



CAMPBELL & BRANNON

# **2022 GAR CONTRACT CHANGES**

*Continuing Education Class*

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# AGENDA

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Section 1 – Brokerage Agreements & Case Study

Section 2 – Purchase and Sale Agreement & Exhibits

Section 3 – Disclosures & Case Study



# 2022 Contract Changes

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## Brokerage Agreements & Case Study

### Section 1



## Consumer Brochures (CB04 and CB13)

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The Consumer Brochures are well written and informative. These educational pamphlets are prepared courtesy of the Georgia Association of REALTORS® to help parties buy, sell, or lease real estate and should be used!

### CB04 Lead Based Paint Pamphlet

Updated to the most recent EPA brochure

### CB13 Protect Yourself When Buying Real Property

Added language about the types of testing under *Thoroughly investigate the property*

***Thoroughly investigate the property.*** Sellers are required to disclose known latent defects in a property. Latent defects are those that a buyer could not discover as the result of a reasonable inspection. Before completing the purchase, buyers should use reasonable diligence to investigate the property. In addition to a professional property inspection, buyers should also check for issues of personal concern. Examples include, but are not limited to, floor condition when covered by area rugs, water staining under plants, missing window screens, and any area made physically or visually inaccessible by the seller.

There are many other tests and studies buyers can do in deciding whether to purchase a property. These include, for example, a radon test to determine if the property has elevated levels of radon, mold tests to determine if the property has high levels of certain kinds of dangerous mold, well water condition and capacity tests when the property is served by well water and septic systems inspections when the property is served by a septic system.



# Exclusive Seller Brokerage Engagement Agreement (F101)

## EXCLUSIVE SELLER BROKERAGE ENGAGEMENT AGREEMENT



2022 Printing

State law prohibits Broker from representing Seller as a client without first entering into a written agreement with Seller under O.C.G.A. § 10-6A-1 et. seq.

### A. KEY TERMS AND CONDITIONS

1. **Exclusive Seller Brokerage Engagement Agreement.** For and in consideration of the mutual promises contained herein and other good and valuable consideration, the undersigned seller(s) ("Seller") and the undersigned broker ("Broker") do hereby enter into this Exclusive Seller Brokerage Engagement Agreement ("Agreement") for Broker to exclusively represent the Seller in selling and selling the property described below ("Property") for sale on the terms and conditions set forth herein.

#### a. Property Identification: Address

City \_\_\_\_\_ County \_\_\_\_\_ Georgia, Zip Code \_\_\_\_\_

#### Tax Parcel I.D. Number

\_\_\_\_\_

b. **Legal Description:** The legal description of the Property is (select one of the following boxes):

☐ (1) attached as an exhibit hereto;

☐ (2) the same as described in Deed Book \_\_\_\_\_ Page \_\_\_\_\_ et. seq., of the land records of the above county; **OR**

☐ (3) Land Unit(s) \_\_\_\_\_ of the \_\_\_\_\_ District \_\_\_\_\_ Section \_\_\_\_\_

QMS, Lot \_\_\_\_\_ Block \_\_\_\_\_ Unit \_\_\_\_\_ Precinct \_\_\_\_\_

of \_\_\_\_\_ Subdivision (Development), according to

the plat recorded in Plat Book \_\_\_\_\_ Page \_\_\_\_\_ of the land records of the above county;

**OR**

☐ (4) described below if Property is a condominium unit and a full legal description is to be used

(NOT TO BE USED IF PROPERTY IS A FEE SIMPLE TO WHOMEVER)

Unit \_\_\_\_\_ of \_\_\_\_\_ Condominium

("Condominium"), located in Land Lot \_\_\_\_\_ of the \_\_\_\_\_ District of \_\_\_\_\_ County, Georgia,

together with its percentage of undivided interest in the common elements of the Condominium and its interest in the limited

common elements assigned to the unit ("Unit"). The Condominium was created pursuant to the Declaration of Condominium

for any Condominium ("Declaration"), recorded in Deed Book \_\_\_\_\_ Page \_\_\_\_\_ of

and \_\_\_\_\_ County, Georgia records ("Declaration"), and shown and delineated on the plat of

survey filed in Condominium Plat Book \_\_\_\_\_ Page \_\_\_\_\_ of \_\_\_\_\_ County,

Georgia records, and on floor plans filed in Condominium Floor Plan Book \_\_\_\_\_ Page \_\_\_\_\_ of \_\_\_\_\_ County, Georgia records.

### 2. List Price and Listing Period

a. The price at which the Property shall be listed for sale is \$ \_\_\_\_\_ ("List Price").

b. Commencement Date of Agreement: \_\_\_\_\_ 20\_\_\_\_ This Agreement shall commence

and be effective upon it being signed by Seller and Broker and a signed copy delivered to both parties.

c. Ending Date of Agreement: \_\_\_\_\_ 20\_\_\_\_ This shall be the last full date of the

Agreement ~~agreement~~ is a stated term and no longer be in effect unless the parties agree in writing to extend it.

### 3. Marketing. Broker agrees to file this listing with the following Multiple Listing Service(s):

\_\_\_\_\_

a. **DELIVERY OF AGREEMENT TO AND LISTING WITH M.L.S.** THIS AGREEMENT MUST BE TIMELY DELIVERED TO AND

LISTED WITH THE ABOVE REFERENCED MULTIPLE LISTING SERVICE(S) IN ACCORDANCE WITH THE RULES OF SUCH

MULTIPLE LISTING SERVICE(S). THIS OBLIGATION SHALL CONTROL OVER ANY CONFLICTING OR INCONSISTENT

LANGUAGE CONTAINED HEREIN.

b. **Marketing Commencement Date:** \_\_\_\_\_ 20\_\_\_\_ This shall be the date when the

Property is first marketed to the public. Seller shall have the right, upon notice to Broker, to move this date up or back by not more

than \_\_\_\_\_ days.

Establishes the duties of seller and broker for a set period.



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# F101- Commission

4. **Commission.** *[Select one or more of the following below.]*

a. Seller agrees to pay Broker the following commission ("Commission") at the closing of any Contract to Sell (as that term is hereinafter defined) of the Property as follows:

- ☐ \_\_\_\_\_ percent (%) of the sales price;  
☐ \$ \_\_\_\_\_;  
☐ (other) \_\_\_\_\_.

b. Broker agrees to pay cooperating broker, if any,

- ☐ \_\_\_\_\_ % of the sales price;  
☐ \$ \_\_\_\_\_;  
☐ (other) \_\_\_\_\_.

c. **Commission Adjustment to Cooperating Broker:** There may be circumstances where Seller's Broker shall not pay the cooperating broker the Commission referenced in Section A.4(b) above. These circumstances and the Commission that shall be paid in such circumstances are as follows: \_\_\_\_\_

☐ Check if an additional page(s) (F801) is attached (in which event, the same are incorporated herein).

d. **Separate Commission on Lease.** If Seller leases the Property or enters into a lease/purchase agreement or a lease with an option to purchase agreement during this Agreement, Seller shall also pay Broker a separate leasing commission in the amount of \$ \_\_\_\_\_ and as follows: \_\_\_\_\_

\_\_\_\_\_. Notwithstanding any provision to the contrary contained herein, the payment of a leasing Commission (including in lease/purchase transactions or lease with an option to purchase transactions) shall not relieve Seller from paying the Commission at the closing of a Contract to Sell, as provided elsewhere in this Agreement.

**New subsection (A(4)(c)) adds circumstances under which Seller's Broker shall not pay cooperating broker the Commission listed in section A(4)(b)**



# F101- Commission

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**New subsection (B(4)(c)) clarifies commission in a lease purchase.**

## 4. Commission.

- a. **Obligation to Pay Commission:** In the event that Seller enters into a Contract to Sell or lease, lease/purchase, or lease with an option to purchase the Property or any portion thereof during the term of this Agreement with any buyer, seller agrees to pay Broker's Commission at the closing (regardless of whether the closing is during or after the term of this Agreement), and if applicable, Broker's Leasing Commission prior to the commencement of a lease, lease/purchase, or lease with an option to purchase.
- b. **Sharing of Broker's Commission with Cooperating Broker:** Broker shall share this commission with a cooperating broker, if any, who procures the buyer of Property by paying such cooperating broker at closing the percent (%) of the sales price of Property referenced above **OR** the flat amount referenced herein. **There may be times when the Broker may not pay the cooperating broker the full amount of the commission as set forth in Section A.**
- c. **Separate Commission on Lease:** Notwithstanding the above, if Seller leases real property or enters into a lease/purchase or lease with an option to purchase contract during this Agreement, Seller shall also pay Broker a separate Leasing Commission in the amount as indicated elsewhere in this Agreement. Notwithstanding any provision to the contrary contained herein, the payment of a leasing commission (including in lease purchase and lease with an option to purchase transactions) shall not relieve Seller from paying the Commission at the closing of a Contract to Sell, as provided elsewhere in this Agreement.



# F101 – Agency and Brokerage

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**New: Broken out into two subsections and added language about Seller consenting to dual agency (A(6))**

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## 6. Agency and Brokerage.

- a. The following are types of agency relationship(s) **NOT** offered by Broker:
- ☐ seller agency ☐ buyer agency ☐ designated agency ☐ dual agency ☐ sub-agency ☐ tenant agency ☐ landlord agency
- b. If Broker offers dual agency as one of its agency relationships above, Seller ☐ does or ☐ does not consent to Broker acting in a dual agency capacity, as that agency relationship is explained in Section B.6(b) below and in the CB01 ABCs of Agency. Seller expressly consents to Broker acting in any other agency relationship offered by Broker.





Limits Broker liability: seller has a duty to warn Buyers of hazardous conditions on the property and agrees to hold Broker harmless against claims if Buyer is injured on the property.

New: definition of Buyer and Seller moved to subsection C(6)(e)

- g. shall have no authority to bind Seller to any Contract to Sell or give notices on behalf of Seller other than to forward, if requested by Seller, a notice signed by Seller pertaining to a real estate transaction. Under the standard GAR Purchase and Sale Agreement Forms, notice received by the Broker is deemed to be notice received by the Seller.
- 4. LIMIT ON BROKER'S LIABILITY. SELLER ACKNOWLEDGES THAT BROKER:**
- SHALL, UNDER NO CIRCUMSTANCES, HAVE ANY LIABILITY GREATER THAN THE AMOUNT OF THE REAL ESTATE COMMISSION PAID HEREUNDER TO BROKER (EXCLUDING ANY COMMISSION AMOUNT PAID TO A COOPERATING REAL ESTATE BROKER, IF ANY) OR, IF NO REAL ESTATE COMMISSION IS PAID TO BROKER, THAN A SUM NOT TO EXCEED \$100; AND**
  - NOTWITHSTANDING THE ABOVE, SHALL HAVE NO LIABILITY IN EXCESS OF \$100 FOR ANY LOSS OF FUNDS AS THE RESULT OF WIRE OR CYBER FRAUD.**
- 5. Disclosure of Potentially Fraudulent Activities** as required by the Georgia Residential Mortgage Fraud Act (O.C.G.A. § 16-8-180 et seq.):
- To help prevent fraud in real estate transactions, Seller does hereby give Broker permission to report any suspicious, unusual and/or potentially illegal or fraudulent activity (including but not limited to mortgage fraud) to:
    - Governmental officials, agencies and/or authorities and/or
    - Any mortgage lender, mortgage insurer, mortgage investor and/or title insurance company which could potentially be harmed if the activity was in fact fraudulent or illegal;  - Seller acknowledges that Broker does not have special expertise with respect to detecting fraud in real estate transactions. Therefore, Seller acknowledges that:
    - Activities which are fraudulent or illegal may be undetected by Broker; and
    - Activities which are lawful and/or routine may be reported by Broker as being suspicious, unusual or potentially illegal or fraudulent.
- 6. Miscellaneous.**
- Arbitration.** All claims arising out of or relating to this Agreement and the alleged acts or omissions of any or all the parties herunder shall be resolved by arbitration in accordance with the Federal Arbitration Act (9 U.S.C. § 1 et seq.) and the rules and procedures of the arbitration company selected to administer the arbitration. Upon making or receiving a demand for arbitration, the parties shall work together in good faith to select a mutually acceptable arbitration company with offices in Georgia to administer and conduct the arbitration. If the parties cannot mutually agree on an arbitration company, the company shall be selected as follows. Each party shall simultaneously exchange with the other party a list of three arbitration companies with offices in Georgia acceptable to that party to administer and conduct the arbitration. If there is only one (1) arbitration company that is common to both lists, that company shall administer and conduct the arbitration. If there is more than one arbitration company that is common to both lists, the parties shall either mutually agree on which arbitration company shall be selected or flip a coin to select the arbitration company. If there is not only a common arbitration company on the lists, the parties shall repeat the process by exchanging their lists by two each time until there is a common name on the lists selected by the parties. The decision of the arbitrator shall be final and the arbitrator shall have authority to award attorneys' fees and allocate the costs of arbitration as part of any final award. All claims shall be brought by a party in his or her individual capacity and not as a plaintiff or class member in any purported class or representative proceeding. The arbitrator may not consolidate more than one person's claims, and may not otherwise preclude any form of a representative or class proceeding. Notwithstanding anything to the contrary contained herein, this agreement to arbitrate shall not apply to: (1) any claim regarding the handling and disbursement of earnest money; and (2) any claim of Broker regarding the entitlement to the non-payment of a real estate commission hereunder.
  - Assignability.** As part of a sale of all or substantially all of the assets of Broker to another brokerage firm, Seller consents to this Agreement being assigned by Broker to the other brokerage firm. In such event, the assignee, upon consenting to the assignment, shall: (1) thereafter be responsible for performing all of the duties and responsibilities of the assignor under this Agreement; and (2) have all of the rights of assignor including the right to receive the commissions under the Agreement.
  - Attorney's Fees.** In the event this Agreement, or any provision therein, is enforced through or is the subject of a dispute resulting in litigation or arbitration, the prevailing party shall be entitled to recover its actual attorney's fees, reasonably incurred.
  - Broker.** Where the context indicates the term "Broker" shall include Broker's affiliated licensees.
  - Definition of Seller and Buyer.** For the purposes of this section, the term "Seller" shall include Seller, all members of the Seller's immediate family, any entity in which Seller or any member of Seller's immediate family owns or controls, directly or indirectly, more than ten percent (10%) of the shares or interests therein, and any third party who is acting under the direction or control of any of the above parties. For the purposes of this Agreement, the term "buyer" shall include buyer, all members of the buyer's immediate family, any legal entity in which buyer or any member of buyer's immediate family owns or controls, directly or indirectly, more than ten percent (10%) of the shares or interests therein, and any third party who is acting under the direction or control of any of the above parties.
  - Entire Agreement.** This Agreement represents the entire agreement of the parties with respect to listing of the Property for sale and is intended to supersede all prior written and verbal agreements of the parties hereto. No representation, statement, promise, or inducement not contained herein shall be binding on either party hereto. This Agreement shall be binding on the heirs of the Seller.
  - Fair Housing Disclosure.** Seller acknowledges that Broker is committed to providing equal housing opportunities to all persons and that Seller and Broker are obligated to comply with state and federal fair housing laws in selling the Property. Seller and Broker agree not to discriminate in the sale of the Property on the basis of race, color, religion, national origin, sex, familial status, disability, sexual orientation or gender identity.



# F101 – Section A(7) Special Circumstances

## 7. Seller Has the Following Special Circumstances That Will Require Third-Party Approval Before Seller Can Do the Following:

### a. List the Property for Sale:

- ☐ (1) **Bankruptcy:** Seller has filed for bankruptcy protection and this Agreement is made contingent upon the bankruptcy court authorizing the listing of the Property for sale.
- ☐ (2) **Divorce:** Seller has filed for divorce and this Agreement is made contingent upon the court having jurisdiction over the divorce action authorizing the listing of the Property for sale.
- ☐ (3) **Other (Please describe):** \_\_\_\_\_

### b. Contract to Sell the Property:

- ☐ (1) **Bankruptcy:** Seller has filed for bankruptcy protection. Any purchase and sale agreement for the sale of the Property will need to be conditioned upon the approval of the bankruptcy court.
- ☐ (2) **Divorce:** Seller has filed for divorce. Any purchase and sale agreement for the sale of the Property will need to be conditioned upon the approval of the court having jurisdiction over the divorce.
- ☐ (3) **Short Sale:** The sale of the Property will not generate sufficient proceeds to pay off the Broker's real estate commission and all mortgages or liens on the Property. Therefore, the purchase and sale agreement for the sale of the Property will need to be made contingent upon the mortgage lender(s) and other lien holders agreeing to take less than the face amount of what they are owed.
- ☐ (4) **Seller Not On Title:** Seller does not yet have title to the Property and the purchase and sale agreement for the Property  
☐ will or ☐ will not need to be subject to Seller acquiring title to the Property.
- ☐ (5) **Other (Please describe):** \_\_\_\_\_



## Special Circumstances – F101: Case Study

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At the Listing Appointment, the prospective client gave the Agent a tour of the home. The Agent noticed that some of the house was unfurnished, but it seemed normal given the intent to sell.

While touring the bedroom, she further noticed that it was only half-filled... the Agent felt this was odd and was concerned that the spouse had moved out, but never followed up on it. Importantly she had checked the deed and the client was the only one listed.

The Listing Agreement was signed, pictures were scheduled, and the property was marketed for sale a short time later.

Two weeks into a binding agreement being signed, the Closing Attorney called the Agent and asked, "Can you tell me about the divorce and how that is being handled?" Dreading this very call, the Agent called her client and reality set in – the property was not going to close on time, if at all.



# Issues (F101 Case Study)

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1. Seller has filed for a divorce;
2. Seller did not disclose the divorce;
3. Will Seller's spouse approve the sale? Does that matter?
4. Spouse is not on the title to the property.



# Analysis (F101 Case Study)

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1. F101 A(7)(b)(2) Seller has filed for Divorce: *"Any purchase and sale agreement... will need to be conditioned upon the approval of the court having jurisdiction over the divorce"*
2. Georgia is an "equitable distribution state" which means that all marital property acquired during the marriage is subject to division. Property brought into the marriage is not subject to division in a divorce. ... Gifts from one spouse to another are marital property if they were purchased with marital funds.



# **Conclusion (F101 Case Study)**

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1. Seller cannot convey clear title by closing;
2. Must delay closing or allow contract to terminate;
3. Buyer receives Earnest Money and Broker Remedies are not available!



# Conclusion (F101 Case Study)

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Stop and ask the tough questions!

- Divorce, bankruptcy, delinquency on mortgage, liens or short sale
- Don't be afraid to turn down a listing! In this case study, the broker spent hundreds of dollars listing the property, several months marketing and coordinating showings, and ultimately lost the closing with no recourse.
- Call an Attorney or specialist prior to accepting offers. Attempting to solve the issue while under contract with a buyer further complicates the process and increases the costs or concessions due to the timelines.



# Exclusive Buyer Brokerage Engagement Agreement (F110)

## EXCLUSIVE BUYER BROKERAGE ENGAGEMENT AGREEMENT



2022 Printing

State law prohibits Broker from representing Buyer as a client without first entering into a written agreement with Buyer under O.C.G.A. § 10-6A-1 et. seq.

### A. KEY TERMS AND CONDITIONS

1. **Exclusive Buyer Brokerage Engagement Agreement.** For and in consideration of the mutual promises contained herein and other good and valuable consideration, the undersigned buyer(s) ("Buyer") and the undersigned broker ("Broker") do hereby enter into this Exclusive Buyer Brokerage Engagement Agreement ("Agreement") on the terms and conditions set forth herein.
2. **Term.** The term of this Agreement shall begin on the date of \_\_\_\_\_ ("Starting Date") and shall continue through the date of \_\_\_\_\_, as the same may be extended by written agreement of the parties or as provided for herein ("Ending Date").
3. **Agency and Brokerage.**
  - a. The following are types of agency relationship(s) **NOT** offered by Broker:  

<input type="checkbox"/> seller agency	<input type="checkbox"/> buyer agency	<input type="checkbox"/> designated agency	<input type="checkbox"/> dual agency
<input type="checkbox"/> sub-agency	<input type="checkbox"/> tenant agency	<input type="checkbox"/> landlord agency	
  - b. If Broker offers dual agency as one of its agency relationships above, Buyer ☐ does or ☐ does not consent to Broker acting in a dual agency capacity, as that agency relationship is explained in Section B.3(b) below and in the CB01 ABCs of Agency. Buyer expressly consents to Broker acting in any other agency relationship offered by Broker.
4. **Commission.**
  - a. **Buyer's Commission Obligations in Purchasing Real Property:** Buyer agrees to pay broker the commission set forth below ("Commission") at the closing of a Contract to Purchase (as that term is hereinafter defined) entered into during the term of this



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# F110 - Commission

Broker's Entitlement to Commission retitled "Buyer's Commission Obligations in Purchasing Real Property" (B.4a) and language was changed

Seller Normally Pays Commission subsection was eliminated.

b. **Extension:** If during the term of this Agreement, Buyer and a prospective seller enter into a real estate purchase and sale agreement, option to purchase real property, agreement to exchange real property or contract to purchase the share, partnership or membership interests in a legal entity owning real property (hereinafter, collectively, "Contract to Purchase") which is not consummated for any reason whatsoever, then the original expiration date of this Agreement may be extended for the number of days that Buyer was under contract ("Extension Period") by Broker providing written notice of the same to Buyer within five (5) days of the date the Contract to Purchase was terminated or consummated but in no event later than prior to the expiration of the Agreement (hereinafter "Notification Period"). If such written notice is not given before the end of the Notification Period, then the Extension Period for that transaction shall be deemed to have been waived by Broker.

#### 3. Agency and Brokerage

a. **Broker's Policy on Agency:** Unless Broker has indicated elsewhere herein that Broker is not offering a specific agency relationship, the types of agency relationships offered by Broker are: seller agency, buyer agency, designated agency, dual agency, sub-agency, limited agency, and least agency.

b. **Dual Agency Disclosure:** (Applicable only if Broker's agency policy is to practice dual agency and Buyer has consented to Broker acting in a dual agency capacity.) If Buyer and a prospective seller are both being represented by the same Broker and the Broker is not acting in a designated agency capacity, Buyer is aware that Broker is acting as a dual agent in this transaction and hereby consents to the same. Buyer has been advised that:

(1) In serving as a dual agent, Broker is representing two parties, Buyer and the seller, as clients whose interests are or at times could be different or even adverse;

(2) Broker will disclose all adverse, material facts relevant to the transaction and actually known to the dual agent to all parties in the transaction except for information made confidential by request or instructions from either party which is not otherwise required to be disclosed by law;

(3) Buyer does not have to consent to dual agency. The consent of the Buyer to dual agency has been given voluntarily in Section A and the Buyer has read and understands this Agreement;

(4) Notwithstanding any provision to the contrary contained herein, Buyer hereby directs Broker, while acting as a dual agent, to keep confidential and not reveal to the other party any information which could materially and adversely affect their negotiating position except as required by law;

(5) Broker or Broker's affiliated licensees will timely disclose to each party the nature of any material relationship with other party other than that incidental to the transaction. A material relationship shall mean any actually known personal, familial, or business relationship between Broker and a party which would impair the ability of Broker to exercise fair and independent judgment relative to another client. The other party whom Broker may represent in the event of dual agency may not be identified at the time Buyer enters into this Agreement. If any party is identified after the Agreement and has a material relationship with Broker, then Broker shall immediately provide to Buyer a disclosure of the nature of such relationship;

(6) Upon signing this brokerage engagement with the dual agency disclosures contained herein, Buyer's consent to dual agency is conclusively deemed to have been given and inferred in accordance with state law, provided that Buyer has consented to Broker acting in a dual agency capacity in Section A(b) above.

c. **Designated Agency Disclosure:** (Applicable only if Broker's agency policy is to practice designated agency.) Buyer does hereby consent to Broker acting in a designated agency capacity in transactions in which Broker is representing Buyer and a prospective seller, but where Broker assigns one or more of its affiliated licensees exclusively to represent the Buyer and one or more of its other affiliated licensees exclusively to represent the prospective seller.

d. **No Other Adverse Agency Relationships:** Unless specified herein, Broker has no other known agency relationships with other parties which would conflict with any interests of Buyer (except that Broker may represent other buyers, sellers, landlords, and tenants in buying, selling or leasing property).

#### 4. Commission

a. **Buyer's Commission Obligation in Purchasing Real Property:** The obligation of Buyer to pay Broker the Commission shall be effected by any commission paid to Broker or by either seller's broker or seller. Buyer's Commission obligation shall exist even if the closing of the transaction occurs after the term of this Agreement has expired. Buyer shall additionally be responsible for paying the Commission if Buyer defaults under this Agreement or if Buyer enters into a Contract to Purchase during the Protected Period on certain properties as explained in the Protected Period section below.

b. **Commission on Property Sold For Sale By Owner ("FSBO"):** In the event Buyer purchases, leases, leases to purchase or leases with an option to purchase property that is being sold or leased by owner ("FSBO") without a broker and the owner is unwilling to pay Broker's Commission at or before the closing, Buyer agrees to pay Broker the Commission set forth herein at or before the closing or the Leasing Commission, if applicable, prior to the commencement of the lease.

c. **Separate Commission on Lease:** Notwithstanding the above, if Buyer leases real property or enters into a lease/purchase or lease with an option to purchase contract during this Agreement, Buyer shall also pay Broker a separate Leasing Commission (except where the commission is paid by the Landlord) in the amount as indicated elsewhere in this Agreement. Notwithstanding any provision to the contrary contained herein, the payment of a leasing commission (including in lease purchase and lease with an option to purchase transactions) shall not release Buyer from paying the Commission at the closing of a Contract to Purchase, as provided elsewhere in this Agreement.

d. **Protected Period:** The Protected Period shall be the period of time set forth in this Agreement commencing upon the expiration of this Agreement or what would have been the expiration of this Agreement had it not been unilaterally terminated by Buyer during which Broker shall be paid protection for its Commission and/or Leasing Commission, as applicable. There shall be no Protected Period if Buyer and Broker mutually terminate this Agreement. In the event Buyer enters into a Contract to Purchase or lease, lease to purchase or lease with an option to purchase other property while, during the term of this Agreement or what would have been the term of this Agreement had it not been unilaterally terminated by Buyer, was shown to Buyer by Broker, either virtually or in person, or which Buyer otherwise visited ("Protected Properties"), then Buyer shall pay Broker at closing or prior to the commencement of the lease the Commission and/or Leasing Commission, as applicable, set forth above.



# F110 - Commission

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## 4. Commission.

- a. **Buyer's Commission Obligation in Purchasing Real Property:** The obligation of Buyer to pay Broker the Commission shall be offset by any commission paid to Broker by either seller's broker or seller. Buyer's Commission obligation shall exist even if the closing of the transaction occurs after the term of this Agreement has expired. Buyer shall additionally be responsible for paying the Commission if Buyer defaults under this Agreement or if Buyer enters into a Contract to Purchase during the Protected Period on certain properties as explained in the Protected Period section below.
- b. **Commission on Property Sold For Sale By Owner ("FSBO"):** In the event Buyer purchases, leases, leases to purchase or leases with an option to purchase property that is being sold or leased by owner ("FSBO") without a broker and the owner is unwilling to pay Broker its Commission at or before the closing, Buyer agrees to pay Broker the Commission set forth herein at or before the closing or the Leasing Commission, if applicable, prior to the commencement of the lease.
- c. **Separate Commission on Lease:** Notwithstanding the above, if Buyer leases real property or enters into a lease/purchase or lease with an option to purchase contract during this Agreement, Buyer shall also pay Broker a separate Leasing Commission (except where the commission is paid by the Landlord) in the amount as indicated elsewhere in this Agreement. Notwithstanding any provision to the contrary contained herein, the payment of a leasing commission (including in lease purchase and lease with an option to purchase transactions) shall not relieve Buyer from paying the Commission at the closing of a Contract to Purchase, as provided elsewhere in this Agreement.
- d. **Protected Period:** The Protected Period shall be the period of time set forth in this Agreement commencing upon the expiration of this Agreement or what would have been the expiration of this Agreement had it not been unilaterally terminated by Buyer during which Broker shall be protected for its Commission and/or Leasing Commission, as applicable. There shall be no Protected Period if Buyer and Broker mutually terminate this Agreement. In the event Buyer enters into a Contract to Purchase or lease, lease to purchase or lease with an option to purchase of real property which, during the term of this Agreement or what would have been the term of this Agreement had it not been unilaterally terminated by Buyer, was shown to Buyer by Broker, either virtually or in person, or which Buyer otherwise visited ("Protected Properties"), then Buyer shall pay Broker at closing or prior to the commencement of the lease the Commission and/or Leasing Commission, as applicable, set forth above.



## 7. Miscellaneous.

- a. **Arbitration.** All claims arising out of or relating to this Agreement and the alleged acts or omissions of any or all the parties hereunder shall be resolved by arbitration in accordance with the Federal Arbitration Act 9 U.S.C. § 1 et. seq. and the rules and procedures of the arbitration company selected to administer the arbitration. Upon making or receiving a demand for arbitration, the parties shall work together in good faith to select a mutually acceptable arbitration company with offices in Georgia to administer and conduct the arbitration. If the parties cannot mutually agree on an arbitration company, the company shall be selected as follows. Each party shall simultaneously exchange with the other party a list of three arbitration companies with offices in Georgia acceptable to that party to administer and conduct the arbitration. If there is only one (1) arbitration company that is common to both lists, that company shall administer and conduct the arbitration. If there is more than one arbitration company that is common to both lists, the parties shall either mutually agree on which arbitration company shall be selected or flip a coin to select the arbitration company. If there is not initially a common arbitration company on the lists, the parties shall repeat the process by expanding their lists by two each time until there is a common name on the lists selected by the parties. The decision of the arbitrator shall be final and the arbitrator shall have authority to award attorneys' fees and allocate the costs of arbitration as part of any final award. All claims shall be brought by a party in his or her individual capacity and not as a plaintiff or class member in any purported class or representative proceeding. The arbitrator may not consolidate more than one person's claims, and may not otherwise preside over any form of a representative or class proceeding. Notwithstanding anything to the contrary contained herein, this agreement to arbitrate shall not apply to: (1) any claim regarding the handling and disbursement of earnest money; and (2) any claim of Broker regarding the entitlement to or the non-payment of a real estate commission hereunder.
- b. **Assignability.** As part of a sale of all or substantially all of the assets of Broker to another firm, Buyer consents to this Agreement being assigned by Broker to the other brokerage firm. In such event, the assignee, upon consenting to the assignment, shall: 1) thereafter be responsible for performing all of the duties of the assignor under this Agreement; and 2) have all the rights of the assignor including the right to receive the commission under this Agreement.
- c. **Attorney's Fees:** In the event this Agreement, or any provision therein, is enforced through or is the subject of a dispute resulting in litigation or arbitration, the prevailing party shall be entitled to recover its actual attorney's fees, reasonably incurred.
- d. **Broker:** Where the context indicates the term "Broker" shall include Broker's affiliated licensees.
- e. **Buyer Buying Property Sight Unseen:** Broker hereby advises Buyer that there are significant risks in buying property sight unseen since pictures, videos and other information about the property may not accurately reflect the true nature and condition of the property or area in which the property is located. Therefore, if Buyer purchases the property sight unseen, Buyer agrees to indemnify and hold Broker harmless from any and all claims, suits and damages arising out of or relating to any issue that Buyer and Buyer's representatives (other than Buyer's Broker) would have reasonably observed had Buyer visited the property and surrounding area.
- f. **Definition of Buyer and Seller:** For the purpose of determining whether Buyer has purchased real property herein, thus triggering Buyer's obligation to pay the Commission, the term "Buyer" shall include Buyer, all members of Buyer's immediate family, any legal entity in which buyer or any member of Buyer's immediate family owns or controls, directly or indirectly, more than ten percent (10%) of the share or interests therein, and any third-party who is acting under the direction or control of any of the above parties. For the purposes of this Agreement, the term "seller" shall include seller, all members of the seller's immediate family, any legal entity in which seller or any member of seller's immediate family owns or controls, directly or indirectly, more than ten percent

**New subsection  
C(7)(e): Buyer  
Buying Sight  
Unseen**



8. **Buyer Default.** Notwithstanding any provision to the contrary herein, Buyer agrees to immediately pay Broker its Commission (or unpaid portion thereof) in the event any of the following occur:
- a. Buyer defaults under a Contract to Purchase real estate under which Broker would have been paid its Commission had the transaction closed;
  - b. Buyer agrees with a seller to mutually terminate a Contract to Purchase under which Broker would have been paid its Commission had the transaction closed without the prior consent of Broker, except if such mutual termination is entered into during a due diligence or other period during which Buyer may terminate the Contract to Purchase without penalty for any reason or for no reason;
  - c. Buyer unilaterally terminates this Agreement and then enters into a Contract to Purchase property, lease, lease to purchase, or lease with an option to purchase of property, as applicable, either during what would have been the remaining term of this Agreement had the Agreement not been unilaterally terminated, or during the Protected Period, as provided for in the Protected Period section of this Agreement; or
  - d. Buyer enters into a Contract to Purchase real property during the term of this Agreement and later closes on the same (even if the closing is after the expiration of this Agreement) where Broker is not paid its entire Commission.

## Buyer Default C(8)

**Added language regarding unpaid portions and added subsection (d)**

# 2022 Contract Changes

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## Purchase and Sale Agreement & Exhibits

### Section 2



# **Purchase & Sale Agreement (F201)**

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**F201 is divided into three main sections**

- A. Key Terms and Conditions
- B. Further explanations for Section A
- C. Other Terms and Conditions



# F201 – Purchase and Sale

## Identify the property

### A. KEY TERMS AND CONDITIONS

**1. Purchase and Sale.** The undersigned buyer(s) ("Buyer") agree to buy and the undersigned seller(s) ("Seller") agree to sell the real property described below including all fixtures, improvements and landscaping therein ("Property") on the terms and conditions set forth in this Agreement.

**a. Property Identification:** Address: \_\_\_\_\_

City \_\_\_\_\_, County \_\_\_\_\_, Georgia, Zip Code \_\_\_\_\_

MLS Number: \_\_\_\_\_ Tax Parcel I.D. Number: \_\_\_\_\_

**b. Legal Description:** The legal description of the Property is *[select one of the following below]*:

- ☐ (1) attached as an exhibit hereto;
- ☐ (2) Condominium (attach F204 Condominium Resale Purchase and Sale Exhibit)
- ☐ (3) the same as described in Deed Book \_\_\_\_\_, Page \_\_\_\_\_, et. seq., of the land records of the above county; **OR**
- ☐ (4) Land Lot(s) \_\_\_\_\_ of the \_\_\_\_\_ District, \_\_\_\_\_ Section/GMD,  
Lot \_\_\_\_\_, Block \_\_\_\_\_, Unit \_\_\_\_\_, Phase/Section \_\_\_\_\_  
of \_\_\_\_\_ Subdivision/Development, according  
to the plat recorded in Plat Book \_\_\_\_\_, Page \_\_\_\_\_, et. seq., of the land records of the above county.

**Practice Tip!** when attaching the vesting deed or legal description make sure you list it as an exhibit and actually attach it



# F201 – Purchase and Sale

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## 1. Purchase and Sale.

- a. **Warranty:** Seller warrants that at the time of closing Seller will convey good and marketable title to said Property by limited warranty deed subject only to: (1) zoning; (2) general utility, sewer, and drainage easements of record as of the Binding Agreement Date and upon which the improvements (other than any driveway or walkway) do not encroach; (3) declarations of condominium and declarations of covenants, conditions and restrictions of record on the Binding Agreement Date; and (4) leases and other encumbrances specified in this Agreement. Buyer agrees to assume Seller's responsibilities in any leases specified in this Agreement.
- b. **Examination:** Buyer may examine title and/or obtain a survey of the Property and furnish Seller with a written statement of title objections at or prior to the closing. If Seller fails or is unable to satisfy valid title objections at or prior to the closing or any unilateral extension thereof, which would prevent the Seller from conveying good and marketable title to the Property, then Buyer, among its other remedies, may terminate the Agreement without penalty upon written notice to Seller. Good and marketable title as used herein shall mean title which a title insurance company licensed to do business in Georgia will insure at its regular rates, subject only to standard exceptions.
- c. **Title Insurance:** Buyer hereby directs any mortgage lender involved in this transaction to quote the cost of title insurance based upon the presumption that Buyer will be obtaining an enhanced title insurance policy since such a policy affords Buyer greater coverage.





# F201- Purchase and Sale

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## Surveys:

Not required but a survey may reveal issues which a title exam cannot. These issues may impact marketability of title

Title Insurance: Buyer directs lender to quote the cost of an enhanced owner's policy



# F201 – Purchase Price

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Contract is by default a cash closing UNLESS a financing exhibit is attached

Practice Tip! Be sure to attach the proper financing contingency exhibit or include a special stipulation for financing



# F201- Closing Costs

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## 3. Closing Costs.

- a. **Seller's Contribution at Closing:** At closing, Seller shall make the referenced Seller's Monetary Contribution which Buyer may use to pay any cost or expense of Buyer related to this transaction. Buyer acknowledges that Buyer's mortgage lender(s) may not allow the Seller's Monetary Contribution, or the full amount thereof, to be used for some costs or expenses. In such event, any unused portion of the Seller's Monetary Contribution shall remain the property of the Seller. The Seller shall pay the fees and costs of the closing attorney: (1) to prepare and record title curative documents and (2) for Seller not attending the closing in person.
- b. **Items Paid by Buyer:** At closing, Buyer shall pay: (1) Georgia property transfer tax; (2) the cost to search title and tax records and prepare the limited warranty deed; and (3) all other costs, fees and charges to close this transaction, except as otherwise provided herein.



# F201- Closing Costs

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- c. **Prorations:** Ad valorem property taxes, community association fees, solid waste and governmental fees and utility bills for which service cannot be terminated as of the date of closing shall be prorated as of the date of closing. Notwithstanding any provision to the contrary, in the event ad valorem property taxes are based upon an estimated tax bill or tax bill under appeal, Buyer and Seller shall, upon the issuance of the actual tax bill or the appeal being resolved, promptly make such financial adjustments between themselves as are necessary to correctly prorate the tax bill. In the event there are tax savings resulting from a tax appeal, third party professional costs to handle the appeal may be deducted from the savings for that tax year before re-prorating. Any pending tax appeal for the year in which the Property is sold shall be deemed assigned to Buyer at closing. The liability to the county and if applicable, city, in which the Property is located for ad valorem real property taxes for the year in which the Property is sold shall be assumed by Buyer upon the Closing of the Property. Buyer agrees to indemnify Seller against any and all claims of the county and if applicable, city, for unpaid ad valorem real property taxes for the year in which the Property is sold.

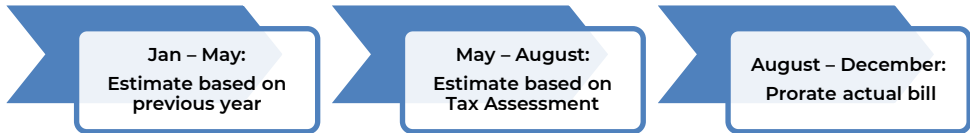
**B(3)(c)**



# F201- Closing Costs

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How we handle tax prorations is based on the closing date!



This can be modified based on learning new information!

- Seller moved prior to January 1 (i.e. Homestead)
- New Construction
- Significant remodel in prior year



# **F201 – Closing Date & Possession**

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Exchange all keys, door openers, codes, etc. AT CLOSING even if there is a temporary occupancy

Temporary Occupancy(F219) should not be for more than 60 days.



# F201 – Closing Date & Possession

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## Extending the Closing Date


1. Unilaterally Extending for 8 days (F270): can only be used ONCE for only one of three reasons
  - a. Seller cannot satisfy title objections
  - b. Lender, even in all cash transactions (see cash exhibit for exception), or closing attorney cannot close due to no fault of the buyer
  - c. Lender did not disclose on time



# F201 – Closing Date & Possession

## Extending the Closing Date

### 2. Mutual Extension (F716)

<b>AMENDMENT TO CHANGE CLOSING/POSSESSION DATE AMENDMENT # _____</b>		
Date: _____		2022 Printing
<p><b>Whereas</b>, the undersigned parties have entered into a certain Agreement between _____ ("Buyer") and _____ ("Seller"), with a Binding Agreement Date of _____ for the purchase and sale of real property located at: _____, Georgia _____, and</p> <p><b>Whereas</b>, the undersigned parties desire to amend the aforementioned Agreement, it being to the mutual benefit of all parties to do so; Now therefore, for and in consideration of the sum of Ten Dollars (\$10.00) and other valuable considerations paid by each to the other, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree to modify and amend the aforementioned Agreement as follows:</p>		
<b><u>Closing Date:</u></b>	The closing date specified in the aforementioned Agreement is hereby amended as follows: This transaction shall be closed on the date of _____ or on such other date as may be agreed to by the parties in writing.	
<b><u>Extension:</u></b>	The right to unilaterally extend the closing date for eight (8) days as provided for in the Right to Extend Closing Date paragraph of the aforementioned Agreement <input type="checkbox"/> is hereby terminated <b>OR</b> <input type="checkbox"/> shall remain in full force and effect.	
<b><u>Possession:</u></b>	The possession date specified in the aforementioned Agreement is hereby amended as follows: Buyer agrees to allow Seller to retain possession of the Property through: [Select one. The box not checked shall not be part of this Amendment.] <input type="checkbox"/> A. the closing; or <input type="checkbox"/> B. _____ hours after the closing; or <input type="checkbox"/> C. _____ days after the closing at _____ o'clock ____m.	
<i>[Attach F219 Temporary Occupancy Agreement for Seller After Closing Exhibit, if appropriate]</i>		





# F201- Closing Law Firm

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**NEW: Changed spots with the Holder of Earnest Money & added phone number**

4. **Closing Date and Possession.**

Closing Date shall be \_\_\_\_\_ with possession of the Property transferred to Buyer  
☐ at Closing OR ☐ \_\_\_\_\_ days after Closing at \_\_\_\_\_ o'clock ☐ AM ☐ PM (attach F219 Temporary Occupancy Agreement).

5. **Closing Law Firm.**

**Phone Number:**

6. **Holder of Earnest Money ("Holder").** (If Holder is Closing Attorney, F510 must be attached as an exhibit hereto, and F511 must be signed by Closing Attorney.)



# **F201- Holder of Earnest Money**

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Must deposit earnest money within 5 banking days of Binding Agreement Date or 5 banking days after receipt if that is after the Binding Agreement Date

If check bounces or earnest money is not received buyer has 3 banking days to cure or seller may terminate. If the buyer cannot cure seller has 7 calendar days to terminate.

If attorney is holding EM you must use F510 and F511



# F510 and F511

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F510: agreement between the parties

F511: the closing attorney agreeing to hold the earnest money

Must be delivered to closing attorney along with the Purchase & Sale within 2 days of the binding agreement date, closing attorney then has 3 days to sign

Closing attorney's duties as holder of earnest money don't start until receipt of the contract and funds



# F201 – Earnest Money

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7. **Earnest Money.** Earnest Money shall be paid by ☐ check ☒ ACH ☐ cash or ☐ wire transfer of immediately available funds as follows:
- ☐ a. \$ \_\_\_\_\_ as of the Offer Date.
  - ☐ b. \$ \_\_\_\_\_ within \_\_\_\_\_ days from the Binding Agreement Date.
  - ☐ c. \_\_\_\_\_.

## Practice Tip!

Be cautious using ACH. ACH transfers cannot be accepted for Closing and a Buyer could make that mistake, causing delays.



# F201 – Earnest Money

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Reasons for buyer to receive Earnest Money:

1. No Binding Agreement
2. Failure of unexpired contingency or condition
3. Seller default
4. Specific right to terminate



# F201 – Earnest Money

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When holder can disburse Earnest Money:

1. At closing
2. Agreement of the parties
3. Court order or arbitrator
4. No binding agreement
5. 10 day letter



# F201 – Inspection and Due Diligence

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## 8. Inspection and Due Diligence.

- a. **Right to Inspect Property:** Upon prior notice to Seller, Buyer and/or Buyer's representatives shall have the right to enter the Property at Buyer's expense and at reasonable times (including immediately prior to closing) to inspect, examine, test, appraise and survey Property. This right to enter shall include the time period after the end of any Due Diligence Period to, among other things, and without limitation, meet contractors and vendors, measure for renovations and confirm that any agreed upon repairs have been made and the Property otherwise remains in the same condition. Seller shall cause all utilities, systems and equipment to be on so that Buyer may

**Buyer must give Seller notice prior to inspecting the property**

**Buyer may terminate for ANY reason**



# F201 – Inspection and Due Diligence

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Buyer Beware!

Property is sold “as-is” unless terminated during due diligence

Remember: even with due diligence or property being sold “as-is” seller must disclose any latent or hidden defects that they are aware of which could not be discovered by the Buyer





# F201 – Inspection and Due Diligence

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Option Money : Payment to the seller for giving Buyer option to terminate in due diligence

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## 8. Inspection and Due Diligence.

- a. **Due Diligence Period:** Property is being sold subject to a Due Diligence Period of \_\_\_\_\_ days from the Binding Agreement Date.
  - b. **Option Payment for Due Diligence Period:** In consideration of Seller granting Buyer the option to terminate this Agreement, Buyer:
    - (1) has paid Seller \$10.00 in nonrefundable option money, the receipt and sufficiency of which is hereby acknowledged; plus
    - (2) shall pay directly to Seller additional option money of \$\_\_\_\_\_ by ☐ check ☐ ACH or ☐ wire transfer of immediately available funds either ☐ as of the Offer Date; **OR** ☐ within \_\_\_\_\_ days from the Binding Agreement Date. Any additional option money paid by Buyer to Seller ☐ shall (subject to lender approval) or ☐ shall not be applied toward the purchase price at closing and shall not be refundable to Buyer unless the closing fails to occur due to the default of the Seller.
- 

**NEW! Clarified that option money shall be paid *directly* to Seller**



# F201- Lead Based Paint

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Pre 1978 vs Post 1978

Must disclose known  
information on lead-based  
paint exhibit (F316)



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# Lead Based Paint Exhibit (F316)

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**Buyer's Acknowledgment** *[initial all applicable sections below]:*

(c) \_\_\_\_\_ Buyer has received copies of all information, if any, listed above.

(d) \_\_\_\_\_ Buyer has received the pamphlet *Protect Your Family from Lead in Your Home*

(e) Buyer has: *[initial (i) or (ii) below]:*

(i) \_\_\_\_\_ Received a ten (10) day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards (prior to Buyer being obligated under the Purchase and Sale Agreement); or

(ii) \_\_\_\_\_ Waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards (which shall not prevent Buyer from evaluating the Property for lead-based paint and lead-based paint hazards during any Due Diligence or Right to Request Repairs Period).

**Most agents make offers before doing an inspection. For that reason, the form now allows buyer to waive that opportunity of inspection before going under contract but retains the opportunity during inspection of contract.**



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# F201- Brokerage Relationship

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## Disclose the scope of representation

### 10. Brokerage Relationships in this Transaction.

a. Buyer's Broker is \_\_\_\_\_ and is:

- (1) ☐ representing Buyer as a client.
- (2) ☐ working with Buyer as a customer.
- (3) ☐ acting as a dual agent representing Buyer and Seller.
- (4) ☐ acting as a designated agent where:

\_\_\_\_\_ has been assigned to exclusively represent Buyer.

b. Seller's Broker is \_\_\_\_\_ and is:

- (1) ☐ representing Seller as a client.
- (2) ☐ working with Seller as a customer.
- (3) ☐ acting as a dual agent representing Buyer and Seller.
- (4) ☐ acting as a designated agent where:

\_\_\_\_\_ has been assigned to exclusively represent Seller.

c. **Material Relationship Disclosure:** The material relationships required to be disclosed by either Broker are as follows:

\_\_\_\_\_

## Disclose any material relationships



# F201 – Time Limit of Offer

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Date and time that offer expires unless accepted AND notice of acceptance is given to the offering party

You **MUST** have Acceptance AND delivery of Acceptance

you've got mail!



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# F201- Other Terms

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## Notice

Must be signed by the party giving notice

Party giving notice must prove delivery: actual receipt, delivery service, or date & time sent via fax or email



# F201 - Other Terms

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## Notice

b. **Delivery of Notice:** A notice to a party shall be deemed to have been delivered and received upon the earliest of the following to occur: (1) the actual receipt of the written notice by a party; (2) in the case of delivery by a Delivery Service, when the written notice is delivered to an address of a party set forth herein (or subsequently provided by the party following the notice provisions herein), provided that a record of the delivery is created; (3) in the case of delivery electronically, on the date and time the written notice is electronically sent to an e-mail address or facsimile number of a party herein (or subsequently provided by the party following the notice provisions herein) even if it is not opened by the recipient. Notice to a party shall not be effective unless the written notice is sent to an address, facsimile number or e-mail address of the party set forth herein (or subsequently provided by the party following the notice provisions herein).

**New! Notice occurs via email even if not opened C(1)(b)**



# F201 - Other Terms

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- c. **When Broker Is Authorized to Accept Notice for Client:** Except where the Broker is acting in a dual agency capacity, the Broker and any affiliated licensee of the Broker representing a party in a client relationship shall be authorized agents of the party for the limited purpose of receiving notice and such notice to any of them shall for all purposes herein be deemed to be notice to the party. Notice to an authorized agent shall not be effective unless the written notice is sent to an address, facsimile number or e-mail address of the authorized agent set forth herein (or subsequently provided by the authorized agent following the notice provisions herein) even if it is not opened by the recipient. Except as provided for herein, the Broker's staff at a physical address set forth herein of the Broker or the Broker's affiliated licensees are authorized to receive notices delivered by a Delivery Service. The Broker, the Broker's staff and the affiliated licensees of the Broker shall not be authorized to receive notice on behalf of a party in any transaction in which a brokerage engagement has not been entered into with the party or in which the Broker is acting in a dual agency capacity. In the event the Broker is practicing designated agency, only the designated agent of a client shall be an authorized agent of the client for the purposes of receiving notice.

**New! Notice occurs via email even if email is not opened also added to C(1)(c)**

**Practice Tip! Notice must be sent to the address, phone number, email, or fax on the contract**





# F201- Other Terms

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Default

Seller's Remedies: retain earnest money

Buyer's Remedies: specific performance or terminate and receive earnest money

Defaulting party shall pay liquidated damages to the brokers

Non-prevailing party to pay prevailing party attorney's fees



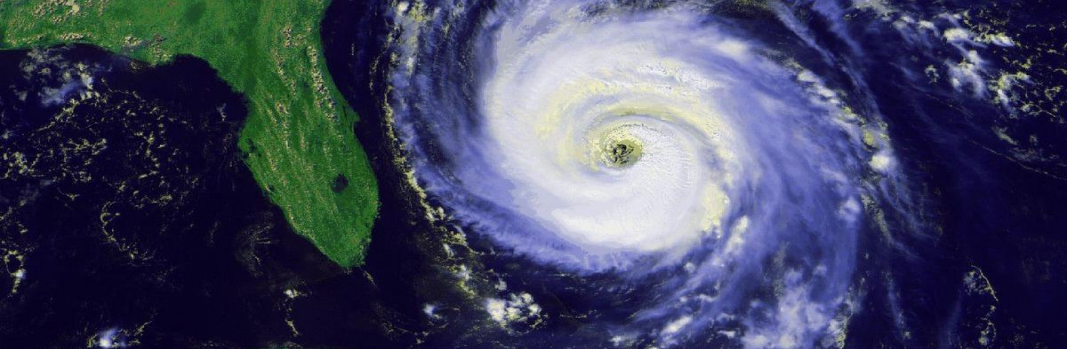
# F201- Other Terms

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## Risk of Damage to Property (Risk of Loss)

3. **Risk of Damage to Property**. Seller warrants that at the time of closing the Property and all items remaining with the Property, if any, will be in substantially the same condition (including conditions disclosed in the Seller's Property Disclosure Statement or Seller's Disclosure of Latent Defects and Fixtures Checklist) as of the Offer Date, except for changes made to the condition of Property pursuant to the written agreement of Buyer and Seller. At time of possession, Seller shall deliver Property clean and free of trash, debris, and personal property of Seller not identified as remaining with the Property. Notwithstanding the above, **if the Property is destroyed or substantially destroyed prior to closing**, Seller shall promptly give notice to Buyer of the same and provide Buyer with whatever information Seller has regarding the availability of insurance and the disposition of any insurance claim. **Buyer or Seller may terminate this Agreement without penalty not later than fourteen (14) days from receipt of the above notice.** If Buyer or Seller do not terminate this Agreement, Seller shall cause Property to be restored to substantially the same condition as on the Offer Date. The date of closing shall be extended until the earlier of one year from the original date of closing, or seven (7) days from the date that Property has been restored to substantially the same condition as on the Offer Date and a new certificate of occupancy (if required) is issued.





## Risk of Loss- Storms!

In the event of a storm: Prior to Closing = Seller obligation; Post Closing = Buyer Obligation

*Recommend Buyer hire an inspector to come back for final walk through.*

# F201- Other Terms

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## Other Provisions:

- e. **Entire Agreement, Modification and Assignment:** This Agreement constitutes the sole and entire agreement between all of the parties, supersedes all of their prior written and verbal agreements and shall be binding upon the parties and their successors, heirs and permitted assigns. No representation, promise or inducement not included in this Agreement shall be binding upon any party hereto. This Agreement may not be amended or waived except upon the written agreement of Buyer and Seller. Any agreement to terminate this Agreement or any other subsequent agreement of the parties relating to the Property must be in writing and signed by the parties. This Agreement may not be assigned by Buyer except with the written approval of Seller which may be withheld for any reason or no reason. Any assignee shall fulfill all the terms and conditions of this Agreement.
- i. **No Authority to Bind:** No Broker or affiliated licensee of Broker, by virtue of this status, shall have any authority to bind any party hereto to any contract, provisions therein, amendments thereto, termination thereof or to notices signed by Broker but not the party. However, if authorized in this Agreement, Broker shall have the right to accept notices on behalf of a party (but not send notices from Broker on behalf of a party unless they are signed by the party). Additionally, any Broker or real estate licensee involved in this transaction may perform the ministerial act of filling in the Binding Agreement Date. In the event of a dispute over the Binding Agreement Date, it shall be resolved by a court arbitrator having jurisdiction over the dispute, by the written agreement of the Buyer and Seller, or by the Holder but only in making a reasonable interpretation of the Agreement in disbursing earnest money.



# F201- Other Terms

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## NEW SECTION: Objection to Binding Agreement Date C(4)(k)

- k. **Objection to Binding Agreement Date:** If the Buyer or Seller objects to the date entered as the Binding Agreement Date, then within one (1) day from receiving notice of Binding Agreement Date, the party objecting shall send notice of the objection to the other party. The objection shall be resolved by the written amendment between the Buyer and Seller by executing a binding agreement date confirmation (F733). The absence of an agreement on the Binding Agreement Date shall not render this Agreement unenforceable. The failure of a party to timely object will result in the parties accepting the Binding Agreement Date as entered.



# F201- Other Terms

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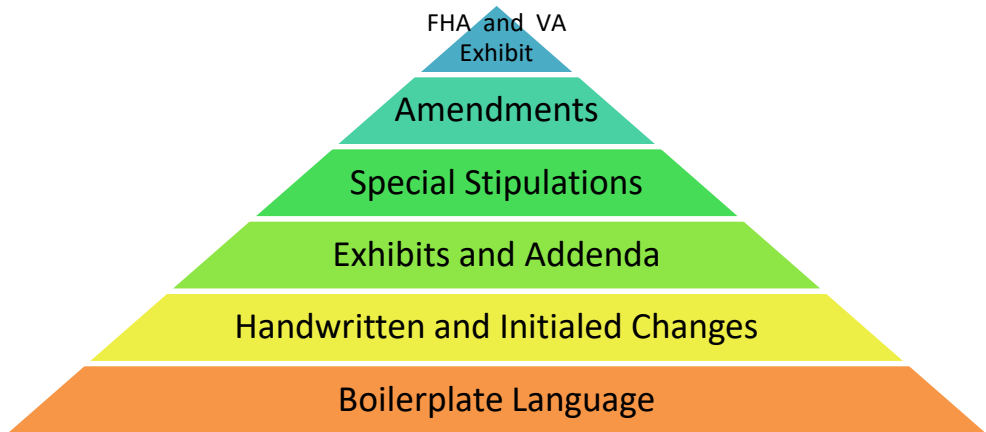
## **NEW SECTION:** Rules for Interpreting This Agreement C(4)(I)

- I. **Rules for Interpreting This Agreement:** In the event of internal conflicts or inconsistencies in this Agreement, the following rules for how those conflicts or inconsistencies shall be resolved will apply:
- (1) Handwritten changes shall control over pre-printed or typed provisions;
  - (2) Exhibits shall control over the main body of the Agreement;
  - (3) Special Stipulations shall control over both exhibits and the main body of the Agreement;
  - (4) Notwithstanding the above, any amendatory clause in an FHA or VA exhibit shall control over inconsistent or conflicting provisions contained in a special stipulation, another exhibit or the main body of the Agreement.



# F201- Other Terms

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# F201 - Other Terms

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## Other Provisions

- n. **Survival of Agreement:** The following shall survive the closing of this Agreement: (1) the obligation of a party to pay a real estate commission; (2) any warranty of title; (3) all written representations of Seller in this Agreement regarding the Property or neighborhood in which the Property is located; (4) the section on condemnation; (5) the section on attorney's fees; (6) the obligations of the parties regarding ad valorem real property taxes; and (7) any obligations which the parties herein agree shall survive the closing or may be performed or fulfilled after the Closing.

**Practice Tip! Add survival language to any special stipulation requiring the seller to perform repairs.**

**“... This shall survive closing.”**





# F201 - Other Terms

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## NEW Definition! C(5)(e)

- e. **Day:** For the purposes of this Agreement, the term “Day” shall mean a full calendar day ending at 11:59 p.m., except as may be provided for elsewhere herein. For the purposes of counting days for determining deadlines, the specific date referenced as either the Binding Agreement Date or the date from which the deadline shall be counted will be day zero.



# F201 - Other Terms

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Special Stipulations - who, what, when, where, how

Contingency vs. obligation to perform

8. **Exhibits and Addenda**. All exhibits and/or addenda attached hereto, listed below, or referenced herein are made a part of this Agreement.
- ☐ All Cash Sale Exhibit (F401) "\_\_\_\_\_"
  - ☐ Back-up Agreement Contingency Exhibit (F604) "\_\_\_\_\_"
  - ☐ Closing Attorney Acting as Holder of Earnest Money Exhibit (F510) "\_\_\_\_\_"
  - ☐ Community Association Disclosure Exhibit (F322) "\_\_\_\_\_"

**New! Removed language regarding priority as it is now in C(4)(I)**



# F201- Signatures

Practice Tip! Include contact information to ensure Closing Attorney can contact the parties directly. This also ensure that notices can be delivered effectively.

By signing this Agreement, Buyer and Seller acknowledge that they have each read and understood this Agreement and agree to its terms.

## Buyer Acceptance and Contact Information

### 1 Buyer's Signature

Print or Type Name

Date

Buyer's Address for Receiving Notice

Buyer's Phone Number: ☐ Cell ☐ Home ☐ Work

Buyer's E-mail Address

### 2 Buyer's Signature

Print or Type Name

Date

Buyer's Address for Receiving Notice

Buyer's Phone Number: ☐ Cell ☐ Home ☐ Work

Buyer's E-mail Address

## Seller Acceptance and Contact Information

### 1 Seller's Signature

Print or Type Name

Date

Seller's Address for Receiving Notice

Seller's Phone Number: ☐ Cell ☐ Home ☐ Work

Seller's E-mail Address

### 2 Seller's Signature

Print or Type Name

Date

Seller's Address for Receiving Notice

Seller's Phone Number: ☐ Cell ☐ Home ☐ Work

Seller's E-mail Address



# Counter Offer (F249)

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- A. **Previous Counteroffers Rejected.** The party making this Counteroffer acknowledges that in doing so: 1) it constitutes a rejection of the Original Offer as presented and all previous counteroffers; 2) the Original Offer and all previous counteroffers are no longer available for acceptance; 3) no previous counteroffer(s) shall be considered a part of any agreement between the parties; and 4) nothing requires the other party to continue the negotiations.

**Practice Tip! if you decide to counter an offer or counteroffer you may run the risk that the seller won't agree to their original offer!**

- C. **Effect of Accepting This Counteroffer.** When this Counteroffer is signed by the Buyer and Seller and a copy of the same is delivered to both parties, the Original Offer as modified by this Counteroffer constitutes a legally binding agreement. Since the Original Offer (including all exhibits thereto) is incorporated by reference into this Counteroffer, only this Counteroffer needs to be signed to create a legally binding agreement between the parties.

**Practice Tip! signing the counteroffer incorporates all of the previously included exhibits. If an exhibit is being modified, include that in the counteroffer to also be signed.**



# Counter Offer (F249)

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Practice Tip! The counteroffer incorporates by reference all terms of the original offer so only the counteroffer needs to be signed to be legally binding




# Financing Contingencies

Describe the loan with realistic terms

The buyer must apply with one of the lenders listed BUT they don't have to use that lender

Denial letter must be from lender listed

CONVENTIONAL LOAN CONTINGENCY EXHIBIT "____"						
						
2022 Printing						
This Exhibit is part of the Agreement with an Offer Date of _____ for the purchase and sale of that certain Property known as: _____, Georgia _____						
1. <b>Application.</b> Buyer shall promptly apply for and in good faith seek to obtain the conventional loan or loans described below ("Loan(s)") such that Buyer can fulfill Buyer's obligations hereunder prior to the expiration of this Conventional Loan Contingency. [Select A. or A. and B. below. Any box not selected shall not be a part of this Agreement. All Loan terms must be filled in.]						
<input type="checkbox"/> A.	FIRST MORTGAGE LOAN	Loan Amount _____% of purchase price	Term ____ years	Interest Rate (at par) _____% per annum (or initial rate on adjustable loan)	Rate Type <input type="checkbox"/> Fixed <input type="checkbox"/> Adjustable <input type="checkbox"/> Interest Only	Source Of Loans Term <input type="checkbox"/> Institutional <input type="checkbox"/> Seller <input type="checkbox"/> Other
<input type="checkbox"/> B.	SECOND MORTGAGE LOAN	_____% of purchase price	____ years	_____% per annum (or initial rate on adjustable loan)	<input type="checkbox"/> Fixed <input type="checkbox"/> Adjustable <input type="checkbox"/> Interest Only	<input type="checkbox"/> Institutional <input type="checkbox"/> Seller <input type="checkbox"/> Other



# Financing Contingencies

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If there is no lender listed than then denial may be from any Georgia licensed institutional lender.

The letter may not be SOLELY based on:

1. Lack of funds to close
2. Buyer not having leased or sold other property (unless there is a contingency)
3. Buyer not providing required information to lender in timely manner
4. Buyer adversely affecting their debt-to-income
5. Property not appraising (unless there is a contingency)
6. Lender not completing underwriting



# Financing Contingencies

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## Seller's Right to Terminate

1. Once financing contingency expires seller MAY request evidence of ability to purchase property
2. Buyer has 7 days to provide evidence (seller cannot make the request within 7 days of closing)
3. If evidence is not provided seller shall notify buyer and give 3 days to cure default
4. After the 3 days pass with no cure, seller has 7 days to terminate





# Appraisal Contingency

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Must provide Amendment to  
Reduce Sales Price (F713)  
and Copy of Appraisal

Seller has 3 days to accept or  
reject.

If seller says no, buyer has 3  
days to terminate.



# Amendment to Reduce Sales Price (F713)

## AMENDMENT TO SALES PRICE

AMENDMENT # \_\_\_\_\_

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



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Whereas, the undersigned parties have entered into a certain Agreement between \_\_\_\_\_ ("Buyer") and \_\_\_\_\_ ("Seller"), with a Binding Agreement Date of \_\_\_\_\_ for the purchase and sale of real property located at: \_\_\_\_\_, Georgia \_\_\_\_\_, and

Now therefore, for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration paid by each to the other, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree to modify and amend the Agreement as follows:

The sales price of the Property shall be \$ \_\_\_\_\_; and

In the event that the Amendment to Sales Price is pursuant to an appraisal contingency, a copy of the appraisal is attached, and in consideration of Seller agreeing to amend the sales price of the Property, all parties agree that if this Amendment is signed by Buyer and Seller and delivered to both parties, the remainder of the Buyer's Appraisal Contingency Period ☐ shall OR ☐ shall not terminate.

It is agreed by the parties hereto that all of the other terms and conditions of the Agreement shall remain in full force and effect other than as modified herein. Upon execution by all parties, this Amendment shall be attached to and form a part of said Agreement.



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# All Cash Exhibit (F401)

## ALL CASH SALE (NO FINANCING CONTINGENCY) EXHIBIT "\_\_\_\_"



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This Exhibit is part of the Agreement with an Offer Date of \_\_\_\_\_ for the purchase and sale of that certain Property known as: \_\_\_\_\_, Georgia \_\_\_\_\_.

1. **All Cash Sale.** While Buyer has sufficient liquid assets to purchase the Property in this transaction for "all cash", Buyer:
- A. ☐ reserves the right to pay all or a portion of the purchase price by obtaining an institutional first mortgage secured by a deed to secure debt on the Property; AND/OR
  - ☐ reserves the right to pay all or a portion of the purchase price by obtaining a non-institutional first mortgage or other loan (including a private "hard-money" loan).
- OR
- B. ☐ shall not have the right to obtain a mortgage financing to pay for all or a portion of the purchase price of the Property. The Buyer is not obtaining a loan; therefore, the Buyer has no right to unilaterally extend the closing date for eight (8) days for reasons of mortgage lender delay.
2. **Verification of Funds.** Within \_\_\_\_\_ days from the Binding Agreement Date Buyer shall be obligated to provide or cause to be provided to Seller information describing in specific detail all of the sources of Buyer's funds to purchase the Property ("Required Information"). The Required Information shall consist of at least one of the following:
- A. A letter or letters from a trust, stock brokerage firm and/or financial institution holding funds, stocks, bonds and/or other assets (hereinafter collectively referred to as "Assets") of or on behalf of Buyer and dated subsequent to the Binding Agreement Date stating that Buyer has funds of at least an amount specified in the letter and/or Assets on deposit with the institution of a value specified in the letter, that are sufficient to allow Buyer to complete the purchase of the Property;



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# F401

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**Seller can request verification of funds**

**If the Buyer does not provide proof in 7 days they are in default and Seller must give them 3 days to cure.**

**Seller may terminate within 7 days of Buyer's failure to cure default.**



# Temporary Occupancy (F219)

## TEMPORARY OCCUPANCY AGREEMENT FOR SELLER AFTER CLOSING EXHIBIT "\_\_\_\_\_"



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[NOT TO BE USED IF OCCUPANCY IS FOR MORE THAN 60 DAYS]

This Exhibit is part of the Agreement with an Offer Date of \_\_\_\_\_ for the purchase and sale of that certain Property known as: \_\_\_\_\_, Georgia \_\_\_\_\_ and shall control the rights of the parties after Closing with respect to the Temporary Occupancy Period as defined below.

1. Seller shall have the right to continue to occupy the Property for \_\_\_\_\_ days from the date of Closing until \_\_\_\_\_ o'clock \_\_\_\_m. (hereinafter "Temporary Occupancy Period"). Seller shall vacate the Property no later than by the end of Temporary Occupancy Period. If Seller vacates the Property sooner than by the end of the Temporary Occupancy Period, Seller shall notify Buyer of the same.
2. At the time of closing, Seller shall provide Buyer with one set of keys to the Property. At time of possession, Seller shall turn over all remaining keys, door openers, codes and other similar equipment pertaining to the Property in Seller's possession to Buyer.
3. Until time of possession, Buyer shall arrange for common element access with Community Association.
4. Seller agrees to maintain all utilities in Seller's name and pay the bills for such utilities as they become due.
5. Seller will not make any improvements or modifications to Property.
6. Seller hereby expressly releases Buyer, Seller's Broker, Buyer's Broker and their Affiliated Licensees from any and all liability of any nature whatsoever which may arise as a result of the Seller's acts or the acts of anyone else entering the Property, including, but not limited to, liability for injury to persons and/or damage to personal property resulting from or in any manner occasioned by such occupancy. Seller further agrees to hold harmless and indemnify the Buyer, Seller's Broker, Buyer's Broker and their Affiliated Licensees from any claim or loss arising out of or occasioned by the Seller's occupancy of the Property.
7. It is specifically understood that should the Property be destroyed by fire or other occurrence, Seller shall bear the risk of loss to Seller's personal property.
8. Seller shall be liable for the expense of repairing any damage to the Property caused by Seller or Seller's family members, licensees and invitees, excluding normal wear and tear. Buyer, as the new owner, shall be responsible for making all other repairs to the Property.

**NEW! Added  
language that buyer  
is responsible for  
repairs**



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# Option Agreement (F240)

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**NEW! Added the option for option money to be credited towards purchase price and that broker's option fee is in addition to commission that may be paid on the sale.**

Upon exercising this option, the Purchase and Sale Agreement shall be in full force and effect. Upon closing of the sale and purchase of Property pursuant to the Purchase and Sale Agreement, \$ \_\_\_\_\_ of the Option Consideration ☐ shall or ☐ shall not be credited against the purchase price of Property.

Broker is made a party to this Agreement in order that Broker may enforce its rights hereunder. For services rendered in connection with this Agreement, Seller agrees to pay to Broker a fee in the sum of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) payable contemporaneously with the execution of this Agreement. This payment, if any, shall be in addition to the commission Broker shall earn if Buyer exercises the Option and closes on the purchase of the Property. Buyer and Seller represent and warrant to each other that each has not engaged any real estate broker or agent other than Broker in connection with this Agreement, and Buyer and Seller shall hold each other harmless from and against all loss and damage (including without limitation court costs and reasonable attorney's fees) suffered or incurred by the other on account of any claim by any broker or agent other than Broker for any commission or other compensation relating to this Agreement.



# Right to Request Repairs (F273)

## PROPERTY SOLD WITH RIGHT TO REQUEST REPAIRS EXHIBIT " \_\_\_\_\_ "



2022 Printing

This Exhibit is part of the Agreement with an Offer Date of \_\_\_\_\_ for the purchase and sale of that certain Property known as: \_\_\_\_\_, Georgia \_\_\_\_\_.

### Property Sold with Right to Request Repairs

1. Buyer shall have the right to request that Seller repair and/or replace Defects, if any, in Property identified by Buyer's Inspector(s) in a written report(s). Within \_\_\_\_\_ days from Binding Agreement Date, Buyer shall provide Seller with: (a) a signed written amendment to this Agreement requesting Defects to be repaired and/or replaced; and (b) a copy of all reports of Inspectors describing those Defects. If Buyer does not timely present the written amendment and inspection report(s), Buyer shall be deemed to have accepted Property "as is."
2. If Buyer timely submits the written amendment and accompanying inspection reports, Buyer and Seller shall have \_\_\_\_\_ days from the Binding Agreement Date (hereinafter "Defect Resolution Period") to attempt to negotiate the Defects to be repaired and/or replaced, sign an amendment to the Agreement regarding the same and have it delivered to Buyer and Seller. If the requirements of the preceding sentence have not occurred before the end of the Defect Resolution Period, then within one day thereafter: (a) Buyer or Seller may accept in writing the other party's last written offer or counteroffer regarding the repair and/or replacement of Defects (regardless of whether the same has expired, or has previously been rejected, it being the express intent of the parties to override any common law to the contrary); or (b) Buyer may accept Property in "as-is" condition. A final agreement regarding the Defects to be repaired and/or replaced shall be formed by the first party to give such notice of acceptance to the other party. All parties shall then promptly execute an amendment to the Agreement reflecting the accepted offer or counteroffer. If neither party timely accepts the other party's last offer or counteroffer or Buyer does not elect to buy Property "as-is," this Agreement shall terminate, and Buyer shall be entitled to the return of Buyer's earnest money. Notwithstanding any provision to the contrary contained herein, if Seller agrees to repair all Defects timely presented by Buyer to Seller, then Buyer may not use this Exhibit as a basis to terminate the Agreement.

**New! Buyer unable to use exhibit to terminate if seller agrees to repairs.**



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# Lot and Land Purchase and Sale (F210 and F213)

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Same changes as F201, so what's different about these sales?

## Things we think about:

- Houses:
- Termites / Warranties / Encroachments
- Improvements
- Building or zoning violations
- Keys and openers (i.e. possession)

- Land & Lots:
- Zoning / utilities / sewer & water access
- Permitting
- Environmental studies
- Surveys





# Land Purchase and Sale (F213)

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## New section regarding preferential tax rollbacks B(4)(c).

### This update is only in F213

- c. **Prorations:** Ad valorem property taxes, community association fees, solid waste and governmental fees and utility bills for which service cannot be terminated as of the date of closing shall be prorated as of the date of closing. Notwithstanding any provision to the contrary, in the event ad valorem property taxes are based upon an estimated tax bill or tax bill under appeal, Buyer and Seller shall, upon the issuance of the actual tax bill or the appeal being resolved, promptly make such financial adjustments between themselves as are necessary to correctly prorate the tax bill. In the event there are tax savings resulting from a tax appeal, third party professional costs to handle the appeal may be deducted from the savings for that tax year before re-prorating. Any pending tax appeal for the year in which the Property is sold shall be deemed assigned to Buyer at closing. The liability to the county and if applicable, city, in which the Property is located for ad valorem real property taxes for the year in which the Property is sold shall be assumed by Buyer upon the Closing of the Property. Buyer agrees to indemnify Seller against any and all claims of the county and if applicable, city, for unpaid ad valorem real property taxes for the year in which the Property is sold. In addition, if Buyer's change in the ownership or use of the Property will result in rollback taxes being owed (because preferential tax treatment of the Property for agricultural purposes can no longer be received) then Seller shall be solely responsible for the payment of all rollback taxes at Closing. Notwithstanding the above, in the event Buyer warrants to Seller herein that Buyer's use or ownership of the Property will qualify for a continuation of the preferential tax treatment of the Property as agricultural property, and Buyer is found to no longer qualify for the same, Buyer shall indemnify and hold Seller harmless from and against all liability for rollback taxes.



# New Construction PSA F228

## Completion Dates & Certificate of Occupancy

### 5. Closing Date and Possession.

- a. **Closing:** Closing shall be on the date agreed.
- b. **Possession:** Possession of the Property shall be transferred at the Closing.
- c. **Extending the Closing Date:** Buyer or Seller may unilaterally extend the closing date for eight (8) days upon notice to the other party given prior to or on the date of closing if: (1) Seller cannot satisfy valid title objections (excluding title objections that: (a) can be satisfied through the payment of money or by bonding of the same; and (b) do not prevent Seller from conveying good and marketable title, as that term is defined herein, to the Property); (2) Buyer's mortgage lender (even in "all cash" transactions where Buyer is obtaining a mortgage loan) or the closing attorney is delayed and cannot fulfill their respective obligations by the date of closing, provided that the delay is not caused by Buyer; or (3) Buyer has not received required estimates or disclosures and Buyer is prohibited from closing under federal regulations. The party unilaterally extending the closing date shall state the basis for the delay in the notice of extension. If the right to unilaterally extend the closing date is exercised once by either the Buyer or Seller, the right shall thereafter terminate.
- d. **Completion of Construction and Certificate of Occupancy:** Seller shall complete the construction of the improvements on the Property in substantial accordance with the New Construction Exhibit attached hereto as an exhibit (F231). The construction of the improvements on the Property shall be deemed to be complete when Seller has substantially constructed all of the improvements shown on the Plans and Specifications and a permanent certificate of occupancy has been issued on the Property by the appropriate local governmental authority.
- e. **Keys and Openers:** At closing, Seller shall provide Buyer with all keys, door openers, codes and other similar equipment pertaining to the Property.

## Construction Deposits

- 9. **Construction Deposit:** The Construction Deposit, if any, referenced herein shall be held and used by Seller to pay for the construction of the improvements on the Property and will not be kept in a trust / escrow account. Since the Construction Deposit will, in many cases, be used to either customize or upgrade the Property based upon Buyer's selections, it shall be retained by Seller in the event Buyer fails to close on the purchase of the Property (except if the failure of Buyer to close is due to the Seller's default). The total amount of the Construction Deposit shall be credited against the purchase price at closing.



# New Construction PSA F228

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## Punch List Items

6. **Walk Through List**. Prior to Closing, Buyer and Seller (and/or their representative(s)) shall walk through the Property and execute a "Walk Through List" specifying any items that remain to be completed. Seller will make its best effort to complete all of the items specified in the agreed upon "Walk Through List" as soon as reasonably possible after closing. The fact that any repairs, touchups or adjustments are incomplete shall not constitute a valid reason for Buyer's refusal to close. Buyer further agrees that there shall be no withholding of any or all of Seller's proceeds at Closing for "Walk Through List" items. Seller shall not accept a "Walk Through List" of items to be completed until the official walk through is conducted with Seller's representative prior to Closing. Buyer acknowledges that the only criteria that will be used to compile the "Walk Through List" are items that remain incomplete or adjustments, touch-ups or repairs not rising to the level of a defect.



# Mutual Termination (F519)

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Used when BOTH parties want to terminate

Addresses disbursement of earnest money


Must be signed by both parties



# Unilateral Termination (F522)

Two Sections:

First section  
terminates the  
contract and is  
signed by only the  
buyer or the seller

UNILATERAL NOTICE TO TERMINATE PURCHASE AND SALE AGREEMENT AND PROPOSED DISBURSEMENT OF EARNEST MONEY		
		2022 Printing
This notice is given this date of _____ in accordance with the provisions of that certain Agreement between _____ ("Buyer") and _____ ("Seller"), for the Purchase and Sale of real property located at: _____, Georgia _____ with a Binding Agreement Date of _____.		
<b>Unilateral Notice to Terminate</b>		
<input type="checkbox"/> Buyer OR <input type="checkbox"/> Seller does hereby give notice to the other parties to the above-referenced purchase and sale agreement that he or she is terminating the Agreement effective immediately based upon the following:		
<input type="checkbox"/> a. Buyer's right to terminate during the Due Diligence Period set forth in the Agreement;		
<input type="checkbox"/> b. the failure of the following contingency to which the Agreement is subject: _____		
<input type="checkbox"/> c. the following default under the Agreement by <input type="checkbox"/> Buyer <input type="checkbox"/> Seller: _____		
<input type="checkbox"/> d. other lawful reason: _____		
1 Buyer _____	Date _____	OR
1 Seller _____	Date _____	
2 Buyer _____	Date _____	2 Seller _____
		Date _____
<input type="checkbox"/> Additional Signature Page (F267) is attached.		<input type="checkbox"/> Additional Signature Page (F267) is attached.



# Unilateral Termination (F522)

Two Sections:

Second section  
proposes the  
disbursement of  
earnest money and  
requires signature  
of both parties

## Proposed Disbursement of Earnest Money

The party unilaterally terminating this Agreement proposes that the earnest money and any other funds currently being held by Holder (collectively "Earnest Money") be disbursed as follows:

This disbursement of Earnest Money shall only become effective upon this form being signed by and delivered to Buyer and Seller with a fully executed copy of the same then being delivered to the Buyer, Seller and Holder. Upon the happening of such event, Buyer and Seller further agree to release each other and all real estate brokerage firms, brokers and their affiliated licensees (all of whom shall be express third party beneficiaries to this Agreement) working with or representing the parties to the Agreement from any and all claims, causes of action, damages and suits arising out of or related to the Agreement. This shall not relieve any party who has defaulted under the Agreement or any brokerage engagement agreement to which they are a party from any claim, cause of action or suit for damages brought by the Broker(s) involved in the transaction. All terms referenced herein shall have the same meaning as in the Agreement.

1 Buyer \_\_\_\_\_ Date \_\_\_\_\_

AND

1 Seller \_\_\_\_\_ Date \_\_\_\_\_

2 Buyer \_\_\_\_\_ Date \_\_\_\_\_

2 Seller \_\_\_\_\_ Date \_\_\_\_\_

☐ Additional Signature Page (F267) is attached.

☐ Additional Signature Page (F267) is attached.



# Agreement to Reinstate Contract F290

This form properly reinstates a contract and can be used if the parties are able to resolve their previous differences or reasons the contract first failed.

***BE CAREFUL! If not recently terminated you may want to do a new contract entirely.***

WHEREAS, Buyer and Seller now desire to reinstate the Agreement and have it be in full force and effect;

**NOW, THEREFORE**, for and in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Buyer and Seller do hereby agree as follows:

1. Buyer and Seller mutually agree to reinstate the last fully, agreed upon version of the above-referenced Agreement such that it shall again be a legally enforceable contract, including Binding Agreement Date, and binding upon the parties as if it had never been terminated.
2. All of the terms, conditions and time periods set forth in the above-referenced Agreement shall remain in full force and effect except for any changes thereto set forth below which shall control over any conflicting or inconsistent provisions set forth in the above-referenced Agreement.

☐ Check here if any additional pages are attached and incorporated herein.

3. This Agreement to Reinstate Contract shall only be effective when it has been signed by Buyer and Seller and a fully executed copy of this Agreement to Reinstate Contract has been delivered to Buyer and Seller in accordance with the Notice section of the above-referenced Agreement.

**By signing this Agreement to Reinstate Contract, Buyer and Seller acknowledge that they have each read and understood this Agreement to Reinstate Contract and agree to its terms.**



# 2022 Contract Changes

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Disclosures & Case Study

Section 3



CAMPBELL & BRANNON



# Seller's Property Disclosure (F301)

## SELLER'S PROPERTY DISCLOSURE STATEMENT EXHIBIT " \_\_\_\_\_ "



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This Seller's Property Disclosure Statement ("Statement") is an exhibit to the Purchase and Sale Agreement with an Offer Date of \_\_\_\_\_ for the Property (known as or located at: \_\_\_\_\_, Georgia, \_\_\_\_\_). This Statement is intended to make it easier for Seller to fulfill Seller's legal duty to disclose hidden defects in the Property of which Seller is aware. Seller is obligated to disclose such defects even when the Property is being sold "as-is."

### A. INSTRUCTIONS TO SELLER IN COMPLETING THIS STATEMENT.

In completing this Statement, Seller agrees to:

- (1) answer all questions in reference to the Property and the improvements thereon;
- (2) answer all questions fully, accurately and to the actual knowledge and belief of all Sellers;
- (3) provide additional explanations to all "yes" answers in the corresponding Explanation section below each group of questions (including providing to Buyer any additional documentation in Seller's possession), unless the "yes" answer is self-evident;
- (4) promptly revise the Statement if there are any material changes in the answers to any of the questions prior to closing and provide a copy of the same to the Buyer and any Broker involved in the transaction.

- B. HOW THIS STATEMENT SHOULD BE USED BY BUYER.** Caveat emptor or "buyer beware" is the law in Georgia. Buyer should conduct a thorough inspection of the Property. If Seller has not occupied the Property recently, Seller's knowledge of the Property's condition may be limited. Buyer is expected to use reasonable care to inspect the Property and confirm that is suitable for Buyer's purposes. If an inspection of the Property reveals problems or areas of concern that would cause a reasonable Buyer to investigate further, Buyer should investigate further. A "yes" or "no" answer to a question means "yes" or "no" to the actual knowledge and belief of all Sellers of the Property.

**"When in doubt... disclose  
disclose disclose!" – Mike  
Campbell**

**Generally, all properties  
should be sold with an  
attached Seller's  
Disclosure – no excuses!**



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# Seller's Property Disclosure (F301)

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- n. **Survival of Agreement:** The following shall survive the closing of this Agreement: (1) the obligation of a party to pay a real estate commission; (2) any warranty of title; (3) all written representations of Seller in this Agreement regarding the Property or neighborhood in which the Property is located; (4) the section on condemnation; (5) the section on attorney's fees; (6) the obligations of the parties regarding ad valorem real property taxes; and (7) any obligations which the parties herein agree shall survive the closing or may be performed or fulfilled after the Closing.
- o. **Terminology:** As the context may require in this Agreement: (1) the singular shall mean the plural and vice versa; and (2) all pronouns shall mean and include the person, entity, firm, or corporation to which they relate. The letters "N.A." or "N/A", if used in this Agreement, shall mean "Not Applicable", except where the context would indicate otherwise.
- p. **Time of Essence:** Time is of the essence of this Agreement.

5. **Definitions.**

- a. **Banking Day:** A "Banking Day" shall mean a day on which a bank is open to the public for carrying out substantially all of its banking functions. For purposes herein, a "Banking Day" shall mean Monday through Friday excluding federal holidays.

Remember, the obligation to disclose known material and latent hidden defects survives closing (F201) so make sure it is listed as an exhibit to the contract.



# Seller's Property Disclosure (F301)

6. SEWER/PLUMBING RELATED ITEMS:	YES	NO
(a) Approximate age of water heater(s): _____ years		
(b) What is the drinking water source: <input type="checkbox"/> public <input type="checkbox"/> private <input type="checkbox"/> well		
(c) If the drinking water is from a well, give the date of last service: _____		
(d) If the drinking water is from a well, has there ever been a test the results of which indicate that the water is not safe to drink? If yes, date of testing: _____		
(e) What is the sewer system: <input type="checkbox"/> public <input type="checkbox"/> private <input type="checkbox"/> septic tank		
(f) If the Property is served by a septic system, how many bedrooms was the septic system approved for by local government authorities? _____		
(g) Is the main dwelling served by a sewage pump?		
(h) Has any septic tank or cesspool on Property ever been professionally serviced?		
If yes, give the date of last service: _____		
(i) Are there any leaks, backups, or other similar problems with any portion of the plumbing, water, or sewage systems or damage therefrom?		
(j) Is there presently any polybutylene plumbing, other than the primary service line?		
(k) Has there ever been any damage from a frozen water line, spigot, or fixture?		
<b>EXPLANATION:</b>		



# Seller's Property Disclosure (F301)

10. TERMITES, DRY ROT, PESTS, and WOOD DESTROYING ORGANISMS:	YES	NO
(a) Are you aware of any wildlife accessing the attic or other interior portions of the residence?		
(b) Is there any damage or hazardous condition resulting from such wildlife intrusion; from insects (such as termites, bees and ants); or by fungi or dry rot?		
(c) Is there presently a bond, warranty or service contract for termites or other wood destroying organisms by a licensed pest control company?		
If yes, what is the cost to transfer? \$ _____ What is the annual cost? _____		
If yes, company name/contact: _____		
Coverage: <input type="checkbox"/> re-treatment and repair <input type="checkbox"/> re-treatment <input type="checkbox"/> periodic inspections only		
Expiration Date _____ Renewal Date _____		
<b>EXPLANATION:</b>		



# Seller's Disclosure of Latent Defects (F302)

In the event the Seller does NOT want to fill out a seller's disclosure use F302.

Discloses Latent Defects and Fixtures checklist

Disclose – Disclose – Disclose!

## SELLER'S DISCLOSURE OF LATENT DEFECTS AND FIXTURES CHECKLIST EXHIBIT " \_\_\_\_\_ "



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This Seller's Disclosure of Latent Defect ("Disclosure") is an exhibit to the Purchase and Sale Agreement with an Offer Date of \_\_\_\_\_ for the Property known as or located at: \_\_\_\_\_, Georgia, \_\_\_\_\_.

Georgia law requires a seller to disclose latent defects in the seller's property to the buyer of the property of which the seller is aware, and which could not be discovered by the buyer upon a reasonably careful inspection of the property. A latent defect in a property is a defect that is hidden. For example, a defective septic system or termite damage that has been covered over have been found by our courts to be latent defects. If a defect is obvious, it does not need to be disclosed. If a defect has been corrected, it is no longer a defect. Because parties can disagree over whether a defect is obvious or whether a repair was properly made, erring on the side of disclosure is recommended.

### 1. SELLER OCCUPANCY:

- ☐ Seller occupies (or was the most recent occupant) of Property;
- ☐ Seller was not the most recent occupant of Property;
- ☐ Seller has never occupied Property.

### 2. SELLER HEREBY DISCLOSES THE KNOWN LATENT DEFECTS:

- ☐ No known latent defects.
- ☐ Known latent defects. \_\_\_\_\_



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# Community Association Disclosure(F322)

## COMMUNITY ASSOCIATION DISCLOSURE EXHIBIT " \_\_\_\_\_ "



2022 Printing

This Exhibit is part of the Agreement with an Offer Date of \_\_\_\_\_ for the purchase and sale of that certain Property known as \_\_\_\_\_, Georgia \_\_\_\_\_ ("Property").

**Directions for Filling Out This Community Association Disclosure ("Disclosure").** Seller must fill out this Disclosure accurately and completely. If new information is learned by Seller which materially changes the answers herein, Seller must immediately update and provide Buyer with a revised copy of this Disclosure up until Closing (see Section B for Seller's payment obligations related to initial and updated Disclosures). Seller should ensure the disclosures being made are accurate by confirming the same with the Community Association ("Association") and/or Association Manager(s).

**Buyer's Use of Disclosures.** While this Disclosure is intended to give the Buyer basic information about the community in which Buyer is purchasing, Buyer should read the covenants and other legal documents for the community ("Covenants") to fully understand Buyer's rights and obligations therein. This Disclosure does not address all issues that may affect Buyer as the owner of a residence in the community. Assessments in community associations tend to increase over time. The Covenants can normally be amended to reflect the changing preferences in the community.

### A. KEY TERMS AND CONDITIONS

#### 1. TYPE OF ASSOCIATION IN WHICH BUYER WILL OR MAY BECOME A MEMBER (Select all that apply. The boxes not selected shall not be a part of this Exhibit)

- |   |   |
|---|---|
| <input type="checkbox"/> Mandatory Membership Condominium Association | <input type="checkbox"/> Mandatory Membership Age Restricted Community  |
| <input type="checkbox"/> Mandatory Membership Community Association   | <input type="checkbox"/> All units are occupied by person 62 or older.  |
| <input type="checkbox"/> Mandatory Membership Master Association      | <input type="checkbox"/> At least 80% of the occupied units are occupied by at least one person who is 55 years of age or older |
|   | <input type="checkbox"/> Optional Voluntary Association   |

#### 2. CONTACT INFORMATION FOR ASSOCIATION(S)

- a. Name of Association: \_\_\_\_\_  
Contact Person / Title: \_\_\_\_\_  
Association Management Company: \_\_\_\_\_  
Telephone Number: \_\_\_\_\_ Email Address: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_ Website: \_\_\_\_\_
- b. Name of Master Association: \_\_\_\_\_  
Contact Person / Title: \_\_\_\_\_  
Association Management Company: \_\_\_\_\_  
Telephone Number: \_\_\_\_\_ Email Address: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_ Website: \_\_\_\_\_

#### 3. ASSESSMENTS

The total annual assessments paid to all the above selected Association(s) is \$ \_\_\_\_\_ per year and paid as follows: (Select all of that apply. The boxes not selected shall not be a part of this Agreement)  
☐ Monthly ☐ Quarterly ☐ Semi-Annually ☐ Annually ☐ Other: \_\_\_\_\_

#### 4. SPECIAL ASSESSMENTS

- a. Buyer's total portion of all special assessments Under Consideration is \$ \_\_\_\_\_  
b. Buyer's total portion of all approved special assessments is \$ \_\_\_\_\_  
c. Approved Special Assessments shall be paid as follows: (Select all of that apply. The boxes not selected shall not be a part of this Agreement) ☐ Monthly ☐ Quarterly ☐ Semi-Annually ☐ Annually ☐ Other: \_\_\_\_\_  
d. Notwithstanding the above, if the Buyer's portion of any and all special assessment(s) that are passed or Under Consideration after the Binding Agreement Date is \$ \_\_\_\_\_ or more, Buyer shall have the right, but not the obligation to terminate the Agreement upon notice to Seller, provided that Buyer terminates the Agreement within five (5) days from being notified of the above, after which Buyer's right to terminate shall be deemed waived.

# New Format!



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# **Community Association Disclosure(F322)**

## **Disclosure Regarding Fees**

### **5. TRANSFER, INITIATION, AND ADMINISTRATIVE FEES**

To the extent Transfer, Initiation, and Administrative Fees are fully and accurately disclosed by Seller, Buyer shall pay \$\_\_\_\_\_ for all Transfer, Initiation, and Administrative Fees.



# Community Association Disclosure(F322)

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## 5. TRANSFER, INITIATION, AND ADMINISTRATIVE FEES

- a. **Buyer Pays:** Buyer shall pay any initial fee, capital contribution, new member fee, transfer fee, new account set-up fee, fees similar to the above but which are referenced by a different name, one-time fees associated with closing of the transaction and fees to transfer keys, gate openers, fobs and other similar equipment (collective, "Transfer, Initiation, and Administrative Fees) **to the extent the total amount due is accurately disclosed above.** Advance assessments due at Closing for a period of time after Closing, shall not be Transfer, Initiation, and Administrative Fees and shall be paid by Buyer.
- b. **Seller Pays:** Seller shall pay any amount in excess of the sum disclosed in Section A(5), even in the event of any later disclosures made by the Seller of increase in such Transfer, Initiation, and Administrative Fees. In the event Seller fills in the above blank with "N/A", or anything other than a dollar amount, or is left empty, it shall be the same as Seller filling in the above blank with \$0.00.
- c. **Fees Defined:** All Transfer, Initiation, and Administrative Fees paid by Seller pursuant to this section are considered actual Seller fees and are not a Seller concession or contribution to the Buyer's cost to close.





# Community Association Disclosure(F322)

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## 3. ASSESSMENTS

- a. **Disclosure Regarding Fees.** Owners of property in communities where there is a Mandatory Membership Community Association are obligated to pay certain recurring fees, charges, and assessments (collectively "Fee") to the Association. Fees can and do increase over time and, on occasion, there may be the need for a special assessment. The risk of paying increased Fees is assumed by the Buyer in living in a community with a Mandatory Membership Community Association.
- b. **Buyer shall pay** a) any pre-paid regular assessment (excluding Special Assessments) due at Closing for a period of time after Closing; and b) move-in fees, including fees and security deposits to reserve an elevator as these fees are not considered Transfer, Initiation, and Administrative Fees.
- c. **Seller shall pay** a) all Fees owing on the Property which come due before the Closing so that the Property is sold free and clear of liens and monies owed to the Association; and b) any Seller move-out Fees, foreclosure Fees or other fees specifically intended by the Association to be paid by Seller.
- d. **Account Statement or Clearance Letter.** Seller shall pay the cost of any Association account statement or clearance letter ("Closing Letter") including all amounts required by the Association or management company to be pre-paid in order to obtain such Closing Letter. Seller shall not be reimbursed at Closing for any amounts prepaid in order to obtain the Closing Letter. Within two (2) days of notice from the closing attorney, Seller shall pay for the Closing Letter as instructed by the closing attorney. Seller's failure to follow the instructions of the closing attorney may cause a delay in Closing and/or result in additional fees being charged to Seller.



# Community Association Disclosure(F322)

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**NEW! Added that seller must notify buyer if special assessments pass.**

## **4. SPECIAL ASSESSMENTS**

- a. **Under Consideration:** For all purposes herein, the term "Under Consideration" with reference to a special assessment shall mean that a notice of a meeting at which a special assessment will be voted upon, has been sent to the members of the Association. If a special assessment(s) has been voted upon and rejected by the members of the Association, it shall not be deemed to be Under Consideration by the Association. Seller warrants that Seller has accurately and fully disclosed all special assessment(s) passed or Under Consideration to Buyer. This warranty shall survive the Closing.
- b. **Liability for Undisclosed Special Assessments:** With respect to special assessment(s) Under Consideration or approved before Binding Agreement Date that are either not disclosed or are not disclosed accurately by Seller to Buyer, Seller shall be liable for and shall reimburse Buyer for that portion of the special assessment(s) that was either not disclosed or was not disclosed accurately.
- c. **Who Pays for Disclosed Special Assessments:** With respect to special assessments, Under Consideration or approved and accurately disclosed above, if an unpaid special assessment is due but may be paid in installments, it shall be deemed to be due in installments for purposes of determining whether it is to be paid by Buyer or Seller. If the special assessment(s) is adopted and due in whole or being paid by installment, installment payments due prior to or on Closing shall be paid by the Seller; and installment payments due subsequent to Closing shall be paid by the Buyer.
- d. **Special Assessments Arising after Binding Agreement Date:** With respect to special assessments that are only Under Consideration after the Binding Agreement Date and are promptly disclosed by Seller to Buyer:
  - i. If the special assessment(s) is adopted and due, in whole or in part, prior to or on Closing, that portion due prior to or on Closing shall be paid by the Seller; and
  - ii. If the special assessment(s) is adopted and due in whole or part subsequent to Closing, that portion due subsequent to Closing shall be paid by Buyer.



# Community Association Disclosure(F322)

## NEW SIGNATURE BLOCKS!

1 Buyer's Signature

Print or Type Name

Date

2 Buyer's Signature

Print or Type Name

Date

☐ Additional Signature Page (F267) is attached.

Copyright© 2022 by Georgia Association of REALTORS®, Inc.

1 Seller's Signature

Print or Type Name

Date

2 Seller's Signature

Print or Type Name

Date

☐ Additional Signature Page (F267) is attached.

F322, Community Association Disclosure Exhibit, Page 3 of 3. 01/01/22



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## Fee Disclosure Timelines – F322: Case Study

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Prior to the Binding Agreement Date, the Seller contacts his HOA in preparation of listing the Property on FMLS. The HOA states that there is (a) not an Initiation Fee and (b) the Closing Letter is \$300.

The Seller fills out F322 and discloses the information as provided by the HOA when a binding contract is signed shortly thereafter, putting \$300 in A(5) in regards to the Closing Letter.

After Binding Agreement Date but before the end of Due Diligence, Seller texts and emails the Buyers when they discover the additional fees. The Buyers acknowledge receipt and the Agreement continues without a termination.

At closing, Seller is irate when the HOA discloses \$650 Initiation Fee, \$300 Buyer move-in fee, and a \$150 Elevator Deposit. The Closing Attorney places these fees (in addition to the Closing Letter) on the Seller and Seller refuses to Close unless they are rectified.



## F322 Case Study

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*“Owners living in a mandatory membership community association have to pay certain recurring fees, charges and assessments (collectively “Fees”) to the association. Fees can and do increase over time and, on occasion, there may be the need for a special assessment. The risk of paying increased Fees is assumed by the Buyer in living in a community with a mandatory membership association.”*

*“Owners living in a mandatory membership community association have to pay certain recurring fees, charges and assessments (collectively “Fees”) to the association. Fees can and do increase over time and, on occasion, there may be the need for a special assessment. The risk of paying increased Fees is assumed by the Buyer in living in a community with a mandatory membership association.”*

*- F322 B(3) (a)*



## Rules (F322 Case Study)

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F322 is used when disclosing HOA or Condo fees, and details who pays for each fee regarding Closing.

F301 (Sellers Disclosure) – C(2)(b) Seller to complete and provide with a “Community Association Disclosure Exhibit” GAR F322.

F322 (CAD) –

B(3)(d) – Seller to pay for Clearance Letter and anything requiring be pre-paid, and shall not be reimbursed.

B(3)(c) and B(5)(b) – Seller to pay all fees due prior to Closing, seller move-out fees, and anything not fully disclosed.

B(5)(a) – Buyer to pay EVERYTHING ELSE as long as its disclosed

B(3)(b) – pre-paid assessments and move-in fees / elevator security deposits shall be Buyer fees, even if not disclosed.



## Question (F322 Case Study)

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The Seller disclosed \$300 in fees, however the HOA reported \$1400 (\$300 Closing Letter, \$650 Initiation Fee, \$300 Buyer move-in fee, and a \$150 Elevator Deposit). The Closing Statement shows the Seller paying for all but \$300... is that right??



## Analysis (F322 Case Study)

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### \$300 Closing Letter

Seller shall pay the Closing Letter per section 3B and shall not be reimbursed.

Alternative Solution –  
Add a stip!

*“Buyer shall reimburse Seller for Closing Letter.”*

### \$300 Buyer Move-in Fee & \$150 Elevator Deposit

3(E) Buyer move-in fees and elevator deposits are Buyer fees – always! This is not required to be disclosed.

Practice Tip! Disclose it anyways!





## Analysis (F322 Case Study)

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### \$650 Initiation Fee

Buyer shall pay the Initiation Fee if it is disclosed. If only partially disclosed, Seller shall pay the difference above what was disclosed.

### Result!

Seller shall pay Closing Letter (\$300) and not be reimbursed.

Buyer shall pay Move-in and Deposit, even though not disclosed.

Buyer shall pay \$300 due to \$300 being disclosed.

Seller shall pay remaining \$350 for difference not disclosed about the Initiation Fee.



## Question (F322 Case Study)

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But the Seller re-disclosed after Binding Agreement Date and Buyer didn't refuse. Doesn't this change the form??



## Analysis (F322 Case Study)

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No! A subsequent re-disclosure, though required per the form, does not change the disclosure at BAD and who is responsible for its payment. (B(5)(b))

- b. **Seller Pays:** Seller shall pay any amount in excess of the sum disclosed in Section A(5), even in the event of any later disclosures made by the Seller of increase in such Transfer, Initiation, and Administrative Fees. In the event Seller fills in the above blank with "N/A", or anything other than a dollar amount, or is left empty, it shall be the same as Seller filling in the above blank with \$0.00.



## Thoughts (F322 Case Study)

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We strive for open communication regarding fees, costs, expenses, and timing. If you notice another agent making a mistake or failing to disclose, we recommend speaking up in advance! Even if this would save your client money, avoid a last-minute blowup and get it right up front.

Note – If the Seller never would have agreed to pay the initiation fee when negotiating, sometimes the Listing Agent ends up paying it!

Or use a stip!

*“Due to difficulty defining the exact costs of the HOA, Buyer shall pay and reimburse Seller for any and all HOA costs at Closing, including undisclosed fees, Closing Letters, move-in fees and Special Assessments.”*

Or even better... add a stip or put a very large amount in 3(C).



# 2022 GAR Contract Changes

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Questions?



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# **2022 GAR Contract Changes**

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**The End!**



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