

Tennessee REALTORS®
2020 Forms Committee – Motions to move forward presented
at the 2020 Virtual Fall Convention

COMMERCIAL FORMS

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To approve the following new form [RF634 INVESTMENT PROPERTY ADDENDUM](#)

INVESTMENT PROPERTY ADDENDUM

Buyer: _____
Seller: _____
Property: _____

This INVESTMENT PROPERTY ADDENDUM (hereinafter "Addendum"), between the undersigned Buyer and Seller is entered into and is effective as of the Binding Agreement Date provided in the Purchase and Sale Agreement for the purpose of changing, deleting, supplementing or adding terms to said Purchase and Sale Agreement ("Agreement"). In consideration of the mutual covenants herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows: **(the items not checked are not a part of this Agreement).**

- ☐ Buyer has not yet personally viewed the Property. This Agreement is contingent upon Buyer viewing and approving the Property. If Property is unacceptable to Buyer, Buyer shall notify Seller on or before _____.
- ☐ This agreement is contingent upon Buyer's receipt, review, inspection, and satisfactory approval of accounting statements for Property for the past _____ months and all existing leases, with personal tenant information redacted. Seller shall have _____ days from the Binding Agreement Date to provide information. Following receipt, Buyer will have _____ days to review all submitted information.

If the above checked contingencies are not acceptable to Buyer, Buyer shall terminate this Agreement via the Notification Form or other equivalent written notice within the agreed upon timeframe and all Earnest Money/ Trust Money shall be refunded to Buyer.

- ☐ In the event access to the Property is delayed or withheld during the agreed upon Inspection Period timeframe by Seller, Seller's authorized representative, or Seller's tenants, and after notifying Seller of such delay, Seller does not provide access within forty-eight (48) hours, the Inspection Period shall be extended by one (1) day for each day Buyer is denied access to the Property.
- ☐ All prepaid rents on said Property shall be prorated at the closing of the sale. The Seller represents that the monthly rentals on said Property of \$_____ will be current at the time of the closing, and that there will be no expenses chargeable to the Seller except the taxes on said Property. Seller holds \$_____ in security deposits and damage deposits collected from tenants, which Seller shall make payable to _____ (Buyer or Buyer's Property Manager) at closing. Buyer shall enter into an agreement to hold the Seller harmless against such transfer of security or damage deposits. At the closing of the sale, the Seller shall execute an affidavit which will verify the number of leases and tenancies then outstanding on the Property, the prepaid rent as to each, and the amount of security deposits as to each.
- ☐ Buyer agrees to purchase the Property "as-is" after the Inspection Period with the exception of any necessary wood destroying insect infestation treatment, which Seller agrees to treat at Seller's expense.

The party(ies) below have signed and acknowledge receipt of a copy.

BUYER

BUYER

_____ at _____ o'clock ☐ am/ ☐ pm _____ at _____ o'clock ☐ am/ ☐ pm

Date

Date

The party(ies) below have signed and acknowledge receipt of a copy.

SELLER

SELLER

_____ at _____ o'clock ☐ am/ ☐ pm _____ at _____ o'clock ☐ am/ ☐ pm

Date

Date

NOTE: This form is provided by Tennessee REALTORS® to its members for their use in real estate transactions and is to be used as is. By downloading and/or using this form, you agree and covenant not to alter, amend, or edit said form or its contents except as where provided in the blank fields, and agree and acknowledge that any such alteration, amendment or edit of said form is done at your own risk. Use of the Tennessee REALTORS® logo in conjunction with any form other than standardized forms created by Tennessee REALTORS® is strictly prohibited. This form is subject to periodic revision and it is the responsibility of the member to use the most recent available form.

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RESIDENTIAL FORMS (updated)

Motion 1 - To approve the following additions to RF161 Agreement to Show Property

Line 33

6. Audio/Video Recording. Seller is responsible for compliance with state or federal law regarding usage of video or audio recording devices while marketing or showing the property. Seller should seek legal advice regarding their rights or limitations related to their actions.

Motion 2 - To approve the following additions to RF301 Working With A Real Estate Professional

Line 41

Responsibilities of Sellers and Buyers regarding presence of Recording Devices:

Seller is responsible for compliance with state or federal law regarding usage of video or audio recording devices while marketing or showing the property. Seller should seek legal advice regarding their rights or limitations related to their actions.

Buyer is advised of the possibility that some properties may utilize security devices that record physical movements or audio conversations. Therefore, Buyers should limit making comments concerning the value, features, or condition while viewing any property.

Motion 3 - To approve the following additions to RF304 Disclaimer Notice

Line 47-51

- 8. BOUNDARY LINES, EASEMENTS, ENCROACHMENTS, ROAD MAINTENANCE, AND ACREAGE.**
A survey can provide helpful information, including whether the road to the home is a public or private road. It is strongly advised that you secure the services of a licensed surveyor for a full-stake boundary survey with all boundary lines, easements, encroachments, flood zones, road information, total acreage, etc., clearly identified.

Line 100-104

- 17. RELIANCE.** You understand that it is your responsibility to determine whether the size, location and condition of the property are acceptable prior to signing a contract. Broker makes no representations as to suitability of a property to your needs. You acknowledge that any images or other marketing materials provided by the seller or brokers involved in the transaction electronically or in print may not display the property's features, flaws, odor(s), or size and that you will not rely on such images when purchasing a property.

Line 105-108

- 18. MARKETING MATERIALS.** You acknowledge that photographs, marketing materials, and digital media used in the marketing of the property may continue to remain in publication after Closing. You agree that Broker shall not be liable for any uses of photographs, marketing materials or digital media which the Broker is not in control of.

Line 109-110

The Buyer/Seller acknowledges that they have not relied upon the advice, casual comments, media representations or verbal representations of any real estate licensee relative to any of the matters itemized above or similar matters.

Motion 4 - To approve the following changes to RF401 Purchase and Sale Agreement

Line 12-22

A. **INCLUDED** as part of the Property (if present): all attached light fixtures and bulbs including ceiling fans; permanently attached plate glass mirrors; heating, cooling, and plumbing fixtures and equipment; all doors, storm doors and windows; all window treatments (e.g., shutters, blinds, shades, curtains, draperies) and hardware; all wall-to-wall carpet; range; all built-in kitchen appliances; all bathroom fixtures and bathroom mirrors; all gas logs, fireplace doors and attached screens; all security system components and controls; garage door opener(s) and all (at least _____) remote controls; ~~an entry key and/or master code for digital locks~~; swimming pool and its equipment; awnings; permanently installed outdoor cooking grills; all landscaping and all outdoor lighting; mailbox(es); attached basketball goals and backboards; TV mounting brackets (inclusive of wall mount and TV brackets) but excluding flat screen TVs); antennae and satellite dishes (excluding components); ~~and~~ central vacuum systems and attachments; and all available keys, key fobs, access codes, master codes or other methods necessary for access to the Property, including mailboxes and/or amenities.

Line 307-314

value in a professional and workmanlike manner via the Repair/Replacement Proposal or equivalent written notice. Seller shall have the right to request any supporting documentation that substantiates any item listed.

- a. Resolution Period. Seller and Buyer shall then have a period of _____ days following receipt of the above stated written list ("Resolution Period") to reach a mutual agreement as to the items to be repaired or replaced with like quality or value by Seller, which shall be evidenced by the Repair / Replacement Amendment or written equivalent(s). The receipt by Seller of the above stated written list or Repair/Replacement Proposal marks the end of the Inspection Period and beginning of the Resolution Period.

Line 370-373

Buyer and Seller acknowledge that photographs, marketing materials, and digital media used in the marketing of the property may continue to remain in publication after Closing. Buyer and Seller agree that Brokers shall not be liable for any uses of photographs, marketing materials or digital media which the Broker is not in control of.

Motion 5 - To approve the following changes and additions to RF623 Buyer's First Right of Refusal Addendum

Line 15-23

in that market) within _____ day(s) ~~five (5) days~~ of the Binding Agreement Date of the Purchase and Sale Agreement. Within the agreed upon timeframe, Buyer shall submit proof of listing to Seller via the Notification form or equivalent written notice. Should Buyer fail to timely comply and provide written notice, Seller may make written demand for compliance via the notification form or equivalent written notice. If Buyer does not furnish Seller the requested documentation within one (1) day after such demand for compliance, Buyer shall be considered in default and Seller shall have the right to terminate this Agreement by delivering to Buyer or Buyer's representative written notice via the Notification form or equivalent written notice. In the event Buyer delivers proof of listing to Seller before Seller elects to terminate, Seller shall be deemed to have waived his right to terminate, and the Agreement shall remain in full force and effect.

Motion 6 - To approve the following additions to RF656 Notification

Line 21

#5. Appraised value did not equal or exceed the Purchase Price. Buyer WAIVES the appraisal contingency in the Purchase and Sale Agreement."

Line 111

□ 31. For new construction only, Seller hereby notifies Buyer of a delay caused by _____ as provided for in the Delays Section of the New Construction Purchase and Sale Agreement.