the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_,Buyer

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Title

 The above is accepted on the \_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Seller

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Seller's Spouse (if applicable)