

## REAL ESTATE SALES AGREEMENT

This **Real Estate Sales Agreement** ("Agreement") is made and entered into on **November 22, 2024**, by and between **Jörg Utecht** ("Buyer"), residing at **42 Skibidi Lane, Capital City, SK 56789** (the "Tenant"), and **John Doe** ("Landlord"), residing at **123 Seller Lane, Capital City, SK 56789** (the "Seller"). This Agreement sets forth the terms and conditions under which the Buyer agrees to purchase, and the Seller agrees to sell, the real property described below.

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### 1. PROPERTY DESCRIPTION

The real property that is the subject of this Agreement is located at:

- **Address:** 456 Dream House Blvd, Capital City, SK 56789
- **Legal Description:** Lot 15, Block 2, Dream Hills Subdivision, as per the plat recorded in Book 45, Page 67, of the Official Records of Capital City, in accordance with the **Plat No-182** attached as **Exhibit B**.

The **Landlord** represents and warrants that they are the legal owner of the **Premises** and that the **Premises** are free from all liens, encumbrances, or legal disputes except as disclosed in writing. The **Landlord** shall ensure that the **Premises** are transferred with **Vacant Possession** at the time of closing.

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### 2. PURCHASE PRICE AND PAYMENT TERMS

#### Purchase Price

The total purchase price for the **Premises** is **\$650,000** ("Purchase Price"). The **Tenant** agrees to pay the Purchase Price in the following manner:

1. **Earnest Money Deposit:** **Tenant** shall deposit **\$10,000** as earnest money into an escrow account with **Skibidi Bank Escrow Services** within **3 business days** of executing this Agreement. The earnest money shall be credited towards the Purchase Price at closing. If the **Tenant** defaults on the Agreement without legal cause, the **Seller** may retain the Earnest Money as liquidated damages.
2. **Down Payment:** A down payment of **\$100,000** will be paid by the **Tenant** at the time of closing. The **Tenant** agrees to wire transfer the down payment amount to the designated escrow account as provided by the escrow agent. This down payment will be deducted from the Purchase Price and applied toward the closing costs.

3. **Financing:** The remaining balance of **\$540,000** will be provided by the **Tenant** through financing arranged with **Skibidi Bank**, as per the **Loan Commitment Letter** dated **November 22, 2024**, which is attached as **Exhibit A**. The **Tenant's** ability to proceed with this Agreement is contingent upon obtaining a mortgage loan on the terms described in Exhibit A.

**Adjustments to the Purchase Price:** In addition to the Earnest Money and Down Payment, the Purchase Price may be adjusted at closing based on:

- **Pro-Rated Rent:** If the **Tenant** occupies the **Premises** for a partial month, the amount of rent due for that month will be pro-rated based on the number of days the **Tenant** occupies the **Premises**.
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### 3. LOAN COMMITMENT AND FINANCING TERMS

#### Loan Commitment

The **Tenant's** purchase of the **Premises** is contingent upon obtaining a loan from **Skibidi Bank**, under the terms set forth in the **Loan Commitment Letter** attached as **Exhibit A**. The loan details are as follows:

- **Loan Amount:** \$500,000
- **Interest Rate:** 5.75% per annum (fixed-rate)
- **Loan Term:** 30 years, fixed-rate mortgage
- **Down Payment:** \$100,000

#### Financing Conditions:

- The **Tenant** shall apply for the loan and use their best efforts to obtain loan approval on the terms outlined in Exhibit A.
- The loan is subject to the **Tenant's** creditworthiness and approval of the property appraisal by **Skibidi Bank**.
- The **Tenant** agrees to notify the **Landlord** promptly upon obtaining the loan approval or if the loan application is denied.

If the **Tenant** is unable to obtain the necessary loan commitment by **January 15, 2025**, the **Tenant** shall have the right to terminate this Agreement, and the Earnest Money shall be refunded to the **Tenant**.

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### 4. INSPECTIONS AND CONTINGENCIES

#### Inspection Contingency

The **Tenant** shall have the right to inspect the **Premises**, at the **Tenant's** sole expense, within **10 business days** from the execution of this Agreement. This may include structural, mechanical, electrical, plumbing, pest, environmental, and other inspections the **Tenant** deems necessary.

- **Inspection Report:** The **Tenant** shall provide the **Landlord** with a copy of any inspection reports obtained. If significant defects are discovered, the **Tenant** may:
  - Request that the **Landlord** make repairs at the **Landlord's** expense.
  - Negotiate a reduction in the Purchase Price.
  - Terminate the Agreement and receive the Earnest Money if the defects are deemed material.

### **Appraisal Contingency**

The transaction is contingent upon the **Premises** appraising at or above the Purchase Price of **\$650,000**. If the **Premises** appraise for less than the agreed-upon price, the **Tenant** may:

- Negotiate a lower price with the **Landlord**.
- Seek additional financing to cover any shortfall.
- Terminate the Agreement and receive the Earnest Money.

### **Title Contingency**

The **Tenant's** obligations under this Agreement are contingent upon the **Tenant** obtaining satisfactory title to the **Premises**. The **Landlord** shall deliver a **Title Report** to the **Tenant** at least **10 business days** prior to closing. If the title report reveals any defects, the **Tenant** may:

- Request that the **Landlord** cure any defects.
- Terminate the Agreement and receive a refund of the Earnest Money.

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## **5. CLOSING AND POSSESSION**

### **Closing Date**

The closing of this transaction shall take place on **March 1, 2025**, or at such other time as mutually agreed by the parties, but in no event later than **March 15, 2025**. The closing will occur at **Skibidi Bank**, Capital City, SK, or at such other location as mutually agreed upon.

At closing, the **Tenant** shall pay the Purchase Price (less the Earnest Money and Down Payment) to the **Landlord**, and the **Landlord** shall transfer the title of the **Premises** to the **Tenant**.

### **Possession**

Possession of the **Premises** shall be delivered to the **Tenant** at closing, subject to any tenants or other occupants who may have a right to remain in the **Premises** under a lease agreement.

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## 6. SELLER'S DISCLOSURES AND WARRANTIES

### Seller's Disclosures

The **Landlord** agrees to provide the following disclosures to the **Tenant**:

- **Seller's Disclosure Statement:** The **Landlord** will provide a detailed disclosure statement regarding any known defects or issues with the **Premises**, including but not limited to, environmental hazards, past repairs, or disputes with neighbors.
- **Existing Reports:** The **Landlord** will provide any available reports related to the **Premises**, including past inspection reports, mold, lead paint, or pest inspection results.

### No Warranty

The **Premises** are sold **as-is**, and the **Landlord** makes no warranties or representations about the **Premises**, its condition, or its suitability for the **Tenant's** intended use, except as explicitly stated in this Agreement.

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## 7. TITLE AND ESCROW

### Title

At the time of closing, the **Landlord** shall provide the **Tenant** with a **Title Insurance Policy** from a reputable title company, ensuring that the **Tenant** holds **clear title** to the **Premises**, free from all liens, claims, or encumbrances, except as disclosed in this Agreement.

### Escrow

An escrow account shall be established with **Skibidi Bank Escrow Services**, and the escrow agent will be responsible for holding the Earnest Money, ensuring the correct disbursement of funds, and filing the necessary documents for the transfer of title at closing. The escrow agent will also act as an impartial third party to handle any disputes regarding the Earnest Money.

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## 8. DEFAULT AND REMEDIES

### Tenant's Default

If the **Tenant** fails to perform their obligations under this Agreement without legal cause, the **Landlord** may terminate the Agreement, and the Earnest Money shall be forfeited to the **Landlord** as liquidated damages.

#### **Landlord's Default**

If the **Landlord** fails to perform their obligations under this Agreement without legal cause, the **Tenant** may:

- **Terminate the Agreement** and receive the Earnest Money, or
  - **Seek specific performance** by filing a lawsuit in a court of competent jurisdiction to compel the **Landlord** to complete the sale, or
  - **Recover damages** incurred as a result of the **Landlord's** failure to perform.
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## **9. DISPUTE RESOLUTION**

#### **Mediation and Arbitration**

In the event of any dispute arising out of this Agreement, the parties agree to first attempt to resolve the dispute through **mediation**. If mediation fails, the dispute will be settled through **binding arbitration** conducted by a neutral arbitrator chosen by both parties. The arbitration shall take place in **Capital City, SK**, and the decision of the arbitrator shall be final and binding.

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## **10. MISCELLANEOUS TERMS**

#### **Force Majeure**

Neither party shall be liable for failure to perform their obligations under this Agreement due to circumstances beyond their reasonable control, such as natural disasters, governmental actions, strikes, or civil unrest.

#### **Entire Agreement**

This Agreement constitutes the entire understanding between the parties concerning the sale of the **Premises** and supersedes all prior negotiations, representations, and agreements, whether written or oral.

#### **Severability**

If any provision of this Agreement is found to be invalid or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall remain in full force and effect.

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## 11. SIGNATURES

By signing below, the parties affirm that they have read, understood, and agree to the terms and conditions of this Agreement.

**Landlord's Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Tenant's Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

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## EXHIBIT A: LOAN COMMITMENT LETTER

- **Loan Amount:** \$500,000
  - **Interest Rate:** 5.75% fixed
  - **Loan Term:** 30 years fixed-rate mortgage
  - **Pre-Approval Validity:** February 22, 2025
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## EXHIBIT B: PLAT MAP

- **Legal Description of the Premises** (attached)
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## EXHIBIT C: INSPECTION REPORT

- **Inspection Report** (attached)