



2021 FORMS CHANGES

November 19, 2020

901 19th Avenue South
Nashville, TN 37212

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Changes to Tennessee REALTORS® Forms (2020 to 2021)

Note all forms have version dates listed in the bottom right corner of each form. **RED text denotes deletions** and **BLUE text denotes additions**. These documented changes consist of significant content change and do not include minor edits (e.g. punctuation, spelling, etc.).

ALL FORMS:

Version Dates have changed on the footer of every page to:

~~1/01/2020~~ 1/01/2021 (located on the right-hand side of the footer on every page)

This date signifies the date of the correct version to use for the current year!

Changes listed by Residential Forms (RF) and then Commercial Forms (CF)

RESIDENTIAL FORMS

NEW FORMS:

RF309 COVID-19 RELEASE (released in April 2020)

RF422 RESIDENTIAL LEASE AGREEMENT FOR SINGLE-FAMILY DWELLING (BROKER ACTING AS PROPERTY MANAGER)

RF634 INVESTMENT PROPERTY ADDENDUM

RF679 COVID-19 AMENDMENT/ADDENDUM (released in March 2020)

Edits:

RF101 Exclusive Right to Sell Listing Agreement (Designated Agency)

RF102 Exclusive Right to Sell Listing Agreement (Seller Agency)

Line 36-46

RF131 Lot/Land Exclusive Right to Sell Listing Agreement (Designated Agency)

RF132 Lot/Land Exclusive Right to Sell Listing Agreement (Seller Agency)

Line 30-41

3. **TERM:** ~~LISTING DATE:~~ _____ ~~LISTING EXPIRATION DATE:~~ _____

This Agreement shall be valid from the date this Agreement is fully executed by all parties (the "Effective Date") through _____, 20____ ("Listing Expiration Date"). If a contract to purchase, exchange, or lease is signed before this Agreement expires, the term hereof shall continue until final disposition of Purchase and Sales Agreement, exchange agreement, or lease agreement.

Marketing of Property Commencement Date: Seller directs Broker to commence marketing of the Property for sale to the general public on the Effective Date

OR

☐ on the _____ day of _____, 20____.

Carry-Over Clause. Should the Seller contract to sell or exchange, or contract to lease the Property within _____ days after the Listing ~~Expiration~~ **Blue** Date of this Agreement to any Buyer/Tenant (or anyone acting on Buyer's/Tenant's

RF141 Exclusive Buyer Representation Agreement (Designated Agency)

RF142 Exclusive Buyer Representation Agreement (Buyer Agency)

RF143 Non-Exclusive Buyer Representation Agreement (Designated Agency)

RF144 Non-Exclusive Buyer Representation Agreement (Buyer Agency)

Line 4-16

1. TERM.

For and in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, this Agreement is entered into on this _____ day of _____, 20__ ("Effective Date") by and between the undersigned _____ ("Client" or "Buyer") ~~hereby employs the~~ and Firm/Broker of _____ ("Broker"), Broker shall act as Client's exclusive agent to locate property for Client's purchase, lease, exchange or option (collectively "Purchase") during the term of this agreement, and to advocate the Client's best interests in the negotiation of terms and conditions of any such Purchase. This Buyer Representation Agreement ("Agreement") begins on ~~this date~~ the Effective Date and terminates at 11:59 p.m. local time on _____, _____, or at the closing (or in the case of a lease, the date of possession) of any Purchase under this Agreement, if such occurs earlier. If a contract to purchase, exchange, or lease is signed before this Agreement expires, the term hereof shall continue until final disposition of the Purchase and Sales Agreement, exchange agreement, or lease agreement.

RF151 Listing/Agency Mutual Release Agreement

Line 5-7

Whereas, the Client/Customer and Firm/Company have entered into a marketing / listing / and/or agency agreement ("Agreement") ~~dated with an Effective Date of~~ _____ and all parties desire to terminate the Agreement(s) regarding the Property (if applicable) listed above.

RF161 Agreement to Show Property

Line 1-5

1. Permission to Show Property. In consideration of the services and efforts of _____, a licensed real estate firm (hereinafter "Broker"), the undersigned seller (hereinafter "Seller") enters into this Agreement with Broker on _____, 20__ ("Effective Date") ~~hereby grants to~~ granting Broker the right and privilege to show and offer for sale to _____

Line 34-36

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.

RF171 Exclusive Property Management Agreement

RF172 Exclusive Right to Market For Lease Agreement (Not a Property Management Agreement)

Line 1-6

For and in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, _____ (hereinafter referred to as "Owner"), and _____ as broker/firm and its affiliated licensees (hereinafter collectively referred to as "Broker") do hereby enter into this Exclusive Property Management Agreement ("Agreement"), this _____ day of _____, _____ ("Effective Date").

RF201 Tennessee Residential Property Condition Disclosure

Line 99

~~If leases are not assumable, it will be Seller's responsibility to pay balance.~~

Line 125

Most recent survey of the property: _____ (Date) (check here if unknown) ☐

RF203 TENNESSEE RESIDENTIAL PROPERTY CONDITION EXEMPTION**RF204 TENNESSEE RESIDENTIAL PROPERTY CONDITION STATEMENT**

Line 2

Buyer:

RF203 TENNESSEE RESIDENTIAL PROPERTY CONDITION EXEMPTION**RF204 TENNESSEE RESIDENTIAL PROPERTY CONDITION STATEMENT****RF205 TENNESSEE RESIDENTIAL PROPERTY DISCLOSURE (For Exempt Properties and Residential Property Disclaimers)**

Lines 100-127

CHECK ALL THAT APPLY:

YES NO UNKNOWN

- ☐ ☐ ☐ 1. ~~Seller knows of the presence of an exterior injection well on the Property.~~
- ☐ ☐ ☐ 2. ~~Seller knows that a single family residence located on Property has been moved from an existing foundation to another foundation.~~
- ☐ ☐ ☐ 3. ~~Seller knows of a percolation test(s) that has been performed on the Property that is determined or accepted by the Tennessee Department of Environment and Conservation. If yes, results of test(s) are attached.~~
- ☐ ☐ ☐ 4. ~~Seller knows of soil absorption rate(s) that has been performed on the property that is determined or accepted by the Tennessee Department of Environment and Conservation. If yes, results of rate(s) are attached.~~
- ☐ ☐ ☐ 5. ~~Seller knows of a sinkhole(s) present on the Property. A sinkhole is defined pursuant to Tenn. Code Ann. § 66-5-212(c) as "a subterranean void created by the dissolution of limestone or dolostone strata resulting from groundwater erosion, causing a surface subsidence of soil, sediment, or rock and is indicated through the contour lines on the Property's recorded plat map."~~
- ☐ ☐ ☐ 6. ~~This Property is located in a Planned Unit Development. Planned Unit Development is defined pursuant to Tenn. Code Ann. § 66-5-213 as "an area of land, controlled by one (1) or more landowners, to be developed under unified control or unified plan of development for a number of dwelling units, commercial, educational, recreational or industrial uses, or any combination of the foregoing, the plan for which does not correspond in lot size, bulk or type of use, density, lot coverage, open space, or other restrictions to the existing land use regulations." Upon request, Seller shall provide to buyers copies of the development's restrictive covenants, homeowner bylaws and master deed. Unknown is not an appropriate response under the statute.~~
- ☐ ☐ ☐ 7. ~~A permit for a subsurface sewage disposal system for the Property was issued during a sewer moratorium pursuant to Tenn. Code Ann. § 68-221-409. If yes, Buyer may have a future obligation to connect to the public sewer system.~~

ARE YOU (SELLER) AWARE OF ANY OF THE FOLLOWING:

YES

NO

UNKNOWN

1. Is there an exterior injection well anywhere on the property? ☐ ☐ ☐
2. Is seller aware of any percolation tests or soil absorption rates being performed on the property that are determined or accepted by the Tennessee Department of Environment and Conservation? If yes, results of test(s) and/or rate(s) are attached. ☐ ☐ ☐
3. Has any residence on this property ever been moved from its original foundation to another foundation? ☐ ☐ ☐
4. Is this property in a Planned Unit Development? Planned Unit Development is defined pursuant to Tenn. Code Ann. § 66-5-213 as "an area of land, controlled by one (1) or more landowners, to be developed under unified control or unified plan of development for a number of dwelling units, commercial, educational, recreational or industrial uses, or any combination of the foregoing, the plan for which does not correspond in lot size, bulk or type of use, density, lot coverage, open space, or other restrictions to the existing land use regulations." Unknown is not a permissible answer under the statute. ☐ ☐
5. Is a sinkhole present on the property? A sinkhole is defined pursuant to Tenn. ☐ ☐ ☐

Code Ann. § 66-5-212(c) as "a subterranean void created by the dissolution of limestone or dolostone strata resulting from groundwater erosion, causing a surface subsidence of soil, sediment, or rock and is indicated through the contour lines on the property's recorded plat map."

6. Was a permit for a subsurface sewage disposal system for the Property issued ☐ ☐ during a sewer moratorium pursuant to Tenn. Code Ann. § 68-221-409? If yes, Buyer may have a future obligation to connect to the public sewer system.

RF301 Working With A Real Estate Professional

Line 41-47

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.

RF304 Disclaimer Notice

Line 1-2

The Brokers and their affiliated licensees (hereinafter collectively "Licensees") ~~are not attorneys and are not structural or environmental engineers. They~~ are engaged in bringing together buyers and sellers in real estate

Line 37-38

6. SQUARE FOOTAGE. ~~There are many ways of measuring square footage.~~ There are multiple sources from which square footage of a property may be obtained.

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.

Line 109-111

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.

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 107-115

if the appraised value of the Property does not equal or exceed the Purchase Price, Buyer shall promptly notify the Seller via the ~~notification~~ Notification form or equivalent written ~~equivalent~~ notice. Buyer shall then have three (3) days to either:

1. waive the appraisal contingency via the ~~notification~~ Notification form or equivalent written notice
- OR**
2. terminate the agreement by giving notice to seller via the ~~notification~~ Notification form or equivalent written notice. Upon timely termination, Buyer is entitled to a refund of the Earnest money.

In the event Buyer fails to either waive the appraisal contingency or terminate the agreement as set forth above, this contingency shall be deemed satisfied.

Line 290-291

for repair of damage, if any, should be addressed in the Buyer's request for repairs pursuant to Subsection ~~8~~ 7.D., Buyer's Inspection and Resolution below.

Line 294

Destroying Insect Infestation Inspection Report **AND** shall provide written notice of such to Seller as described below

Line 307-315

(3) furnish Seller a written list of items which Buyer requires to be repaired and/or replaced with like quality or 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 368-371

~~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.~~

Line 453-462

15. Seller's Additional Obligations. In addition to any other disclosure required by law, the Seller shall, prior to entering into a contract with a Buyer, disclose in writing including acknowledgement of receipt: (a) the presence of any known exterior injection well or sinkhole (as defined in TCA § 66-5-212) on the property; (b) the results of any known percolation test or soil absorption rate performed on the property that is determined or accepted by the Department of Environment and Conservation ~~and~~; (c) if the property is located in a Planned Unit Development (PUD); ~~and~~ (d) if the property is located in a PUD, make available to the Buyer a copy of the development's restrictive covenants, homeowner bylaws and master deed upon request; ~~(e) Seller shall also disclose in the same manner whether~~ any single-family residence located on the Property has been moved from an existing foundation to another foundation where such information is known to the Seller; ~~and (f) if a permit for a subsurface sewage disposal system for the Property was issued during a sewer moratorium pursuant to TCA § 68-221-409.~~ If so, Buyer may have a future obligation to connect to the public sewer system.

Licensee Cellphone No.: _____ Licensee Cellphone No.: _____

Home Owner's / Condominium Association ("HOA/COA") / Property Management Company: _____

HOA / COA Phone: _____ HOA/COA Email: _____

Property Management Company: _____

Phone: _____ Email: _____

RF403 New Construction Purchase and Sale Agreement

Line 41-49

Buyer shall promptly notify the Seller via the ~~notification~~ Notification form or equivalent written ~~equivalent~~ notice. Buyer shall then have 3 days to either:

1. waive the appraisal contingency via the ~~notification~~ Notification form or equivalent written notice
OR
2. terminate the agreement by giving notice to seller via the ~~notification~~ Notification form or equivalent written notice. Upon timely termination, Buyer is entitled to a refund of the Earnest money.

In the event Buyer fails to either waive the appraisal contingency or terminate the agreement as set forth above, this contingency is deemed satisfied.

Line 257

Seller shall notify Buyer of any such delays via the Notification Form or equivalent written notice.

Line 275-277

Buyer shall submit a written report listing matters which Buyer reasonably deems to be incomplete, defective, or in need of cosmetic repair herein named the "Punch List".

Line 312-314

Buyer's Inspection and Resolution. Within _____ days after Seller's Notification that the Improvements are Complete, Buyer shall cause to be conducted any inspection provided for herein AND shall provide written notice of such to Seller as described below.

Line 333-335

The receipt by Seller of the above stated written list or New Construction Inspection/Punch List. Amendment marks the end of the Inspection Period and beginning of the Resolution Period.

Line 379-389

19. Seller's Additional Obligations. In addition to any other disclosure required by law, the Seller shall, prior to entering into a contract with a Buyer, disclose in writing including acknowledgement of receipt: (a) the presence of any known exterior injection well or sinkhole (as defined in TCA § 66-5-212) on the property; (b) the results of any known percolation test or soil absorption rate performed on the property that is determined or accepted by the Department of Environment and Conservation ~~and~~; (c) if the property is located in a Planned Unit Development (PUD) ~~and~~; (d) if the property is located in a PUD, make available to the Buyer a copy of the development's restrictive covenants, homeowner bylaws and master deed upon request; (e) ~~Seller shall also disclose in the same manner whether~~ any single-family residence located on the Property has been moved from an existing foundation to another foundation where such information is known to the Seller; ~~and~~ (f) if a permit for a subsurface sewage disposal system for the Property was issued during a sewer moratorium pursuant to TCA § 68-221-409. If so, Buyer may have a future obligation to connect to the public sewer system.

Line 428-431

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.

Last page of RF403

Licensee Cellphone No.: _____ Licensee Cellphone No.: _____

Home Owner's / Condominium Association ("HOA/COA") / Property Management Company: _____

HOA / COA Phone: _____ HOA/COA Email: _____

Property Management Company: _____

Phone: _____ Email: _____

RF404 Lot/Land Purchase and Sale Agreement

Line 46-54

Buyer shall promptly notify the Seller via the ~~notification~~ Notification form or equivalent written ~~equivalent~~ notice. Buyer shall then have 3 days to either:

1. waive the appraisal contingency via the ~~notification~~ Notification form or equivalent written notice
OR
2. terminate the agreement by giving notice to seller via the ~~notification~~ Notification form or equivalent written notice. Upon timely termination, Buyer is entitled to a refund of the Earnest money.

In the event Buyer fails to either waive the appraisal contingency or terminate the agreement as set forth above, this contingency is deemed satisfied.

Line 353

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.

Last page on RF404

Licensee Cellphone No.: _____ Licensee Cellphone No.: _____

Home Owner's / Condominium Association ("HOA/COA") / Property Management Company: _____

HOA / COA Phone: _____ HOA/COA Email: _____

Property Management Company: _____

Phone: _____ Email: _____

RF421 Residential Lease Agreement for Single Family Dwelling

Line 12-15

_____ (City), Tennessee _____ (Zip), ~~as recorded in~~
~~_____ County Register of Deeds Office, _____ deed book(s),~~
~~page(s), and/or _____ instrument number and further described as:~~

Line 25-35

(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 or other methods necessary for access to the Property, including mailboxes and/or amenities.

~~B. Other items that REMAIN with the Leased Property at no additional cost to Tenant:~~

~~C. Items that WILL NOT REMAIN with the Leased Property:~~

Line 58

the Grace Period shall end at 5:00 PM local time the following business day.

Line 79-80

~~Landlord may also apply the Security Deposit toward any unpaid Rent if Tenant vacates the Leased Property with Rent still due and owing Landlord.~~

Line 130-133

~~If Tenant vacates the Leased Property with unpaid Rent or other amounts due to Landlord, Landlord may remove the Security Deposit and apply it toward the unpaid debt.~~ If Tenant vacates the Leased Property not owing any ~~Rent monies~~ and a refund is due, Landlord shall send notice to the last known or reasonably determinable address of the amount of said refund to Tenant.

Line 175-177

Tenant shall maintain adequate insurance for their personal property and liability insurance in the amount of \$ _____ during the Lease Term and any extensions thereof and shall demonstrate as such to Landlord upon request.

Line 179-180

Tenant shall provide written notice to Landlord no later than ~~thirty (30)~~ _____ days prior to the end of the Lease Term as to Tenant's intent to renew or terminate this Lease at the end of the Lease Term.

Line 394-399

~~22. PROPERTY MANAGEMENT COMPANY.~~

~~The property management company, if any, of the Leased Property is as follows:~~

~~Company: _____~~
~~Manager: _____~~
~~Address: _____~~
~~Telephone Number: _____ Email: _____~~

Line 412-413

Both Landlord and Tenant understand and agree that neither Broker nor licensee for either party is acting in the capacity of a property manager in this transaction ~~unless otherwise stated herein.~~

RF505 Pre-Construction Specifications

Line 44

A. ~~MASTER~~ BEDROOM 1

Line 52

☐ Sitting room _____

Line 54-64

~~B. MASTER SITTING ROOM~~

- ☐ With ceiling fan _____
- ☐ With tray ceiling _____
- ☐ With vaulted ceiling _____
- ☐ On first floor _____
- ☐ Other _____

~~C. SECOND MASTER~~ B. BEDROOM 2 (in addition to the first one described)

- ☐ On second floor _____
- ☐ On first floor _____
- ☐ Other _____

~~D. GUEST C. BEDROOM 3~~

Line 78

A. ~~MASTER~~ BATH 1

Line 83-84

- ☐ With ~~his/her~~ dual vanities _____
- ☐ With ~~his/her~~ walk-in closets _____

Line 90-92

B. ~~SECOND MASTER~~ BATH 2

☐ List items to be included (see 9A, above) _____

RF601 Amendment to the Listing Agreement

Line 4-7

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 to amend that certain Listing Agreement ~~which was signed by the Seller and Broker on~~ ~~between Seller and Broker with an Effective Date of~~ _____ and any incorporated addenda, exhibits or prior amendments (collectively referred to herein as "Agreement") for the listing of real property specified above as follows:

RF602 Short Sale Amendment to the Listing Agreement

Line 4-9

This SHORT SALE AMENDMENT TO THE LISTING AGREEMENT (hereinafter "Amendment"), between the undersigned Seller and Broker is entered into and is effective as of the undersigned date for the purpose of amending that certain Listing Agreement ~~entered into on~~ ~~with an Effective Date of~~ _____, and any incorporated addenda, exhibits or prior amendments (collectively referred to herein as "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 to amend the Agreement as follows:

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.~~

RF625 VA/FHA Loan Addendum

Line 21-22

3. **HOME INSPECTION.** It is important for Buyer to have a home inspection performed on the Property he wishes to purchase in order to identify any possible defects. ~~Names of home inspection companies can be found in the yellow pages of the local telephone directory under the heading "Home Inspection Services."~~

RF631 TENANT INFORMATION

~~Addendum~~ Application for Residential Lease Agreement for Single-Family Dwelling

Lines 2-6

~~This Addendum application for Residential Lease Agreement for Single-Family Dwelling hereinafter ("Addendum"), between the undersigned Landlord and Tenant is entered into and is effective as of the Binding Agreement Date provided in the Residential Lease Agreement for the purpose of changing, deleting, supplementing or adding terms to said Residential Lease Agreement. In consideration of mutual covenants herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties supply information and agree as follows:~~

Lines 41-49

~~This Addendum is made a part of the Residential Lease Agreement for Single-Family Dwelling as if quoted therein verbatim. Should the terms of this Addendum conflict with the terms of the Residential Lease Agreement for Single-Family Dwelling or other documents executed prior to or simultaneous to the execution of this Addendum, the terms of this Addendum shall control, and the conflicting terms are hereby considered deleted and expressly waived by both Landlord and Tenant. In all other respects, the Residential Lease Agreement shall remain in full force and effect.~~

I DECLARE THAT THE FOREGOING INFORMATION IS TRUE AND CORRECT, AUTHORIZE ITS VERIFICATION AND THE OBTAINING OF A CONSUMER CREDIT REPORT. ~~I agree that Landlord may terminate any agreement entered into in reliance on any misstatement above.~~ I acknowledge and understand that the above information is deemed "material" by the Landlord; Landlord will rely on said information when determining whether to enter into a lease agreement.

RF633 Addendum

Line 6-10

This ADDENDUM between the undersigned parties is entered into and is effective as of the Date provided in the _____ Agreement ~~dated~~ with an Effective Date or Binding Agreement Date of _____ for the purpose of changing, deleting, supplementing or adding terms to said Agreement. In consideration of mutual covenants herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

RF641 Amendment to the Buyer's Representation Agreement

Line 2-6

Date of Buyer's Representation 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 to amend that certain Buyer's Representation Agreement ~~which was signed by the~~ between Buyer and Broker ~~on~~ with an Effective Date of _____ and any incorporated addenda, exhibits or prior amendments (collectively referred to herein as "Agreement") as follows:

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 63-65

☐ 16. Pursuant to the First Right of Refusal Addendum, Buyer has listed their home with a licensed real estate broker and the home is advertised in a Multiple Listing Service, where applicable. See proof of listing attached to this form.

Line 111-117

☐ 31. Pursuant to Buyer's First Right of Refusal Addendum, this is Seller's written demand for proof Buyer has listed their home with a licensed real estate broker and home is advertised in a Multiple Listing Service, where applicable.

☐ 32. Pursuant to Buyer's First Right of Refusal Addendum, Seller has made written demand for Buyer to provide proof Buyer has listed their home with a licensed real estate broker and advertised the home in a Multiple Listing Service, where applicable. However, Buyer failed to do so within one (1) day. Seller is hereby exercising his right to terminate this Agreement.

Line 121-123

☐ 34. 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.

RF663 Multiple Offer Disclosure Notification

Line 1-9

~~This Multiple Offer Disclosure and Notification ("Notification") is hereby intended to notify _____ (Interested Buyer) that there have been multiple offers on~~ Seller hereby gives Notice to any Buyer that has submitted a Purchase and Sale Offer or Counter-Offer for the purchase of the property located at: _____ (Address)

_____ (City), Tennessee _____ (Zip) ("Property") as of the date and time of this notification as follows:

~~The Seller hereby gives Buyer notice as follows:~~

1. Interested Buyer is hereby notified that Seller has received multiple offers on the Property.
2. Any Counter Offer previously submitted by Seller is hereby **WITHDRAWN**.

RF665 Amendment

Line 6-9

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 to amend that certain _____ Agreement with the ~~the Date~~ **an Effective Date or Binding Agreement Date** _____ and any incorporated addenda, exhibits or prior amendments (collectively referred to herein as "Agreement") as follows:

RF672 Amendment ___ to the Exclusive Right to Market for Lease or Exclusive Property Management Agreement

Line 4-8

This AMENDMENT between the undersigned parties is entered into ~~and is effective as of the Date provided in the~~ _____ ~~Agreement dated~~ _____ for the purpose of changing, deleting, supplementing or adding terms to ~~said Agreement~~ _____ **Agreement with an Effective Date of** _____. In consideration of mutual covenants herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

RF707 Additional Contract Language

Line 188-190

RENTAL LEASES AND REVIEW

This agreement is contingent upon Buyer's receipt, review, inspection, and satisfactory approval of all existing leases, **and** security deposits, ~~and rental applications~~.

Line 261

20. OFFICE EXCLUSIVE LISTING.

Seller wishes to keep exposure of Property minimal and does not wish to advertise Property to the public. Therefore, Broker is not granted the authority to advertise this listing on the Internet. Broker is not permitted to file this listing with any Multiple Listing Service (MLS) or similar service(s) of which Broker is a member. Seller understands and agrees that by not placing the listing on the MLS or other similar services, the listing will not be included in a searchable database provided by the MLS or similar service which can be viewed on other agents' websites. Broker shall not place a sign on the Property. Given these limitations, Broker shall use best efforts to produce a Buyer by solely marketing Property to other licensees within Broker's firm.

Broker shall offer a cooperative compensation in the amount of _____% of Selling Price/monthly rental amount or \$ _____ to a Selling Agent or Facilitator (an agent who is representing the interests of and/or is working with the Buyer/Tenant) who is the procuring cause of the transaction.

RF708 Purchase and Sale Agreement Timeline Checklist

Line 7-12

Binding Agreement Date: (BAD) _____ ~~Scheduled Closing Date:~~ _____ Purchase Price _____

Closing Date: _____ ☐ Contract sent to Closing Agency ☐ Time Scheduled _____

Enter Deadline Date for each item. Check each BOX when completed.

EARNEST MONEY/TRUST MONEY

_____ ☐ Deposited _____ days after BAD.

Holder of Earnest Money/Trust Money: _____

RF709 Request for Condominium Association Information

Line 77-83

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

SELLER

SELLER

Print/Type Name

Print/Type Name

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

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

RF712 Importance of Inspections and Property Survey

Line 22-31

II. PROPERTY SURVEY

1. **WHY A BUYER NEEDS A SURVEY.** A survey gives the Buyer specific information concerning the boundary lines of the property prior to purchase. A licensed surveyor can provide the following services which may be beneficial to you as a buyer in this transaction:
 - a. To establish boundary lines on a parcel of land at the time of subdividing the property;
 - b. Properly representing boundary lines as part of a General Property Survey;
 - c. Identify potential issues associated with a piece of property in the form of encroachments, setback violations, easements, etc. ~~and~~
 - d. Prepare an accurate property description which will become part of the deed of transfer; **and**
 - e. **Identify whether roads are public or private.**

COMMERCIAL FORMS

Edits:

CF101 Commercial Exclusive Right to Sell Listing Agreement

CF103 Commercial Exclusive Agency Listing Agreement

CF104 Commercial Open Listing Agreement

Line 5-9

For and in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, _____ as seller (hereinafter referred to as "Seller") and _____ firm and its licensees (hereinafter collectively referred to as "Firm") do hereby enter into this Commercial Exclusive Right to Sell Listing Agreement ("Agreement"), this _____ day of _____, _____ ("Effective Date").

CF121 Commercial Exclusive Leasing Agreement

CF124 Commercial Open Listing Agreement (For Lease)

Line 1-6

For and in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged,

_____ (hereinafter referred to as "Owner"), and _____ as broker/firm and its affiliated licensees (hereinafter collectively referred to as "Broker") do hereby enter into this Commercial Exclusive Leasing Agreement ("Agreement"),

this _____ day of _____, _____ ("Effective Date").

CF141 Commercial Exclusive Buyer/Tenant Representation Agreement

Line 4-7

For and in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, _____ as Client and _____ (firm) and its licensees (hereinafter collectively referred to as "Firm") do hereby enter into this Agreement, this _____ day of _____, _____ ("Effective Date").

CF151 Commercial Listing/Agency Mutual Release Agreement

Line 5-7

Whereas, the Client/Customer and Firm/Company have entered into a marketing / listing / and/or agency agreement ("Agreement") dated with an Effective Date of _____ and all parties desire to terminate the Agreement(s) regarding the Property listed above.

CF161 Agreement to Show Commercial Property

Line 1-4

1. **Permission to Show Property.** In consideration of the services and efforts of _____, a licensed real estate firm (hereinafter "Broker"), the undersigned seller / owner (hereinafter "Seller") enters into this Agreement with Broker on _____, 20____ ("Effective Date") ~~hereby grants to~~ granting Broker the right and privilege to show

Line 36-38

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.

CF401 Commercial Purchase and Sale Agreement

Line 115-120

A. **Seller's Costs.** Seller shall pay all existing loans and/or liens affecting the Property; the cost of recording any title curative documents, including without limitation, satisfactions of deeds to secure debt, quitclaim deeds and financing statement termination; any accrued and/or outstanding association dues or fees; fee (if any) to obtain lien payoff/estoppel letters/statement of accounts from any and all associations, property management companies, mortgage holders or other liens affecting the Property; all applicable deed recording fees; the fees of Seller's counsel and, **if checked**, ☐ **all transfer taxes**, otherwise Buyer is responsible for transfer taxes.

Line 127-130

B. **Buyer's Costs.** Buyer shall pay the cost of Buyer's counsel and consultants; any costs in connection with Buyer's inspection of the Property and any costs associated with obtaining financing for the acquisition of the Property (including any intangibles tax, ~~all-deed~~ recording fees for deed of conveyance and deed of trust and cost of recording Buyer's loan documents.)

Line 239-242

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 of which the Broker is not in control.

Last page of CF401

Licensee Cellphone No.

Licensee Cellphone No.

CF404 Commercial Lot/Land Purchase and Sale Agreement

CF420 Commercial Lease to Purchase

Line 221-224 Disclaimer section

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 of which the Broker is not in control.

Last page of CF404 and CF420

Licensee Cellphone No.: _____

Licensee Cellphone No. _____

CF601 Amendment to the Commercial Listing Agreement

CF603 Amendment to the Commercial Lease Listing Agreement

Line 4-8

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 to amend that certain Commercial Listing Agreement ~~which was signed by the Seller and Broker on~~ between Seller and Broker with an Effective Date of _____ and any incorporated addenda, exhibits or prior amendments (collectively referred to herein as "Agreement") for the listing of real property specified above as follows:

CF623 ~~Commercial Seller's Right to Continue to Market Property Addendum~~ Commercial Buyer's First Right of Refusal Addendum (Seller's Right to Continue to Market Property)

Line 13-22

In the event the attached Agreement is contingent upon the sale of the Buyer's property, the Buyer and Seller hereby agree that said Property will be listed with a licensed real estate Broker and advertised in a Multiple Listing Service (if one exists 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.

CF707 Commercial Contract Language for Special Stipulations

Line 164-174

14. OFFICE EXCLUSIVE LISTING.

Seller wishes to keep exposure of Property minimal and does not wish to advertise Property to the public. Therefore, Broker is not granted the authority to advertise this listing on the Internet. Broker is not permitted to file this listing with any Multiple Listing Service (MLS) or similar service(s) of which Broker is a member. Seller understands and agrees that by not placing the listing on the MLS or other similar services, the listing will not be included in a searchable database provided by the MLS or similar service which can be viewed on other agents' websites. Broker shall not place a sign on the Property. Given these limitations, Broker shall use best efforts to produce a Buyer by solely marketing Property to other licensees within Broker's firm.

Broker shall offer a cooperative compensation in the amount of _____% of Selling Price/monthly rental amount or \$_____ to a Selling Agent or Facilitator (an agent who is representing the interests of and/or is working with the Buyer/Tenant) who is the procuring cause of the transaction.

COVID-19 RELEASE

The COVID-19 Pandemic and all associated federal, state and local directives and guidelines underscore the risks associated for persons viewing properties and the risks for Sellers and Owners by allowing persons to enter property which they own. This Release is subject to any federal, state or local directives and it is the responsibility of the undersigned to be aware of such directives and how such directives may affect the showing of the Property.

The undersigned understands that exposure to disease-causing organisms and objects, such as COVID-19, and personal contact with others, including but not limited to real estate licensees, inspectors, appraisers, contractors, owners, occupants and others associated with the sale, lease or purchase of property, involves a certain degree of risk that could result in illness, disability or death. The undersigned acknowledges that it is impossible to screen and/or monitor all such individuals.

The undersigned should seek the advice of an attorney on any legal question concerning COVID-19 and associated liability, or any other matters of concern. Real estate licensees are **not** legal experts, and therefore cannot provide advice in this area.

After carefully considering all the potential risks involved, I hereby assume the same and agree to release, hold-harmless, indemnify, and defend _____ (Brokerage name) and its licensees, employees, officers, agents, contractors and vendors from and against, all claims and liability resulting from exposure to disease-causing organisms and objects, such as COVID-19, associated with me either viewing and/or inspecting property occupied by others, or allowing others to enter property which I own.

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

SELLER/OWNER/BUYER/TENANT

SELLER/OWNER/BUYER/TENANT

_____ at _____ o'clock ☐ am/ ☐ pm

_____ at _____ o'clock ☐ am/ ☐ pm

Date

Date

For information regarding the COVID-19 Pandemic and advisements, visit the following websites:

The State of Tennessee: <https://www.tn.gov/governor/covid-19.html>

The Centers for Disease Control and Prevention (CDC): <https://www.cdc.gov/coronavirus/2019-ncov/index.html>

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.

COVID-19 AMENDMENT/ADDENDUM

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 to amend, change, delete, supplement or add terms to the Purchase and Sale Agreement with a (Select one):

Binding Agreement Date of _____ OR Offer Date of _____

For the purchase and sale of real Property located at:

As follows:

This COVID-19 AMENDMENT ("Amendment"), between the undersigned Seller and Buyer, is entered into and is effective as of the date and time executed below. Notwithstanding any other provision in the Agreement, if any performance deadline (including, but not limited to, Loan Obligations, Closing Date, Inspection Period or Resolution Period) (herein: "Performance Deadline Periods") in the above referenced Agreement cannot occur as set forth in the Agreement because of a business interruption of a third-party service provider or governmental office that is providing services or information necessary to complete the transaction (including, but not limited to, closing agencies, title underwriters, mortgage lenders, applicable city or county tax assessors' offices, home inspectors and appraisers), and said interruption is directly attributable to the quarantine, closure or other circumstances related to COVID-19 ("COVID-19 Circumstance"), then either Buyer or Seller may notify the other party via the Notification Form or equivalent written notice of the existence of the COVID-19 Circumstance and extend all Performance Deadline Periods by _____ days (the "COVID-19 Extension Period.") This Amendment/Addendum shall be incorporated into the Agreement and all other terms and conditions of the Agreement shall remain in full force and effect.

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

BUYER

_____ at _____ o'clock ☐ am/ ☐ pm

Date

BUYER

_____ at _____ o'clock ☐ am/ ☐ pm

Date

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

SELLER

_____ at _____ o'clock ☐ am/ ☐ pm

Date

SELLER

_____ at _____ o'clock ☐ am/ ☐ pm

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.

RESIDENTIAL LEASE AGREEMENT FOR SINGLE-FAMILY DWELLING (BROKER ACTING AS PROPERTY MANAGER)

1 Tenant: _____

2 Owner: _____

3 Owner has entered into a separate agreement with a property management company to manage the Leased Property. The
4 property management company of the Leased Property is as follows:

5 Company: _____

6 Manager: _____

7 Address: _____

8 Telephone Number: _____ Email: _____

9 For purposes of this Agreement, Owner and Property Management Company shall be collectively defined as "Landlord"
10 hereinafter.

11 For and in consideration of the mutual covenants set forth herein and other good and valuable consideration, the sufficiency
12 and adequacy of which is hereby acknowledged,

13 _____ as tenant ("Tenant"),

14 and _____ as Landlord

15 enter into this Lease Agreement ("Lease" or "Agreement") on this the _____ day of _____,

16 _____ ("Binding Agreement Date").

17 1. LEASE AGREEMENT.

18 Landlord hereby leases to Tenant and Tenant leases from Landlord all that tract or parcel of land, with such improvements
19 as are located thereon, described as follows:

20 All that tract of land known as:

21 _____ (Address),

22 _____ (City), Tennessee _____ (Zip), together with all the

23 fixtures, landscaping, improvements, and appurtenances, all being hereinafter collectively referred to as the "Leased
24 Property".

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

35 **B. LEASED ITEMS FROM A THIRD PARTY.** Leased items that remain with the Leased Property: (e.g., security
36 systems, water softener systems; fuel tank, etc.): _____.

37 Lease payments of the aforementioned items shall be the responsibility of _____ following date
38 of possession. If said leases are not assumable, it will be Landlord's responsibility to pay balance.

39 **C. FUEL.** Fuel, if any, will be adjusted and charged to Tenant by Landlord in monthly installments in addition to the
40 Rent at current market prices.

41 2. LEASE TERM AND RENTAL AMOUNT.

42 A. Lease Term.

This form is copyrighted and may only be used in real estate transactions in which _____ is involved as a Tennessee REALTORS® authorized user. Unauthorized use of the form may result in legal sanctions being brought against the user and should be reported to the Tennessee REALTORS® at 615-321-1477.



The term of this Lease Agreement shall be for _____ (_____) months and shall begin on _____, _____ and end on _____, _____ ("Lease Term").

B. Rent.

During the Lease Term, Tenant shall pay, without any notice or demand, the amount of _____ Dollars (\$_____) per month on or before the first (1st) of each month ("Rent"). The Rent shall begin and the first payment shall be made on or before _____. In the event that the first day of the Lease Term is other than the first (1st) of the month, the first and last months' Rent shall be determined on a pro rata basis.

Rent shall be made payable to _____ at the following address:

Rent shall be deemed paid upon the date it is received at the above address. There is a five-day grace period ("Grace Period") beginning on the day that the Rent was due which is to be included in the calculation of the Grace Period. If the last day of the Grace Period falls on a Sunday; Legal Holiday; or any day set aside for county, state or national election, the Grace Period shall end at 5:00 PM local time the following business day. Saturday is deemed to be a business day for the purposes of paying Rent unless it falls on one of the aforementioned days. If Rent is not received in full at the above address on or before the end of the Grace Period of each month, a late charge of _____ Dollars (\$_____) shall be charged to Tenant. ("Late Charge"). The amount of the Late Charge shall not, under any circumstances, exceed ten percent (10%) of the amount of Rent past due. If the bank returns a Rent check unpaid, Tenant shall owe Landlord an additional charge of _____ to cover the expense of processing. Landlord shall notify Tenant in writing of any changes to whom Rent is to be paid and the location to which Rent should be sent. Tenant waives notice and demand as to all payments of Rent due hereunder.

3. SECURITY DEPOSIT.

Tenant shall pay _____ (\$_____) as payment of a security deposit ("Security Deposit") to _____ (name of holder) ("Holder") located at _____ (address of Holder) on or before the first day of the Lease Term. Security Deposit will be deposited by Holder in an account at _____ bank or financial institution used only for that purpose. Security Deposit shall remain in this account unless transferred to a similar account with another bank or financial institution until the termination of this Lease. In the event that funds are transferred to another bank, Landlord shall notify Tenant in writing the name of the new bank or financial institution. Security Deposit may be used by Landlord toward payment of any damages to the Leased Property incurred during the Lease Term, normal wear and tear excepted. Said damages include costs for cleaning the Leased Property as well as those resulting from Tenant's failure to perform any of the terms of the Lease contained herein. Damages shall in no way be limited to the amount of the Security Deposit. Any amount of Security Deposit remaining after deduction of said damages shall be returned to Tenant following the termination of the Lease.

Tenant shall have the right to inspect the Leased Property with Landlord to determine Tenant's liability for physical damages that are the basis for any charge against the Security Deposit UNLESS Tenant has:

1. Vacated the Leased Property without giving written Notice;
2. Abandoned the Leased Property;
3. Been judicially removed from the Leased Property;
4. Not contacted Landlord after the Landlord's Notice of Right to Mutual Inspection of the Leased Property;
5. Failed to appear at the arranged time of inspection as agreed upon between Landlord and Tenant;
6. If the Tenant has not requested a mutual inspection; OR
7. The Tenant is otherwise inaccessible to the Landlord.

A. Mutual Inspection

In a situation in which Landlord has requested that Tenant vacate the Leased Property or within five (5) days after Landlord receives written notice of Tenant's intent to vacate the Leased Property, Landlord shall provide notice to

Tenant of Tenant's right to be present at the inspection of the Leased Property ("Landlord's Notice of Right to Mutual Inspection"). Within said notice [select one]:

- ☐ Tenant may request that time of inspection be set during normal business hours

OR

- ☐ Tenant may not request that time of inspection be set during normal business hours.

Landlord: [Select one].

- ☐ requires that inspection be scheduled after Tenant has completely vacated Leased Property and is ready to surrender possession and return all means of access to the Leased Property. Such inspection shall occur on the day Tenant vacates or within four (4) calendar days of Tenant vacating Leased Property.

OR

- ☐ will not require inspection to be scheduled after Tenant has completely vacated the Leased Property.

Tenant shall contact Landlord to schedule a mutually agreeable date and time for inspection. If Tenant fails to appear at such scheduled inspection, Tenant waives any right to contest any damages assessed by Landlord. At the scheduled inspection, Landlord and Tenant shall inspect the Leased Property and compile a comprehensive list of damages to the Leased Property and an estimated cost of repairing the damage which is the basis for any charge against the Security Deposit ("List of Damages"). Tenant shall sign the List of Damages which shall be conclusive evidence of the accuracy of the listing of damages. In the event Tenant refuses to sign the List of Damages, Tenant shall state specifically in writing the items within the List of Damages with which he does not agree.

B. Landlord Inspection

If Tenant has performed any of the foregoing acts in which he no longer has a right to inspect the Leased Property as contained herein, Landlord may inspect the Leased Property and compile a List of Damages. Under such circumstances, Tenant is not entitled to be present at said inspection. Landlord shall provide Tenant with a written copy of the List of Damages via certificate of mailing upon Tenant's written request.

C. Additional Rights of Parties

In the event that Tenant disputes the List of Damages, Tenant may bring suit in either the general sessions or circuit court of the county in which the Leased Property is located for those items to which he specifically dissented in his statement of dissent referenced above. Landlord shall not be entitled to retain any portion of the Security Deposit if Security Deposit was not deposited into a separate account solely used for that purpose and if Landlord fails to provide Tenant with a copy of the List of Damages as required herein.

Landlord may recover the costs of any and all contractual damages to which he is entitled herein, plus the cost of any additional physical damages to the Leased Property which are discovered by Landlord after an inspection has been completed. Any additional physical damages must be discovered by Landlord by the earlier of:

1. Thirty (30) days after Tenant has vacated or abandoned the Leased Property

OR

2. Seven (7) days after a new tenant takes possession of the Leased Property.

If Tenant vacates the Leased Property not owing any monies and a refund from the security deposit is due, Owner shall have Landlord send notice to the last known or reasonably determinable address of the amount of said refund to Tenant. If Tenant does not respond to said notice within sixty days from the sending of the notice, then Owner may remove the Security Deposit and retain it free from any claim by Tenant or any other person.

4. REPAIRS AND MAINTENANCE.

Tenant acknowledges that Tenant has inspected the Leased Property prior to the Binding Agreement Date stated herein and acknowledges that it is in a clean, fit, and habitable condition. Tenant acknowledges that all appliances (if present on the Leased Property), including but not limited to the refrigerator, dishwasher, washer, dryer, garbage disposal, heating system, air conditioning system, swimming pool equipment, plumbing, smoke detectors, septic systems, security systems, gas logs, hot water heater, and light fixtures (including ceiling fans) are operable as of the Binding Agreement Date unless otherwise noted herein. Tenant's taking possession of the Leased Property is evidence that the Leased Property is in a clean, fit, and habitable condition.

The following shall be kept in good working order and repair, normal wear and tear excepted, by either Landlord or Tenant as follows [Check all that apply. The sections not marked shall not be part of this Lease Agreement.]:

	<u>TENANT</u>	<u>LANDLORD</u>		<u>TENANT</u>	<u>LANDLORD</u>
Fence	<input type="checkbox"/>	<input type="checkbox"/>	Light Fixtures	<input type="checkbox"/>	<input type="checkbox"/>
Driveway	<input type="checkbox"/>	<input type="checkbox"/>	Exterior walkways	<input type="checkbox"/>	<input type="checkbox"/>
Interior Walls	<input type="checkbox"/>	<input type="checkbox"/>	Patio/Porch	<input type="checkbox"/>	<input type="checkbox"/>
Carpet/Flooring	<input type="checkbox"/>	<input type="checkbox"/>	Landscaping/Yard	<input type="checkbox"/>	<input type="checkbox"/>
Swimming Pool	<input type="checkbox"/>	<input type="checkbox"/>	Outbuildings	<input type="checkbox"/>	<input type="checkbox"/>

Any item not mentioned herein but existing on the Leased Property (other than furniture, fixtures and personal property of Tenant) shall be maintained by Landlord during the Lease Term and any extensions or hold-overs thereof.

Upon receipt of written notice from Tenant, Landlord shall, within a reasonable time period thereafter, repair all defects in those facilities and systems that are the responsibility of Landlord to maintain in good working order and repair. If Tenant does not perform its maintenance and repair obligations as set forth herein as promptly as conditions require in case of Emergency (as defined herein) or within fourteen (14) days after written notice by Landlord specifying the breach and requesting that Tenant remedy it within that period, Landlord may enter the Leased Property and cause the work to be done in a workmanlike manner and submit an itemized bill for the cost of repairs to Tenant. Tenant shall pay said repair bill at the time that the next Rent payment is due. If Lease Agreement has been terminated, Tenant shall pay repair bill immediately. Tenant shall be responsible for the reasonable costs of any and all repairs made necessary by the negligence or willful misconduct of Tenant (including Tenant's family members, agents, employees, contractors, licensees, invitees, guests, pets or anyone or anything else under the control of Tenant). In the event that Tenant does not promptly pay for any repairs and/or maintenance required under the Lease following termination of the Lease, Landlord may deduct that amount from the Security Deposit. Tenant agrees to immediately contact Landlord in the event that any malfunction or damage occurs to the heating and air conditioning systems, the plumbing (including hot water heater), septic, electrical or roofing systems.

5. LEAD BASED PAINT DISCLOSURE.

- ☐ does not apply.
☐ does apply (Property built prior to 1978 – see attached Lead Based Paint Disclosure for Rental Property).

6. INSURANCE.

Landlord shall maintain fire and casualty insurance on the structure of the Leased Property only during the Lease Term and any extensions thereof and shall provide proof of such to Tenant upon request. Tenant shall maintain adequate insurance for their personal property and liability insurance in the amount of \$_____ during the Lease Term and any extensions thereof and shall demonstrate as such to Landlord upon request. Landlord shall not be responsible for any damage to Tenant's property, unless such damage is caused by Landlord's gross negligence or willful misconduct.

7. HOLDOVER AND RENEWAL.

Tenant shall provide written notice to Landlord no later than _____ days prior to the end of the Lease Term as to Tenant's intent to renew or terminate this Lease at the end of the Lease Term. If Tenant wishes to renew the Lease, then Landlord, at his sole discretion, may enter into a new lease agreement with Tenant. If Tenant fails to provide said notice or if Tenant remains in possession of the Leased Property following the Lease Term, a hold-over period shall be created. In the event of a hold-over period, a month-to-month tenancy shall be created at a new rent of _____ dollars (\$_____) per month payable on the first (1st) of each month with the first increased monthly rent being paid on the first (1st) of the initial month of the hold-over period. All other terms and conditions of this Lease shall remain in full force and effect during the month-to-month tenancy and shall continue as such until the termination of such holdover period.

8. APPLICATION FOR LEASE.

As a precondition to Tenant's leasing of the Leased Property, Tenant agrees to provide, in advance, the information requested in the Tenant Information Addendum which is attached hereto and hereby authorizes its verification and

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obtaining of a credit report. The credit report and employment verification is to be obtained within seven days from the date upon which the Tenant Information Addendum has been delivered to Landlord. In the event that the credit report and/or employment verification does not meet with Landlord's approval or if any of the information provided therein is misleading or untrue, Landlord may, at his discretion, terminate this Lease.

9. PROPERTY CONDITION.

Tenant agrees to maintain the Leased Property in the same or better condition than it was as of the Binding Agreement Date, normal wear and tear excepted. Tenant further agrees to return possession of the Leased Property to Landlord in the same or better condition as of the Binding Agreement Date and will be held responsible if there is damage to the Leased Property, normal wear and tear excepted, or items included in the Agreement are removed. Tenant agrees not to alter, improve, or make any additions to the Leased Property without the prior written consent of Landlord. Tenant shall remove any and all ashes, rubbish, garbage, and other waste from the Leased Property.

10. RULES AND REGULATIONS.

- A. The Leased Property shall only be used as a one family, residential unit;
- B. Tenant is prohibited from adding, changing or in any way altering the locks installed on the doors of the Leased Property without prior written consent of Landlord. If all keys and garage door openers to the Leased Property are not returned when Tenant vacates the Leased Property, Landlord may charge a re-key charge in the amount of \$_____.
- C. Non-operative vehicles are not permitted on the Leased Property. Any such non-operative vehicle may be removed by Landlord at the expense of Tenant after providing a ten-day written notice posted on such vehicle, and Tenant shall have no right or recourse against Landlord thereafter.
- D. No goods or materials of any kind or description which are combustible or would increase fire risk shall be kept in or placed on the Leased Property.
- E. No nails, screws or adhesive hangers except standard picture hooks, shade brackets and curtain rods may be placed in walls, woodwork or any part of the Leased Property.
- F. Tenant shall not place any objects or personal property in a manner that is inconsistent with the load limits of the Leased Property. Waterbeds, pianos, aquariums and other such heavy furniture or equipment shall only be permitted on Leased Property with written consent of Landlord.
- G. Boats, trailers, recreation vehicles (RVs), and campers are not permitted on the Leased Property.
- H. No animals, birds or pets of any kind shall be permitted on the Leased Property without prior written consent of Landlord.
- I. Tenant will not deliberately or negligently destroy, deface, damage, impair or remove any part of the Leased Property or permit any person to do so.
- J. Tenant will act and require other persons on the Leased Property to act in a manner that will not disturb the neighbors' peaceful enjoyment of their property.
- K. Tenant will not engage in any illegal activity nor will permit any other persons on the Leased Property to engage in illegal activity.
- L. During freezing temperatures, Tenant agrees to take all reasonable steps to protect pipes from freezing.
- M. Tenant agrees to follow any additional reasonable Rules and Regulations concerning the maintenance, use, and operation of the Leased Property issued by Landlord or Landlord. Amendments and additions to the Rules and Regulations shall be effective upon delivery of a copy thereof to Tenant.

11. UTILITIES AND SERVICES.

Tenant agrees to pay all costs of connecting Utilities (water, electricity, sewer and/or natural gas) and/or Services (including but not limited to garbage pickup, cable or satellite television, telephone service, security alarm service, and internet service), deposits for same and costs of Utilities and/or Services incurred during the Lease Term. Tenant shall cause all accounts to be placed in Tenant's name no later than the first day of the Lease Term. If Tenant fails to place all Utilities in his/her name within three (3) days of occupancy, then Landlord shall terminate the Utilities if in the name of Landlord. No satellite dishes shall be installed on the Leased Property without the prior written consent of Landlord.

12. FIRE OR CASUALTY DAMAGE.

In the event that the Leased Property is damaged or destroyed by fire or casualty to an extent that the use of the Leased Property is Substantially Impaired, Tenant may:

- (a) immediately vacate the Leased Property, and
- (b) shall notify the Landlord in writing within fourteen (14) days thereafter of Tenant's intention to terminate the Lease, in which case the Lease terminates as of the date of vacating.

Substantially impaired ("Substantially Impaired") for purposes of this Lease means that the Leased Property has been deemed unfit for human habitation by a governmental authority.

In the event that the Leased Property is damaged or destroyed by fire or casualty to an extent that restoring it to its undamaged condition requires the Tenant to vacate the Leased Property, Landlord is authorized to terminate this Lease within fourteen (14) days of providing written notice to Tenant. If the Lease is terminated, Landlord shall return all prepaid Rents and Security Deposits. Accounting for Rent in the event of termination or apportionment is to occur as of the date Tenant returns keys to Landlord or the date on which Tenant vacated Leased Property, whichever is earlier.

13. RESPONSIBILITY OF LANDLORD.

During the Lease Term, Landlord agrees to make timely payment of the existing mortgage(s) on subject property and pay all property taxes and association fees, if applicable, when due. If Landlord fails to make such mortgage payments in a timely manner, or to pay all real estate taxes or association fees thereon, Tenant shall have the right to elect to cancel and rescind this Lease Agreement by giving written notice to Landlord of such election and Tenant shall thereupon be entitled to a return of all prepaid Rents and the Security Deposit, or in the alternative, Tenant may elect to pay such delinquent mortgage payments to the mortgagee and/or pay any delinquent taxes or association fees on said Leased Property and shall receive full credit for such sums as may be extended by Tenant toward the amount owed to Landlord under the terms of this Lease Agreement. In such case, this Lease Agreement shall remain in full force and effect.

14. SUBLET AND ASSIGNMENT.

Tenant may not sublet the Leased Property in whole or in part or assign this Lease without the prior written consent of Landlord.

15. DEFAULT.

A. Waiver of Notice.

Written notice of failure to pay Rent is hereby waived by Tenant.

B. Notice of Breach or Termination of Lease.

In the event that Tenant breaches this Lease and/or engages in any of the conduct listed below, Landlord may, in Landlord's sole discretion, elect to do either of the following:

1. Notice.

In the event that Tenant is materially noncompliant with this Lease and/or engages in any of the following conduct:

- fails to comply with obligations imposed on Tenant by applicable building and housing codes;
- fails to keep Leased Property in as clean and safe condition as when Tenant took possession;
- fails to dispose of all ashes, rubbish, garbage or other waste to designated collection areas;
- deliberately or negligently destroys, defaces, damages, impairs or removes any part of the Leased Property or permits any other person to do so;
- engages in illegal activity on the Leased Property; OR
- acts or permits others on the Leased Property to act in a manner which disturbs the neighbors' peaceful enjoyment of the premises,

which materially affects health and safety, Landlord may, in Landlord's sole and reasonable discretion, have Landlord deliver a written notice to Tenant specifically stating the acts and omissions constituting the violation and that the Lease is subject to termination ("Notice of Default").

a. Breach remediable by payment of Rent, cost of repairs, damages or other monetary amounts due.

If the breach is remediable by payment of Rent, cost of repairs, damages or any other amount due to Landlord, Landlord may advise Tenant that he has fourteen (14) days from date of receipt of Notice of Default to remediate the breach. If the breach is not remediated within the fourteen (14) days, Landlord may elect to terminate the Lease. In the event that Tenant is to make repairs to cure the breach, these repairs must be requested in writing by the Tenant and authorized by Landlord prior to making any repairs. These repairs are only allowed in the event that Landlord advises Tenant that prior authorization for repairs is required in the Notice of Default.

If Tenant engages in substantially similar conduct which constituted a prior breach within six (6) months of the previous breach, Landlord may terminate the Lease upon at least seven (7) days' written notice documenting the breach and the date of the termination of the Lease.

b. Breach not remediable by payment of Rent, cost of repairs, damages or other monetary amounts due.

If the breach for which notice was given is not remediable by the payment of Rent, cost of repairs, damages, or any other amount due to Landlord, Landlord may advise Tenant that the Lease shall terminate upon a date not less than fourteen (14) days after receipt of the Notice of Default.

2. Termination.

In the event that Tenant breaches this Lease by failing to pay Rent, Landlord may, in Landlord's sole and reasonable discretion, terminate this Lease Agreement and proceed with a detainer action for possession of the Leased Property.

Election of either option 1 or 2 above does not bind Landlord to take such action in the event of a similar violation in the future.

C. In the event that Landlord terminates the Lease, Landlord shall have the right to secure another tenant for the Leased Property. In any event, Tenant shall remain liable to Landlord for any and all Rent due under the terms of this Lease for the entire Lease Term.

D. Abandonment by Tenant is considered a default under the terms of this Lease.

E. Landlord may recover damages and/or obtain injunctive relief for violation of the terms of this Lease and/or for any of the following:

- Tenant failing to comply with obligations imposed on Tenant by applicable building and housing codes;
- Tenant failing to keep Leased Property in as clean and safe condition as when Tenant took possession;
- Tenant failing to dispose of all ashes, rubbish, garbage or other waste to designated collection areas;
- Tenant deliberately or negligently destroying, defacing, damaging, impairing or removing any part of the Leased Property or permitting any other person to do so;
- Tenant engaging in illegal activity on the Leased Property; OR
- Tenant acting or permitting others on the Leased Property (with or without Tenant's consent) to act in a manner which disturbs the neighbors' peaceful enjoyment of the premises.

F. Landlord may recover punitive damages from Tenant for the willful destruction of property caused by Tenant or by any other person on the Leased Property with Tenant's consent.

16. ATTORNEY'S FEES AND COURT COSTS.

Tenant agrees to pay all reasonable attorneys' fees together with any court costs and expenses which Landlord incurs in any action for breach of this Lease Agreement or failure to pay Rent.

17. RIGHT OF ACCESS.

Landlord shall have the right to access the Leased Property for inspection; to make necessary or agreed repairs, decorations, alterations, or improvements; to supply necessary or agreed to services; or to exhibit the Leased Property to prospective or actual purchasers, mortgagees, workers or contractors during reasonable hours with Tenant's consent which shall not be unreasonably withheld. In case of an Emergency, Landlord may enter the Leased Property without Tenant consent. An "Emergency" is a sudden, generally unexpected occurrence or set of circumstances which demands immediate action. If any of the Utilities have been turned off due to no fault of Landlord, Landlord may enter the Leased Property in order to make inspection to ascertain any damages to the Leased Property and to make any necessary repairs of damage resulting from the lack of Utilities. Landlord shall also have right of access to the Leased Property under the following circumstances: (1) pursuant to a court order; (2) following the fourteen day cure period listed in section 15 herein if Tenant fails to cure default; (3) if Tenant has abandoned or surrendered the Leased Property; or (4) if Tenant is deceased,

incapacitated, or incarcerated. Landlord shall also be permitted to enter the Leased Property when reasonably necessary during Tenant absence for more than seven days. The parties hereby agree that the Landlord shall also be permitted to enter the Leased Property beginning thirty (30) days prior to the Agreement's termination date for the purpose of showing the Leased Property to prospective tenants. Tenant shall be given notice (does not necessarily have to be written notice) at least twenty-four (24) hours prior to entry for showing purposes.

18. ABANDONMENT.

Tenant is required to notify Landlord in writing of any anticipated absence from the Leased Property in excess of seven (7) days. Notice shall be given on or before the first day of any extended absence. Tenant's unexplained or extended absence from the Leased Property for thirty (30) days or more without payment of Rent as due shall be prima facie evidence of abandonment. In such event, Landlord may re-enter and take possession of the Leased Property.

Tenant's nonpayment of Rent for fifteen (15) days past the Rent due date combined with other reasonable factual circumstances indicating Tenant has permanently vacated the Leased Property, including, but not limited to, the removal by Tenant of substantially all of Tenant's possessions and personal effects from the Leased Property, or Tenant's voluntary termination of Utilities to the Leased Property, shall also be prima facie evidence of abandonment. Landlord will then be permitted to post notice at the Leased Property and send notice to Tenant by regular mail, postage prepaid to the address of the Leased Property that:

- (a) Landlord has reason to believe that Tenant has abandoned the Leased Property;
- (b) Landlord intends to re-enter and take possession of the Leased Property, unless Tenant contacts Landlord within ten (10) days of the posting and mailing of the notice;
- (c) if Tenant does not contact Landlord within the ten-day period, Landlord intends to remove any and all possessions and personal effects remaining in or on the Leased Property and to re-rent the Leased Property; and
- (d) if Tenant does not reclaim the possessions within thirty (30) days of Landlord taking possession of the possessions and personal effects, Landlord intends to dispose of Tenant's possessions and personal effects.

Landlord will include a telephone number and mailing address at which he may be contacted in aforementioned notice. If Tenant does not claim personal property within an additional thirty (30) days following Landlord's re-entry to Leased Property and taking possession of Tenant's personal property, Landlord may sell or dispose of said personal property and apply the proceeds of said sale to unpaid Rents, damages, storage fees, sale costs, court costs, advertisement and attorney's fees. Any balances are to be held by Landlord for Tenant for a period of six (6) months subsequent to the sale date, and thereafter will become the property of Landlord.

19. TERMINATION FOR VIOLENCE OR THREAT TO HEALTH, SAFETY, OR WELFARE.

Notwithstanding any other provision of this Lease, Landlord may terminate this Lease within three (3) days from the receipt of written notice by Tenant if Tenant or any other person on the Leased Property with the consent of Tenant:

- (a) Willfully or intentionally commits a violent act;
- (b) Behaves in any manner which constitutes or threatens to be a real and present danger to the health, safety or welfare of the life or property of other tenants or persons on the Leased Property; or
- (c) Creates a hazardous or unsanitary condition on the Leased Property that affects the health, safety, or welfare or the life or property of other tenants or persons on the Leased Property.

20. NOTICE.

Except as otherwise provided herein, all notices and demands required or permitted hereunder shall be in writing and delivered (1) in person, (2) by prepaid overnight delivery service, (3) by facsimile transmission(FAX), (4) by the United States Postal Service, postage prepaid, registered or certified return receipt requested or (5) Email (if provided herein). Notice shall be deemed to have been given as of the date and time it is actually received unless otherwise provided herein. Notices shall be provided to the parties at the address shown below, unless otherwise provided by the parties in writing. Receipt of notice by the Landlord shall be deemed to be notice to Landlord for all purposes under this Agreement as may be amended.

Landlord	Tenant
_____	_____
_____	_____
_____, _____	_____, _____
Telephone #: _____	Telephone #: _____
E-mail _____	E-mail _____

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21. NOTICE OF REPAIRS NEEDED.

In the event that there is a malfunction or defect in the electrical wiring or fixtures; heating and air conditioning system; plumbing; hot water heater; gas pipes; or any other item which is to be maintained by Landlord as determined herein, Tenant shall immediately notify Landlord in writing so that repairs can be made. Tenant agrees that Landlord shall not be liable for any damages resulting from any temporary malfunctions or defects to any of these systems or other appliances on the Leased Property, unless said malfunction is due to the gross negligence or willful misconduct of Landlord. Tenant shall be responsible for the reasonable cost of repairs made necessary by Tenant's negligence or willful misconduct or Tenant's failure to pay utility bills.

22. CONDEMNATION.

If all or any part of the Leased Property is taken or appropriated by any public or quasi-public authority under the power of eminent domain, and if the remaining portion of the Leased Property is thereby rendered untenable or unusable for the purposes herein stated, this Lease shall terminate when the condemning authority takes possession, and any Rent paid for any period beyond possession by the condemning authority shall be repaid to Tenant. Landlord shall receive the entire condemnation award without deduction therefrom for an interest of Tenant in the Leased Property, but Tenant shall have the right to make a separate claim with the condemning authority for, and to receive therefore, (a) any moving expenses incurred by Tenant as a result of such condemnation; (b) any costs incurred or paid by Tenant in connection with any alteration or improvement made by Tenant to the Leased Property; (c) the value of Tenant's personal property taken; and (d) any other separate claim which Tenant may be permitted to make under applicable law, provided that such other separate claims shall not reduce or adversely affect the amount of Landlord's award.

23. HOLD HARMLESS.

Owner and Tenant agree that real estate licensee(s) or real estate firm(s) assisting Owner or Tenant in this transaction (collectively, "Brokers") shall not be responsible for any of the following, including but not limited to those matters which could have been revealed through a survey, flood certification, title search or inspection of the Leased Property; for the condition of the Leased Property, any portion thereof, or any item therein; for building products and construction techniques; for any geological issues present on the Leased Property; for any issues arising out of the failure to physically inspect the Leased Property prior to entering into this Agreement and/or date of possession; for the necessity or cost of any repairs to the Leased Property; for hazardous or toxic materials; for the tax or legal consequences of this transaction; for the availability, capability, and/or cost of utility, sewer, septic, or community amenities; for any proposed or pending condemnation actions involving the Leased Property; for applicable boundaries of school districts or other school information; for the appraised or future value of the Leased Property; for square footage or acreage of the Leased Property; for any condition(s) existing off the Leased Property which may affect the Leased Property; and for the uses and zoning of the Leased Property whether permitted or proposed. Owner and Tenant acknowledge that Brokers are not experts with respect to the above matters and that they have not relied upon any advice, representations or statements of Brokers (including their firms and affiliated licensees) and waive and shall not assert any claims against Brokers (including their firms and affiliated licensees) involving same. Owner and Tenant understand that it has been strongly recommended that if any of these matters or any other matters concerning the Leased Property are of concern to them, that they secure the services of appropriately credentialed experts and professionals of Owner's or Tenant's choice for the independent expert advice and counsel relative thereto.

24. OTHER PROVISIONS.

A. Entire Agreement.

This Lease shall be for the benefit of, and be binding upon, the parties hereto, their heirs, successors, legal representatives and permissible assigns. This Lease constitutes the sole and entire agreement between the parties hereto and no modification of this Lease shall be binding unless signed by all parties or permissible assigns to this Lease. No representation, promise, or inducement not included in this Agreement shall be binding upon any party hereto. Any permissible assignee shall fulfill all the terms and conditions of this Lease. It is hereby agreed by both Landlord and Tenant that any real estate agent working with or representing either party shall not have the authority to bind the Landlord, Tenant, or any assignee to any contractual agreement unless specifically authorized in writing within this Agreement.

B. Governing Law and Venue.

This Lease is intended as a contract for the lease of residential real property and shall be governed by and interpreted in accordance with the laws and in the courts of the State of Tennessee.

C. Time of Essence.

Time is of the essence in this Lease.

D. No waiver.

Any failure of Landlord to insist upon the strict and prompt performance of any covenants or conditions of this Lease or any of the rules and regulations set forth herein shall not operate as a waiver of any such Lease provision or of Landlord's right to insist on a prompt compliance in the future of such covenant or condition, and shall not prevent a subsequent action by Landlord for any future violation. No provision, covenant or condition of this Lease may be waived by Landlord unless such waiver is in writing and signed by Landlord.

E. Terminology.

As the context may require in this Lease: (1) the singular shall mean the plural and vice versa; (2) all pronouns shall mean and include the person, entity, firm or corporation to which they relate; (3) the masculine shall mean the feminine and vice versa; (4) the term day(s) used throughout this Agreement shall be deemed to be calendar day(s) ending at 11:59 p.m. local time unless otherwise specified in this Agreement. Local time shall be determined by the location of the Leased Property; and (5) the term legal holiday shall be January 1; the third (3rd) Monday in January, known as Martin Luther King, Jr. Day; the third (3rd) Monday in February, known as President's Day; Good Friday; the last Monday in May, known as Memorial Day; July 4th; the first (1st) Monday in September, known as Labor Day; the second (2nd) Monday in October, known as Columbus Day; November 11th, known as Veteran's Day; 4th Thursday in November, known as Thanksgiving Day; and December 25th. If a deadline falls on a Saturday, Sunday or legal holiday, the deadline shall roll to the next business day unless otherwise stated herein.

F. Equal Housing.

This Leased Property is being leased without regard to race, color, creed, sex, religion, handicap, familial status, or national origin.

G. Severability.

If any portion or provision of this Lease is held or adjudicated to be invalid or unenforceable for any reason, each such portion or provision shall be severed from the remaining portions or provisions of this Lease, and the remaining portions or provisions shall be unaffected and remain in full force and effect and the Lease shall be interpreted so as to bring the Lease into compliance with all applicable laws.

25. METHOD OF EXECUTION.

The parties agree that signatures and initials transmitted by facsimile, other photocopy transmittal, or by transmittal of digital signature as defined by the applicable State or Federal law will be acceptable and may be treated as originals and that the final Lease Agreement containing all signatures and initials may be executed partially by original signature and partially on facsimile, other photocopy documents, or by digital signature as defined by the applicable State or Federal law.

26. SPECIAL STIPULATIONS. The following Special Stipulations, if conflicting with any preceding section, shall control:

LEGAL DOCUMENTS: This is an important legal document creating valuable rights and obligations. If you have any questions about it, you should review it with your attorney. Neither the Broker nor any Agent or Facilitator is authorized or qualified to give you any advice about the advisability or legal effect of its provisions.

NOTE: Any provisions of this Agreement which are preceded by a box "☐" must be marked to be a part of this Agreement. By affixing your signature below, you also acknowledge that you have reviewed each page and have received a copy of this Agreement.

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

TENANT

_____ at _____ o'clock ☐ am/ ☐ pm

Date

TENANT

_____ at _____ o'clock ☐ am/ ☐ pm

Date

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

LANDLORD

_____ at _____ o'clock ☐ am/ ☐ pm

Date

LANDLORD

_____ at _____ o'clock ☐ am/ ☐ pm

Date

For Information Purposes Only:

Listing Company

Independent Licensee

Leasing Company

Independent Licensee

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INVESTMENT PROPERTY ADDENDUM

1 Buyer: _____
 2 Seller: _____
 3 Property: _____

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

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

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

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

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

33 _____
 34 **BUYER** **BUYER**
 35 _____ at _____ o'clock ☐ am/☐ pm _____ at _____ o'clock ☐ am/☐ pm
 36 **Date** **Date**

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

38 _____
 39 **SELLER** **SELLER**
 40 _____ at _____ o'clock ☐ am/☐ pm _____ at _____ o'clock ☐ am/☐ pm
 41 **Date** **Date**

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EXCLUSIVE RIGHT TO SELL LISTING AGREEMENT (Designated Agency)

BROKER (listing company): _____

ADDRESS OF COMPANY: _____

OWNER/SELLER ("Seller" or "Client"): _____

ADDRESS OF OWNER/SELLER: _____

In consideration of Broker's Agreement to find a ready, willing, and able Buyer and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned Seller hereby grants Broker the Exclusive Right to Sell the hereinafter described Property in accordance with the following terms and conditions:

1. PROPERTY ADDRESS/LEGAL DESCRIPTION:

_____ (Address)
 _____ (City), Tennessee, _____ (Zip), as recorded in
 _____ County Register of Deeds Office, _____ deed book(s), _____
 page(s), and/or _____ instrument number. and further described as:

_____ together with all fixtures, landscaping, improvements, and appurtenances, all being hereinafter collectively referred to as the "Property".

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 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.

B. Other items that remain with the Property at no additional cost to Buyer:

C. Items that will **NOT** remain with the Property:

D. **Leased Items:** Leased items that remain with the Property are (e.g. security systems, water softener systems, etc.):

If leases are not assumable, it will be Seller's responsibility to pay balance.

2. THE LISTING PRICE: \$ _____ (_____ Dollars)

3. TERM: ~~LISTING DATE:~~ _____ ~~LISTING EXPIRATION DATE:~~ _____
 This Agreement shall be valid from the date this Agreement is fully executed by all parties (the "Effective Date") through _____, 20____ ("Listing Expiration Date"). If a contract to purchase, exchange, or lease is signed before this Agreement expires, the term hereof shall continue until final disposition of Purchase and Sales Agreement, exchange agreement, or lease agreement.

Marketing of Property Commencement Date: Seller directs Broker to commence marketing of the Property for sale to the general public on the Effective Date

OR

☐ on the _____ day of _____, 20____.

This form is copyrighted and may only be used in real estate transactions in which _____ is involved as a TAR authorized user. Unauthorized use of the form may result in legal sanctions being brought against the user and should be reported to the Tennessee Association of Realtors® at 615- 321-1477.

Carry-Over Clause. Should the Seller contract to sell or exchange, or contract to lease the Property within _____ days after the **Listing Expiration Date** of this Agreement to any Buyer/Tenant (or anyone acting on Buyer's/Tenant's behalf) who has been introduced to the Property, directly or indirectly, during the term hereof, as extended, the Seller agrees to pay the compensation as set forth below. This includes but is not limited to any introduction or exposure to Property by advertisements or postings appearing in any medium which originated as a result of listing the Property with Broker. This carry-over clause shall not apply if the Property is listed with another licensed real estate broker at the time of such contract.

4. POSSESSION OF PROPERTY to be delivered: _____

5. TERMS of sale acceptable to Seller (such as FHA, VA, Conventional, etc.): _____

6. COMPENSATION:

A total of \$ _____, or _____% compensation based on the total sales price which shall be paid by Seller to Broker in readily available funds on the date of closing of Property as evidenced by delivery of warranty deed and payment of purchase price which includes, but is not limited to, payment of purchase price in full, execution of a 1031 exchange, execution of a deed of trust, or execution of a promissory note (the "Closing"). In any exchange of the Property, Seller consents to Broker receiving compensation from both parties based upon the value of both properties.

In the event that the Property is leased under the terms of this Agreement, Seller agrees to pay a total of \$ _____, or _____% compensation based upon the monthly rental amount which shall be paid by Seller to Broker in readily available funds within five business days of rent being due under the terms of said lease. Said compensation shall be paid by Seller to Broker and shall continue for the duration of the lease agreement with compensation being paid to Broker within five business days of rent being due under the terms of the lease. This obligation to pay said compensation shall survive the natural termination of this Agreement. In the event that the Property is sold during the term of any lease agreement reached under this Agreement or any carry-over period described herein, Seller agrees to pay Broker at the time of Closing any remaining compensation based upon future rental payments and/or any compensation that may be due under the terms of this Listing Agreement.

In the event a Buyer is found for said Property during the period above set out, on the terms and at the price specified herein, or for a price and upon terms agreeable to Seller, Seller further agrees to convey said Property by warranty deed to such Buyer, free from all assessments, liens and encumbrances, but subject to all restrictions of record, if any. The compensation payable for the sale of Property is not set in any manner other than between Broker and Seller. Property is offered without regard to race, creed, color, religion, sex, handicap, familial status or national origin. A request from Seller to observe discriminatory requirements in the sale or lease of the Property will not be granted since it is a violation of the law.

In the event that a ready, willing, and able Buyer (or Tenant) is produced and a contract results, the Seller is obligated to compensate Broker in the event that Seller unlawfully fails to close or to fulfill lease terms by Seller's breach of the Purchase and Sale Agreement or lease agreement. In the event this occurs, Seller agrees to compensate Broker in an amount equal to the compensation which would have been due and owing Broker had the transaction closed or the lease been fulfilled. Such compensation will be payable without demand. Should the Broker consent to release the Listing prior to the expiration of the term of this Agreement or any extensions, Seller agrees to pay all costs incurred by Broker to market Property or other amount as agreed to by the parties as a cancellation fee, in addition to any other sums that may be due to Broker. Seller agrees to pay all reasonable attorney's fees together with any court costs and expenses which real estate firm incurs in enforcing any of Seller's obligations to pay compensation under this Listing Agreement. The parties hereby agree that all remedies are fair and equitable and neither party will assert the lack of mutuality of remedies as a defense in the event of a dispute.

7. RESPONSIBILITIES AND RIGHTS OF THE PARTIES.

Broker is hereby granted the authority to advertise this listing on the Internet. Broker is additionally permitted to file this listing with any Multiple Listing Service (MLS) or similar service(s) of which Broker is a member. Seller understands and agrees that by placing the listing on the MLS or these similar services, the listing may be included in a searchable database provided by the MLS or similar service which can be viewed on other agents' websites. Seller also agrees that the listing may also appear on publicly accessible websites sponsored by and/or affiliated with the MLS, the local association of Realtors®, or similar listing services and those who lawfully receive listing information from said entities. Broker shall provide timely notice to MLS of status changes, shall use best efforts to produce a Buyer, and may divide compensation with other real estate licensees for cooperation in connection with the sale or lease of the Property. Broker shall offer a cooperative compensation to any agent who is a member participant of any MLS(es) in which Property is listed in the amount of _____% of Selling Price/monthly rental amount or \$ _____ to

a Selling Agent or Facilitator (an agent who is representing the interests of and/or is working with the Buyer/Tenant) who is the procuring cause of the transaction. Broker may offer a cooperative compensation to an agent who is not a member participant of the MLS(es) in which the Property is listed. In the event that Broker elects to offer a cooperating compensation to an agent who is not a member participant in the MLS(es) in which the Property is listed, it will be in the amount of _____% of Selling Price/monthly rental amount or \$_____ to a Selling Agent or Facilitator (an agent who is representing the interests of and/or is working with the Buyer/Tenant) who is the procuring cause of the transaction. In this event, Broker shall notify Seller in writing that a cooperative compensation is being offered to that nonmember participant agent. Seller will assist Broker in any reasonable way in selling Property and will refer to Broker all inquiries regarding this Property during the term of the Agreement, and any extensions or renewals thereof, and authorizes Broker to provide final sales information to the MLS for the purpose of compiling comparable sales data reports.

Broker is authorized to place a real estate sign and lock box on the Property and to remove all other real estate signs; to disseminate the Tennessee Residential Property Condition Disclosure, Disclaimer, Exemption, or Tennessee Residential Property Disclosure form and the Multiple Listing Profile Sheet as well as the Lead-Based Paint Disclosure form (if required by law and if such information is not otherwise disseminated); to exhibit said Property to any prospective Buyer; and to have interior/exterior photographs/videos taken, and/or audio recorded for the creation of any advertising materials of said Property to be used and distributed in promoting the sale and to use same to advertise the Property on the Internet or other broadcast media; and to do such advertising as Broker deems appropriate. In the event that Seller provides photographs, videos or other copyrightable materials to Broker, Seller grants Brokers a nonrevocable license to such material and the authority to grant license to Broker's MLS for storage; reproduction, compiling and distribution of said material. Seller shall allow the Property to be shown at all reasonable hours and otherwise cooperate with Broker.

Seller agrees that Broker is authorized to receive on behalf of Seller all notices, offers, and other documents incidental to the offering and sale of the Property which is covered by this Agreement. Seller agrees that such receipt by Broker may be deemed to be receipt by Seller if such documents so provide or if the law so requires. Seller agrees to keep Broker informed of Seller's whereabouts in order for Broker to promptly forward all such notices, offers and other information to Seller. In response to inquiries from Buyers or cooperating brokers, Broker will follow Seller's lawful instructions on the disclosure of the existence of any offer and/or disclosure of terms and conditions of any offer. (Code of Ethics Standard of Practice 1-15)

8. FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT ("FIRPTA") DISCLOSURE.

Seller is hereby notified to consult with his/her own closing attorney and tax professional concerning the applicability of the Foreign Investment in Real Property Tax Act ("FIRPTA") which may require tax withholding to be collected from Seller at the Closing of any sale of the Property. Examples of this may include if Seller can be classified as one of the following:

Non United States citizen;

Non resident alien; or

Foreign corporation, partnership, trust, or estate

It is Seller's Responsibility to seek independent tax advice prior to any Closing Date regarding such tax matters.

9. HOLD HARMLESS AND LIMITATIONS ON BROKER'S AUTHORITY AND RESPONSIBILITY.

Seller agrees to carefully review the information on the Multiple Listing Profile Sheet and to complete either the Tennessee Residential Property Condition Disclosure, Disclaimer, Exemption, or Tennessee Residential Property Disclosure form and to sign said documents. Seller also agrees to complete the Lead-Based Paint Disclosure if required by law and said information has not otherwise been disclosed in writing. Seller has not advised Broker and/or his affiliated Licensees (hereinafter "Agents") of any defects in the Property or the improvements located thereon, except as shall be noted on the Multiple Listing Profile Sheet and the Tennessee Residential Property Condition Disclosure, Disclaimer, Exemption, or Tennessee Residential Property Disclosure form signed by the Seller. Seller is not aware of any other defect or environmental factor which would affect the value of or structural integrity of improvements on the Property or the health of future occupants. Seller agrees that Seller shall be solely responsible for any misrepresentations or mistakes on the listing data wherein Seller has supplied such information on the attached Multiple Listing Profile Sheet, Tennessee Residential Property Condition Disclosure, Disclaimer, Exemption, or Tennessee Residential Property Disclosure form; the Lead-Based Paint Disclosure (if required by law). Seller further agrees to hold Agents and firm harmless and indemnify them from any claim, demand, action, liability or proceedings resulting from any omission, alleged omission or misrepresentation by Seller on said forms and/or for any material fact that is known or should be known by Seller concerning the Property and that is not disclosed to Agents and to provide for defense costs including reasonable attorney's fee for Agents and firm in such an event. Seller is not aware of any other defect, environmental factors or adverse facts (as defined in Tenn. Code Ann § 62-13-102) concerning the Property.

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.

Seller authorizes Broker and/or his affiliated Licensees to conduct showings or “Open Houses” of the Property. Seller additionally authorizes Broker and/or his affiliated Licensees and any duly authorized key holder key entry access to the Property. Seller also authorizes Broker and/or his affiliated Licensees to place a lock box on said Property for the purpose of conducting or allowing cooperating brokers to conduct key-entry showings of this Property. Seller represents that adequate insurance will be kept in force to protect Seller in the event of any damage, losses or claims arising from entry to Property by persons through the above use of the key and agrees to hold Broker, its licensees, salespersons and employees harmless from any loss, theft, or damage incurred as a result of showings, Open Houses or other authorized entry thereof.

Seller acknowledges and agrees that Broker:

- A. May show other properties to prospective buyers who are interested in Seller’s Property;
- B. Is not an expert with regard to matters that could be revealed through a survey, title search, or inspection; for the condition of the Property, any portion thereof, or any item therein; for any geological issues present on the Property; for the necessity or cost of any repairs to Property; hazardous or toxic materials; square footage; acreage; the availability and cost of utilities, septic, or community amenities; conditions existing off the Property that may affect the Property; uses and zoning of Property, whether permitted or proposed; for applicable boundaries of school districts or other school information; proposed or pending condemnation actions involving the Property; the appraised or future value of the Property; termites and wood destroying organisms; building products and construction techniques; the tax or legal consequences of a contemplated transaction; or matters relating to financing, etc. Seller acknowledges that Broker is not an expert with respect to the above matters and is hereby advised to seek independent expert advice on any of these matters which are of concern to Seller;
- C. Shall owe no duties to Seller nor have any authority to act on behalf of Seller other than what is set forth in this Agreement and the duties contained in the Tennessee Real Estate License Act of 1973, as amended, and the Tennessee Real Estate Commission Rules; and
- D. May make all disclosures required by law and/or the National Association of Realtors® Code of Ethics.

10. EXPERT ASSISTANCE

While Broker has considerable general knowledge of the real estate industry and real estate practices, Broker is not an expert in the matters of law, square footage, acreage, home inspections, geological issues, wood destroying organisms, taxation, financing, surveying, structural conditions, hazardous materials, engineering, etc. Client acknowledges Broker’s advice to seek professional assistance and advice as needed in these and other areas of professional expertise. If Broker provides names or sources for such advice or assistance, Broker does not warrant or guarantee the services and/or products obtained by Client.

11. AGENCY

A. Definitions.

1. **Broker.** In this Agreement, the term “Broker” shall mean a licensed Tennessee real estate broker or brokerage firm and where the context would indicate, the Broker’s affiliated licensees.
2. **Designated Agent for the Seller.** The individual licensee that has been assigned by his/her Managing Broker and is working as an agent for the Seller or Property Owner in this consumer’s prospective transaction, to the exclusion of all other licensees in his/her company. Even if someone else in the licensee’s company represents a possible Buyer for this Seller’s Property, the Designated Agent for the Seller will continue to work as an advocate for the best interests of the Seller or Property Owner. An agency relationship of this type cannot, by law, be established without a written agency agreement.
3. **Facilitator/Transaction Broker (not an agent for either party).** The licensee is not working as an agent for either party in this consumer’s prospective transaction. A Facilitator may advise either or both of the parties to a transaction but cannot be considered a representative or advocate of either party. “Transaction Broker” may be used synonymously with, or in lieu of, “Facilitator” as used in any disclosures, forms or agreements. [By law, any Licensee or company who has not entered into a written agency agreement with either party in the transaction is considered a Facilitator or Transaction Broker until such time as an agency agreement is established.]
4. **Dual agency.** The licensee has agreements to provide services as an agent to more than one (1) party in a specific transaction and in which the interests of such parties are adverse. This agency status may only be employed upon full disclosure to each party and with each party’s informed consent.

5. **Adverse Facts.** “Adverse Facts” means conditions or occurrences generally recognized by competent licensees that have a negative impact on the value of the real estate, significantly reduce the structural integrity of improvements to real property or present a significant health risk to occupants of the property.
6. **Confidentiality.** By law, every licensee is obligated to protect some information as confidential. This includes any information revealed by a consumer which may be helpful to the other party IF it was revealed by the consumer BEFORE the licensee disclosed any agency relationship with that other party. AFTER the licensee discloses that he/she has an agency relationship with another party, any such information which the consumer THEN reveals must be passed on by the licensee to that other party.

B. Duties owed to all Parties to a Transaction.

Pursuant to the Tennessee Real Estate Broker License Act, every Real Estate Licensee owes the following duties to every Buyer and Seller, Tenant and Landlord (collectively “Buyers” and “Sellers”) unless otherwise provided by law:

1. To diligently exercise reasonable skill and care in providing services to all parties to the transaction.
2. To disclose to each party to the transaction any Adverse Facts of which licensee has actual notice or knowledge.
3. To maintain for each party in a transaction the confidentiality of any information obtained by a licensee prior to disclosure to all parties of a written agency agreement entered into by the licensee to represent either or both parties in the transaction. This duty of confidentiality extends to any information which the party would reasonably expect to be held in confidence, except for information which the party has authorized for disclosure or information required by law to be disclosed. This duty survives both the subsequent establishment of an agency relationship and the closing of the transaction.
4. To provide services to each party to the transaction with honesty and good faith.
5. To disclose to each party to the transaction timely and accurate information regarding market conditions that might affect such transaction only when such information is available through public records and when such information is requested by a party.
6. To timely account for earnest money deposits and all other property received from any party to a transaction and
7. A. To refrain from engaging in self-dealing or acting on behalf of licensee’s immediate family, or on behalf of any other individual, organization or business entity in which licensee has a personal interest without prior disclosure of such personal interest and the timely written consent of all parties to the transaction, and
B. To refrain from recommending to any party to the transaction the use of services of another individual, organization or business entity in which the licensee has an interest or from whom the licensee may receive a referral fee or other compensation for the referral, other than referrals to other licensees to provide real estate services, without timely disclosure to the party who receives the referral, the licensee’s interest in such referral or the fact that a referral fee may be received.

C. Duties owed to Client.

In addition to the above, the licensee has the following duties to his/her Client if the licensee has become an Agent or Designated Agent in a transaction, pursuant to the Tennessee Real Estate Broker License Act:

1. Obey all lawful instructions of the client when such instructions are within the scope of the agency agreement between the licensee and licensee’s client;
2. Be loyal to the interests of the client. Licensee must place the interests of the client before all others in negotiation of a transaction and in other activities, except where such loyalty/duty would violate licensee’s duties to a customer in the transaction; and
3. Unless the following duties are specifically and individually waived in writing by a client, licensee shall assist the client by:
 - A. Scheduling all Property showings on behalf of the client;
 - B. Receiving all offers and counter offers and forwarding them promptly to the client;
 - C. Answering any questions that the client may have in negotiation of a successful purchase agreement within the scope of the licensee’s expertise; and
 - D. Advising the client as to whatever forms, procedures and steps are needed after execution of the purchase agreement for a successful closing of the transaction.

Upon waiver of any of the duties contained in section 11.C.3., a consumer must be advised in writing by such consumer's agent that the consumer may not expect or seek assistance from any other licensees in the transaction for the performance of said duties.

D. Seller's Authorizations.

1. **Appointment of Designated Agent.** Seller hereby authorizes Managing Broker to appoint the Listing Licensee as Designated Agent for the Seller, to the exclusion of any other licensees associated with Broker. A Designated Agent for the Seller can and will continue to advocate Seller's interests in a transaction even if a Designated Agent for the Buyer (other than the licensee below) is also associated with Broker. The Managing Broker hereby appoints _____ to be the Designated Agent to the Seller in this transaction.
2. **Appointment of Subsequent Designated Agent.** Seller hereby authorizes the Managing Broker, if necessary, to appoint a licensee, other than the licensee named above, as Designated Agent for the Seller, to the exclusion of any other licensees associated with Broker. This shall be accomplished through an amendment to this Agreement, if necessary.
3. **Default to Facilitator in the event both parties are represented by the same Designated Agent.** The Designated Agent shall default to Facilitator status for all showings or transactions *involving the same Designated Agent for both the Seller and a prospective buyer*, immediately notifying (verbally) the Buyer and the Seller of the need to default to this Facilitator status to be confirmed in writing prior to the execution of the contract. Upon any default to Facilitator status, the former Designated Agent must assume a neutral position and will not be an advocate for either the Seller or any prospective buyers.
4. **Resumption of Agency Status.** In the event that the Designated Agent defaults to a Facilitator status, this Facilitator status will only be temporary. The Facilitator status will only last until any transaction or contemplated transaction in which the parties are all assisted by the same Facilitator is resolved (either because the transaction is closed or the transaction or contemplated transaction between these parties is terminated or not accepted and no further negotiations occur between the parties). At that time, the agent will immediately revert to Designated Agency status for the Seller again.

12. EARNEST MONEY/TRUST MONEY. Broker is authorized to accept from Buyer a deposit as earnest money/trust money to be applied to the purchase price for the Property. Such deposit is to be held by Broker in an escrow or trustee account or forwarded to party authorized to hold said funds as set forth in an executed contract for the purchase, lease, exchange, or option agreement until disbursed in accordance with the terms of said agreement.

13. TITLE. Seller warrants he is vested with good marketable title to the Property with full authority to execute this Agreement and to sell the Property. Seller shall convey the Property by a good and sufficient general warranty deed.

14. HOME PROTECTION PLAN.

- ☐ Seller agrees to provide a limited Home Protection Plan at a cost of \$_____ to be funded at closing.
Plan company: _____
- OR**
- ☐ Home Protection waived.

15. OTHER PROVISIONS.

A. Binding Effect, Entire Agreement, Modification, and Assignment. This Agreement shall be for the benefit of, and be binding upon, the parties hereto, their heirs, successors, legal representatives and permitted assigns. This Agreement may only be assigned with the written consent of both parties. This Agreement constitutes the sole and entire agreement between the parties hereto and no modification of this Agreement shall be binding unless signed by all parties or assigns to this Agreement. No representation, promise, or inducement not included in this Agreement shall be binding upon any party hereto. Any assignee shall fulfill all the terms and conditions of this Agreement.

B. Governing Law and Venue. This Agreement is intended as a contract for the listing of real property and shall be governed by and interpreted in accordance with the laws and in the courts of the State of Tennessee.

C. Terminology. As the context may require in this Agreement: (1) the singular shall mean the plural and vice versa; (2) all pronouns shall mean and include the person, entity, firm or corporation to which they relate; (3) the masculine shall mean the feminine and vice versa; and (4) the term day(s) used throughout this Agreement shall be deemed to be calendar day(s) ending at 11:59 p.m. local time unless otherwise specified in this Agreement. Local time shall be determined by the location of Property.

D. Severability. If any portion or provision of this Agreement is held or adjudicated to be invalid or unenforceable for any reason, each such portion or provision shall be severed from the remaining portions or provisions of this Agreement, and the remaining portions or provisions shall be unaffected and remain in full force and effect.

E. Fair Housing. Broker and his affiliated Licensees shall provide services without regard to race, color, creed, religion, sex, handicap, familial status, national origin, sexual orientation or gender identity. A request to observe discriminatory practices in the sale, lease, exchange, or option of property will not be granted.

16. LEGAL DOCUMENTS. THIS IS AN IMPORTANT LEGAL DOCUMENT CREATING VALUABLE RIGHTS AND OBLIGATIONS. IF YOU HAVE QUESTIONS ABOUT IT, YOU SHOULD REVIEW IT WITH YOUR ATTORNEY. NEITHER THE BROKER NOR ANY AGENT OR FACILITATOR IS AUTHORIZED OR QUALIFIED TO GIVE YOU ANY ADVICE ABOUT THE ADVISABILITY OR LEGAL EFFECT OF ITS PROVISIONS. BY SIGNING THIS DOCUMENT, YOU ARE CERTIFYING THAT YOU HAVE READ AND ACCEPT THESE TERMS AND ACKNOWLEDGE RECEIPT OF A COPY OF THIS AGREEMENT.

17. CONFIDENTIALITY. Information which Seller authorizes Broker and his affiliated Licensees to disclose which might otherwise be confidential:

18. EXHIBITS AND ADDENDA. All exhibits and/or addenda attached hereto, listed below, or referenced herein are made a part of this Agreement.

19. SPECIAL STIPULATIONS. The following Special Stipulations, if conflicting with any preceding section, shall control:

NOTE: Any provisions of this Agreement which are preceded by a "□" must be marked if a part of this Agreement.

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

BY: Broker or Licensee Authorized by Broker

BROKER/FIRM

_____ at _____ o'clock □ am/ □ pm

Date

Address

Print/Type Name

Phone: _____

Email: _____

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

SELLER/OWNER

SELLER/OWNER

Print/Type Name

Print/Type Name

_____ at _____ o'clock □ am/ □ pm

_____ at _____ o'clock □ am/ □ pm

Date

Date

Address

Address

Phone: _____ (H) _____ (Cell)

Phone: _____ (H) _____ (Cell)

This form is copyrighted and may only be used in real estate transactions in which _____ is involved as a TAR authorized user. Unauthorized use of the form may result in legal sanctions being brought against the user and should be reported to the Tennessee Association of Realtors® at 615- 321-1477.



_____(W) Email: _____(W) Email: _____

NOTE: This form is provided by TAR 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 TAR logo in conjunction with any form other than standardized forms created by TAR 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.

DRAFT SPECIMEN

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RF101 – Exclusive Right to Sell Listing Agreement (Designated Agency), Page 8 of 8

Version 01/01/2020

EXCLUSIVE RIGHT TO SELL LISTING AGREEMENT (Seller Agency)

1 **BROKER (listing company):** _____
 2 **ADDRESS OF COMPANY:** _____
 3 **OWNER/SELLER ("Client" or "Seller"):** _____
 4 **ADDRESS OF OWNER/SELLER:** _____

5 In consideration of Broker's Agreement to find a ready, willing, and able Buyer and other valuable consideration, the receipt
 6 and sufficiency of which is hereby acknowledged, the undersigned Seller hereby grants Broker the Exclusive Right to Sell the
 7 hereinafter described Property in accordance with the following terms and conditions:

8 **1. PROPERTY ADDRESS/LEGAL DESCRIPTION:**

9 _____ (Address),
 10 _____ (City), Tennessee, _____ (Zip), as recorded in
 11 _____ County Register of Deeds Office, _____ deed
 12 book(s), _____ page(s), and/or _____ instrument number and further described as:
 13 _____

14 together with all fixtures, landscaping, improvements, and appurtenances, all being hereinafter collectively referred to as
 15 the "Property".

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

25 B. Other items that remain with the Property at no additional cost to Buyer:

26 _____
 27 _____
 28 C. Items that will **NOT** remain with the Property:
 29 _____
 30 _____

31 D. **Leased Items:** Leased items that remain with the Property are (e.g. security systems, water softener systems, etc.):
 32 _____
 33 _____

34 If leases are not assumable, it will be Seller's responsibility to pay balance.

35 **2. THE LISTING PRICE:** \$ _____ (_____ Dollars)

36 **3. TERM:** ~~LISTING DATE:~~ _____ ~~LISTING EXPIRATION DATE:~~ _____
 37 This Agreement shall be valid from the date this Agreement is fully executed by all parties (the "Effective Date") through
 38 _____, 20 _____ ("Listing Expiration Date"). If a contract to purchase, exchange or lease is signed before
 39 this Agreement expires, the term hereof shall continue until final disposition of Purchase and Sale Agreement, exchange
 40 agreement, or lease agreement.

41 **Marketing of Property Commencement Date:** Seller directs Broker to commence marketing of the Property for sale
 42 to the general public on the Effective Date

43 OR

44 ☐ on the _____ day of _____, 20____.

Carry-Over Clause. Should the Seller contract to sell or exchange, or contract to lease the Property within _____ days after the Listing Expiration Date of this Exclusive Right to Sell Listing Agreement ("Agreement") to any Buyer/Tenant (or anyone acting on Buyer's/Tenant's behalf) who has been introduced to the Property, directly or indirectly, during the term hereof, as extended, the Seller agrees to pay the compensation as set forth below. This includes but is not limited to any introduction or exposure to Property by advertisements or postings appearing in any medium which originated as a result of listing the Property with Broker. This carry-over clause shall not apply if the Property is listed with another licensed real estate broker at the time of such contract.

4. POSSESSION OF PROPERTY to be delivered: _____

5. TERMS of sale acceptable to Seller (such as FHA, VA, Conventional, etc.): _____

6. COMPENSATION.

A total of \$ _____, or _____ % compensation based on the total sales price shall be paid by Seller to Broker in readily available funds on the date of closing of Property as evidenced by delivery of warranty deed and payment of purchase price which includes, but is not limited to, payment of purchase price in full, execution of a 1031 exchange, execution of a deed of trust, or execution of a promissory note (the "Closing"). In any exchange of the Property, Seller consents to Broker receiving compensation from both parties based upon the value of both properties.

In the event that the Property is leased under the terms of this Agreement, Seller agrees to pay a total of \$ _____, or _____ % compensation based upon the monthly rental amount which shall be paid by Seller to Broker in readily available funds within five business days of rent being due under the terms of said lease. Said compensation shall be paid by Seller to Broker and shall continue for the duration of the lease agreement with compensation being paid to Broker within five business days of rent being due under the terms of the lease. This obligation to pay said compensation shall survive the natural termination of this Agreement. In the event that the Property is sold during the term of any lease agreement reached under this Agreement or any carry-over period described herein, Seller agrees to pay Broker at the time of Closing any remaining compensation based upon future rental payments and/or any compensation that may be due under the terms of this Listing Agreement.

In the event a Buyer is found for said Property during the period above set out, on the terms and at the price specified herein, or for a price and upon terms agreeable to Seller, Seller further agrees to convey said Property by warranty deed to such Buyer, free from all assessments, liens and encumbrances, but subject to all restrictions of record, if any. The compensation payable for the sale of Property is not set in any manner other than between the Broker and Seller. Property is offered without regard to race, creed, color, religion, sex, handicap, familial status or national origin. A request from Seller to observe discriminatory requirements in the sale or lease of the Property will not be granted since it is a violation of the law.

In the event that a ready, willing, and able Buyer (or Tenant) is produced and a contract results, the Seller is obligated to compensate the Broker in the event that Seller unlawfully fails to close or to fulfill the lease terms by Seller's breach of the Purchase and Sale Agreement or lease agreement. In the event this occurs, Seller agrees to compensate Broker in an amount equal to the compensation which would have been due and owing Broker had the transaction closed or the lease been fulfilled. Such compensation will be payable without demand. Should the Broker consent to release the Listing prior to the expiration of the term of this Agreement or any extensions, Seller agrees to pay all costs incurred by the Broker to market the Property or other amount agreed upon by the parties as a cancellation fee, in addition to any other sums that may be due to the Broker. Seller agrees to pay all reasonable attorney's fees together with any court costs and expenses which real estate firm incurs in enforcing any of Seller's obligations to pay compensation under this Listing Agreement. The parties hereby agree that all remedies are fair and equitable and neither party will assert the lack of mutuality of remedies as a defense in the event of a dispute.

7. RESPONSIBILITIES AND RIGHTS OF THE PARTIES.

Broker is hereby granted the authority to advertise this listing on the Internet. Broker is additionally permitted to file this listing with any Multiple Listing Service (MLS) or similar service(s) of which Broker is a member. Seller understands and agrees that by placing the listing on the MLS or these similar services, the listing may be included in a searchable database provided by the MLS or similar service which can be viewed on other agents' websites. Seller also agrees that the listing may also appear on publicly accessible websites sponsored by and/or affiliated with the MLS, the local association of Realtors®, or similar listing services and those who lawfully receive listing information from said entities. Broker shall provide timely notice to MLS of status changes, shall use best efforts to produce a Buyer, and may divide compensation with other real estate licensees for cooperation in connection with the sale or lease of the Property. Broker shall offer a cooperative compensation to any agent who is a member participant of any MLS in which Property is listed in the amount of _____ % of Selling Price/monthly rental amount or \$ _____ to a Selling Agent or Facilitator (an agent who is representing the interests of and/or is working with the Buyer/Tenant) who is the procuring cause of the transaction. Broker may offer a cooperative compensation to an agent who is not a member

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participant of the MLS(es) in which the Property is listed. In the event that Broker elects to offer a cooperating compensation to an agent who is not a member participant in the MLS(es) in which the Property is listed, it will be in the amount of _____% of Selling Price/monthly rental amount or \$_____ to a Selling Agent or Facilitator (an agent who is representing the interests of and/or is working with the Buyer/Tenant) who is the procuring cause of the transaction. In this event, Broker shall notify Seller in writing that a cooperative compensation is being offered to that nonmember participant agent. Seller will assist Broker in any reasonable way in selling Property and will refer to Broker all inquiries regarding this Property during the term of the Agreement, and any extensions or renewals thereof, and authorizes Broker to provide final sales information to the MLS for purpose of compiling comparable sales data reports.

Broker is authorized to place a real estate sign and lock box on the Property and to remove all other real estate signs; to disseminate the Tennessee Residential Property Condition Disclosure, Disclaimer, or Exemption, or Tennessee Residential Property Disclosure form and the Multiple Listing Profile Sheet as well as the Lead-Based Paint Disclosure form (if required by law and if such information is not otherwise disseminated); to exhibit said Property to any prospective Buyer; and to have interior/exterior photographs/videos taken, and/or audio recorded for the creation of any advertising materials of said Property to be used and distributed in promoting the sale and to use same to advertise the Property on the Internet or other broadcast media; and to do such advertising as Broker deems appropriate. In the event that Seller provides photographs, videos or other copyrightable materials to Broker, Seller grants Brokers a nonrevocable license to such material and the authority to grant license to Broker's MLS for storage; reproduction, compiling and distribution of said material. Seller shall allow the Property to be shown at all reasonable hours and otherwise cooperate with Broker.

Seller agrees that Broker is authorized to receive on behalf of Seller all notices, offers, and other documents incidental to the offering and sale of the Property which is covered by this Agreement. Seller agrees that such receipt by Broker may be deemed to be receipt by Seller if such documents so provide or if the law so requires. Seller agrees to keep Broker informed of Seller's whereabouts in order for Broker to promptly forward all such notices, offers and other information to Seller. In response to inquiries from Buyers or cooperating brokers, Broker will follow Seller's lawful instructions on the disclosure of the existence of any offer and/or disclosure of terms and conditions of any offer. (Code of Ethics Standard of Practice 1-15)

8. **FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT ("FIRPTA") DISCLOSURE.**

Seller is hereby notified to consult with his/her own closing attorney and tax professional concerning the applicability of the Foreign Investment in Real Property Tax Act ("FIRPTA") which may require tax withholding to be collected from Seller at the Closing of any sale of the Property. Examples of this may include if Seller can be classified as one of the following:

Non United States citizen;

Non resident alien; or

Foreign corporation, partnership, trust, or estate.

It is Seller's Responsibility to seek independent tax advice prior to any Closing Date regarding such tax matters.

9. **HOLD HARMLESS AND LIMITATIONS ON BROKER'S AUTHORITY AND RESPONSIBILITY.**

Seller agrees to carefully review the information on the Multiple Listing Profile Sheet and to complete either the Tennessee Residential Property Condition Disclosure, Disclaimer, Exemption, or Tennessee Residential Property Disclosure form and to sign said documents. Seller also agrees to complete the Lead-Based Paint Disclosure if required by law and said information has not otherwise been disclosed in writing. Seller has not advised Broker and/or his affiliated Licensees (hereinafter "Agents") of any defects in the Property or the improvements located thereon, except as shall be noted on the Multiple Listing Profile Sheet and the Tennessee Residential Property Condition Disclosure, Disclaimer, Exemption, or Tennessee Residential Property Disclosure form signed by the Seller. Seller is not aware of any other defect or environmental factor which would affect the value of or structural integrity of improvements on the Property or the health of future occupants. Seller agrees that Seller shall be solely responsible for any misrepresentations or mistakes on the listing data wherein Seller has supplied such information on the attached Multiple Listing Profile Sheet, Tennessee Residential Property Condition Disclosure, Disclaimer, Exemption, or Tennessee Residential Property Disclosure form; the Lead-Based Paint Disclosure (if required by law). Seller further agrees to hold Agents and firm harmless and indemnify them from any claim, demand, action, liability or proceedings resulting from any omission, alleged omission, or misrepresentation by Seller on said forms and/or for any material fact that is known or should be known by Seller concerning the Property that is not disclosed to Agents and to provide for defense costs including reasonable attorney's fees for Agents and firm in such event. Seller is not aware of any other defect, environmental factors or adverse facts (as defined in Tenn. Code Ann. § 62-13-102) concerning the Property.

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. Seller authorizes Broker and/or his affiliated Licensees to conduct showings or "Open Houses"

of the Property. Seller additionally authorizes Broker and/or his affiliated Licensees and any duly authorized key holder key-entry access to the Property. Seller also authorizes Broker and/or his affiliated Licensees to place a lock box on said Property for the purpose of conducting or allowing cooperating brokers to conduct key-entry showings of this Property. Seller represents that adequate insurance will be kept in force to protect Seller in the event of any damage, losses or claims arising from entry to Property by persons through the above use of the key and agrees to hold Broker, its licensees, salespersons and employees harmless from any loss, theft, or damage incurred as a result of showings, Open Houses or other authorized entry thereof.

Seller acknowledges and agrees that Broker:

- (a) May show other properties to prospective buyers who are interested in Seller's Property;
- (b) Is not an expert with regard to matters that could be revealed through a survey, title search, or inspection; for the condition of the Property, any portion thereof, or any item therein; for any geological issues present on the Property; for the necessity or cost of any repairs to Property; hazardous or toxic materials; square footage; acreage; the availability and cost of utilities, septic or community amenities; conditions existing off the Property that may affect the Property; uses and zoning of the Property, whether permitted or proposed; for applicable boundaries of school districts or other school information; proposed or pending condemnation actions involving the Property; the appraised or future value of the Property; termites and wood destroying organisms; building products and construction techniques; the tax or legal consequences of a contemplated transaction; or matters relating to financing, etc. Seller acknowledges that Broker is not an expert with respect to the above matters and is hereby advised to seek independent expert advice on any of these matters which are of concern to Seller;
- (c) Shall owe no duties to Seller nor have any authority to act on behalf of Seller other than what is set forth in this Agreement and the duties contained in the Tennessee Real Estate License Act of 1973, as amended, and the Tennessee Real Estate Commission Rules; and
- (d) May make all disclosures required by law and/or the National Association of Realtors® Code of Ethics.

10. EXPERT ASSISTANCE.

While Broker has considerable general knowledge of the real estate industry and real estate practices, Broker is not expert in the matters of law, square footage, acreage, home inspections, geological issues, wood destroying organisms, taxation, financing, surveying, structural conditions, hazardous materials, engineering, etc. Client acknowledges Broker's advice to seek professional assistance and advice as needed in these and other areas of professional expertise. If Broker provides names or sources for such advice or assistance, Broker does not warrant or guarantee the services and/or products obtained by Client.

11. AGENCY.

A. Definitions.

1. **Broker.** In this Agreement, the term "Broker" shall mean a licensed Tennessee real estate broker or brokerage firm and where the context would indicate, the Broker's affiliated licensees.
2. **Agent for the Seller.** The Licensee's company is working as an agent for the Property Seller and owes primary loyalty to the Seller. Even if the licensee is working with a prospective Buyer to locate property for sale, rent, or lease, the licensee and his/her company are legally bound to work in the best interests of any Property Owners whose Property is shown to this prospective Buyer. An agency relationship of this type cannot, by law, be established without a written agency agreement.
3. **Designated Agent for the Seller.** The individual licensee that has been assigned by his/her Managing Broker and is working as an agent for the Seller or Property Owner in this consumer's prospective transaction, to the exclusion of all other licensees in his/her company. Even if someone else in the licensee's company represents a possible Buyer for this Seller's Property, the Designated Agent for the Seller will continue to work as an advocate for the best interests of the Seller or Property Owner. An agency relationship of this type cannot, by law, be established without a written agency agreement.
4. **Facilitator / Transaction Broker (not an agent for either party).** The licensee is not working as an agent for either party in this consumer's prospective transaction. A Facilitator may advise either or both of the parties to a transaction but cannot be considered a representative or advocate of either party. "Transaction Broker" may be used synonymously with, or in lieu of, "Facilitator" as used in any disclosures, forms or agreements. [By law, any Licensee or company who has not entered into a written agency agreement with either party in the transaction is considered a Facilitator or Transaction Broker until such time as an agency agreement is established.]
5. **Dual agency.** The licensee has agreements to provide services as an agent to more than one (1) party in a specific transaction and in which the interests of such parties are adverse. This agency status may only be employed upon full disclosure to each party and with each party's informed consent.

6. **Adverse Facts.** “Adverse Facts” means conditions or occurrences generally recognized by competent licensees that have a negative impact on the value of the real estate, significantly reduce the structural integrity of improvements to real property or present a significant health risk to occupants of the property.
7. **Confidentiality.** By law, every licensee is obligated to protect some information as confidential. This includes any information revealed by a consumer which may be helpful to the other party IF it was revealed by the consumer BEFORE the licensee disclosed any agency relationship with that other party. AFTER the licensee discloses that he/she has an agency relationship with another party, any such information which the consumer THEN reveals must be passed on by the licensee to that other party.

B. Duties owed to all Parties to a Transaction.

Pursuant to the Tennessee Real Estate Broker License Act, every Real Estate Licensee owes the following duties to every Buyer and Seller, Tenant and Landlord (collectively “Buyers” and “Sellers”) unless otherwise provided by law:

1. To diligently exercise reasonable skill and care in providing services to all parties to the transaction.
2. To disclose to each party to the transaction any Adverse Facts of which licensee has actual notice or knowledge.
3. To maintain for each party in a transaction the confidentiality of any information obtained by a licensee prior to disclosure to all parties of a written agency agreement entered into by the licensee to represent either or both parties in the transaction. This duty of confidentiality extends to any information which the party would reasonably expect to be held in confidence, except for information which the party has authorized for disclosure or information required by law to be disclosed. This duty survives both the subsequent establishment of an agency relationship and the closing of the transaction.
4. To provide services to each party to the transaction with honesty and good faith.
5. To disclose to each party to the transaction timely and accurate information regarding market conditions that might affect such transaction only when such information is available through public records and when such information is requested by a party.
6. To timely account for earnest money deposits and all other property received from any party to a transaction and
7. A) To refrain from engaging in self-dealing or acting on behalf of licensee’s immediate family, or on behalf of any other individual, organization or business entity in which licensee has a personal interest without prior disclosure of such personal interest and the timely written consent of all parties to the transaction, and
B) To refrain from recommending to any party to the transaction the use of services of another individual, organization or business entity in which the licensee has an interest or from whom the licensee may receive a referral fee or other compensation for the referral, other than referrals to other licensees to provide real estate services, without timely disclosure to the party who receives the referral, the licensee’s interest in such referral or the fact that a referral fee may be received.

C. Duties owed to Client.

In addition to the above, the licensee has the following duties to his/her Client if the licensee has become an Agent or Designated Agent in a transaction, pursuant to the Tennessee Real Estate Broker License Act:

1. Obey all lawful instructions of the client when such instructions are within the scope of the agency agreement between the licensee and licensee’s client;
2. Be loyal to the interests of the client. Licensee must place the interests of the client before all others in negotiation of a transaction and in other activities, except where such loyalty/duty would violate licensee’s duties to a customer in the transaction; and
3. Unless the following duties are specifically and individually waived in writing by a client, licensee shall assist the client by:
 - A) Scheduling all Property showings on behalf of the client;
 - B) Receiving all offers and counter offers and forwarding them promptly to the client;
 - C) Answering any questions that the client may have in negotiation of a successful purchase agreement within the scope of the licensee’s expertise; and
 - D) Advising the client as to whatever forms, procedures and steps are needed after execution of the purchase agreement for a successful closing of the transaction.

Upon waiver of any of the above duties contained in subsection 11.C.3., a consumer must be advised in writing by such consumer’s agent that the consumer may not expect or seek assistance from any other licensees in the

transaction for the performance of the above duties.

D. Seller's Authorizations.

1. Default to Facilitator. Seller hereby authorizes Broker and Listing Licensee to default to Facilitator status (representing the interests of neither the Seller nor the Buyer) in any Property showings, negotiations, or transactions, in which the Broker may also have a representation agreement with the Buyer who is also being assisted by Listing Licensee. In such event, Agent shall immediately notify (verbally) both the Buyer and the Seller of the need to default to this Facilitator status and notification shall be confirmed in writing prior to the execution of the contract. As a Facilitator, Broker and Broker's licensee may assist the parties and provide information in subsequent negotiations in that transaction. Upon any default to Facilitator status, the Broker and Broker's licensee must assume a neutral position and will not be an advocate for either the Buyer or Seller.

2. Resumption of Agency Status. In the event that Broker and Listing Licensee default to a Facilitator status, this Facilitator status will only be temporary. The Facilitator status will only last until any transaction or contemplated transaction in which the parties are all represented by the Facilitator is resolved (either because the transaction is closed or contemplated transaction between the parties is terminated or not accepted and no further negotiations occur between the parties). At that time, the Broker and Listing Licensee shall immediately revert back to their status as Agent for the Seller.

12. EARNEST MONEY/TRUST MONEY. Broker is authorized to accept from Buyer a deposit as earnest money/trust money to be applied to the purchase price for the Property. Such deposit is to be held by Broker in an escrow or trustee account or forwarded to party authorized to hold said funds as set forth in an executed contract for the purchase, lease, exchange, or option agreement until disbursed in accordance with the terms of said agreement.

13. TITLE. Seller warrants he is vested with good marketable title to the Property with full authority to execute this Agreement and to sell the Property. Seller shall convey the Property by a good and sufficient general warranty deed.

14. HOME PROTECTION PLAN.

☐ Seller agrees to provide a limited Home Protection Plan at a cost of \$_____ to be funded at closing.

Plan company: _____

OR

☐ Home Protection waived.

15. OTHER PROVISIONS.

A. Binding Effect, Entire Agreement, Modification, and Assignment. This Agreement shall be for the benefit of, and be binding upon, the parties hereto, their heirs, successors, legal representatives and permitted assigns. This Agreement may only be assigned with the written consent of both parties. This Agreement constitutes the sole and entire agreement between the parties hereto and no modification of this Agreement shall be binding unless signed by all parties or assigns to this Agreement. No representation, promise, or inducement not included in this Agreement shall be binding upon any party hereto. Any assignee shall fulfill all the terms and conditions of this Agreement.

B. Governing Law and Venue. This Agreement is intended as a contract for the listing of real property and shall be governed by and interpreted in accordance with the laws and in the courts of the State of Tennessee.

C. Terminology. As the context may require in this Agreement: (1) the singular shall mean the plural and vice versa; (2) all pronouns shall mean and include the person, entity, firm or corporation to which they relate; (3) the masculine shall mean the feminine and vice versa; and (4) the term day(s) used throughout this Agreement shall be deemed to be calendar day(s) ending at 11:59 p.m. local time unless otherwise specified in this Agreement. Local time shall be determined by the location of Property

D. Severability. If any portion or provision of this Agreement is held or adjudicated to be invalid or unenforceable for any reason, each such portion or provision shall be severed from the remaining portions or provisions of this Agreement, and the remaining portions or provisions shall be unaffected and remain in full force and effect.

E. Fair Housing. Broker and his affiliated Licensees shall provide services without regard to race, color, creed, religion, sex, handicap, familial status, national origin, sexual orientation or gender identity. A request to observe discriminatory practices in the sale, lease, exchange, or option of property will not be granted.

16. LEGAL DOCUMENTS. THIS IS AN IMPORTANT LEGAL DOCUMENT CREATING VALUABLE RIGHTS AND OBLIGATIONS. IF YOU HAVE QUESTIONS ABOUT IT, YOU SHOULD REVIEW IT WITH YOUR ATTORNEY. NEITHER THE BROKER NOR ANY AGENT OR FACILITATOR IS AUTHORIZED OR QUALIFIED TO GIVE YOU ANY ADVICE ABOUT THE ADVISABILITY OR LEGAL EFFECT OF ITS PROVISIONS. BY SIGNING THIS DOCUMENT, YOU ARE CERTIFYING THAT YOU HAVE READ AND ACCEPT THESE TERMS AND ACKNOWLEDGE RECEIPT OF A COPY OF THIS AGREEMENT.

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17. CONFIDENTIALITY. Information which Seller authorizes Broker and his affiliated Licensees to disclose which might otherwise be confidential:

18. EXHIBITS AND ADDENDA. All exhibits and/or addenda attached hereto, listed below, or referenced herein are made a part of this Agreement.

19. SPECIAL STIPULATIONS. The following Special Stipulations, if conflicting with any preceding section, shall control:

NOTE: Any provisions of this Agreement which are preceded by a "□" must be marked if a part of this Agreement.

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

BY: Broker or Licensee Authorized by Broker

BROKER/FIRM

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

Address

Print/Type Name

Phone: _____
Email: _____

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

SELLER/OWNER

Print/Type Name

_____ at _____ o'clock ☐ am/ ☐ pm

Date

Address

Phone: _____ (H) _____ (Cell)

_____ (W) Email: _____

SELLER/OWNER

Print/Type Name

_____ at _____ o'clock ☐ am/ ☐ pm

Date

Address

Phone: _____ (H) _____ (Cell)

_____ (W) Email: _____

NOTE: This form is provided by TAR 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 TAR logo in conjunction with any form other than standardized forms created by TAR 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.

LOT/LAND EXCLUSIVE RIGHT TO SELL LISTING AGREEMENT (Designated Agency)

BROKER (listing company): _____

ADDRESS OF COMPANY: _____

OWNER / SELLER: _____

ADDRESS OF OWNER / SELLER: _____

In consideration of Broker's Agreement to find a ready, willing, and able Buyer and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned Seller hereby grants Broker the Exclusive Right to Sell the hereinafter described Property in accordance with the following terms and conditions:

1. PROPERTY ADDRESS / LEGAL DESCRIPTION: _____

(Address) _____ (City), Tennessee _____ (Zip) as recorded in _____ County Register of Deeds Office, _____ deed book(s) _____ page(s), and/or _____ instrument number, and further described as:

with an estimated acreage of _____ ("Property").

A. Other items that remain with the Property at no additional cost to Buyer:

B. Items that will NOT remain with the Property:

2. THE LISTING PRICE. \$ _____ (_____ Dollars).

This price is based (select one):

- ☐ for entire Property as a tract, and not by the acre; or
- ☐ per acre with the sales price to be determined by the actual amount of acreage of the Property, \$ _____ per acre based on a current or mutually acceptable survey; or
- ☐ for entire Property as a tract but with the sales price to be adjusted upward or downward at \$ _____ per acre in the event the actual amount of acreage of the Property based on a current or mutually acceptable survey should vary more or less than _____ acre(s) from the _____ estimated acreage.

3. TERM. ~~Listing Date:~~ _____ ~~Expiration Date:~~ _____

This Agreement shall be valid from the date this Agreement is fully executed by all parties (the "Effective Date") through _____, 20 _____ ("Listing Expiration Date"). If a contract to purchase, exchange or lease is signed before this Agreement expires, the term hereof shall continue until final disposition of Purchase and Sale Agreement, exchange agreement, or lease agreement.

Marketing of Property Commencement Date: Seller directs Broker to commence marketing of the Property for sale to the general public on the Effective Date

OR

☐ on the _____ day of _____, 20 _____.

Carry-Over Clause. Should Seller contract to sell or exchange, or contract to lease the Property within _____ days after the **Listing Expiration Date** of this Exclusive Right to Sell Listing Agreement ("Agreement") to any Buyer/Tenant (or anyone acting on Buyer's/Tenant's behalf) who has been introduced to the Property, directly or indirectly, during the term hereof, as extended, the Seller agrees to pay the compensation as set forth below. This includes but is not limited to any introduction or exposure to Property by advertisements or postings appearing in any medium which originated as a result of listing the Property with Broker. This carry-over clause shall not apply if the Property is listed with another licensed real estate broker at the time of such contract.

4. **TERMS** of sale acceptable to Seller (such as USDA, Conventional, etc.): _____

5. **POSSESSION OF PROPERTY** to be delivered: _____

6. **COMPENSATION.** A total of \$ _____, or _____% compensation based on the total sales price shall be paid by Seller to Broker in readily available funds on the date of closing of Property as evidenced by delivery of warranty deed and payment of purchase price ("Closing"). In any exchange of the Property, Seller consents to Broker receiving compensation from both parties based upon the value of both properties.

In the event that the Property is leased under the terms of this Agreement, Seller agrees to pay a total of \$ _____, or _____% compensation based upon the monthly rental amount which shall be paid by Seller to Broker in readily available funds within five business days of rent being due under the terms of the lease. Said compensation shall be paid by Seller to Broker and shall continue for the duration of the lease agreement with compensation being paid to Broker within five business days of rent being due under the terms of the lease. This obligation to pay said compensation shall survive the natural termination of this Agreement. In the event that the Property is sold during the term of any lease agreement reached under this Agreement or any carry-over period described herein, Seller agrees to pay Broker any remaining compensation based upon future rental payments at the time of Closing and/or any compensation that may be due under the terms of this Listing Agreement.

In the event a Buyer is found for said Property during the period above set out, on the terms and at the price specified herein, or for a price and upon terms agreeable to Seller, Seller further agrees to convey said Property by warranty deed to such Buyer, free from all assessments, liens and encumbrances, but subject to all restrictions of record, if any. The compensation payable for the sale of Property is not set in any manner other than between Broker and Seller. The Property is offered without regard to race, creed, color, religion, sex, handicap, familial status or national origin. A request from a Seller to observe discriminatory requirements in the sale or lease of the Property will not be granted since it is a violation of the law.

In the event that a ready, willing, and able Buyer (or Tenant) is produced and a contract results, the Seller is obligated to compensate Broker in the event that Seller unlawfully fails to close or to fulfill lease terms by Seller's breach of the Purchase and Sale Agreement or the lease agreement. In the event this occurs, Seller agrees to compensate Broker in an amount equal to the compensation which would have been due and owing Broker had the transaction closed or lease been fulfilled. Such compensation will be payable without demand. Should Broker consent to release the Listing prior to the expiration of the term of this Agreement or any extensions, Seller agrees to pay all costs incurred by Broker to market the Property or other amount as agreed to by the parties as a cancellation fee, in addition to any other sums that may be due to Broker. Seller agrees to pay all reasonable attorney's fees together with any court costs and expenses which real estate agent incurs in enforcing any of Seller's obligations to pay compensation under this Listing Agreement. The parties hereby agree that all remedies are fair and equitable and neither party will assert the lack of mutuality of remedies as a defense in the event of a dispute.

7. **FURTHER INFORMATION CONCERNING PROPERTY.**

A. **Mineral, oil, gas, water and timber rights.**

Will conveyance of this Property include all mineral, oil, gas, water and timber rights? ☐ Yes / ☐ No

If no, please explain: _____

B. **Crops.**

Crops planted at the time of sale will:

☐ Pass with the land to the buyer OR ☐ Remain with the Seller OR ☐ Other (please describe): _____

C. **Leasehold or Tenant's Rights.**

There are no leasehold interests or tenant's rights in the subject Property, except as follows: _____

D. Licenses or Usage Permits.

No licenses or usage permits have been granted, including but not limited to those for crops, minerals, water, grazing, timber, usage rights to hunters, fishermen, or others except as follows:

E. Utilities.

Seller represents that the following utility connections are located as follows: (e.g. on the Property, at the lot line, across the street, unknown, etc.)

Electricity: _____

Gas: _____

Municipal Sewer: _____

Municipal Water: _____

Telephone: _____

Cable: _____

F. Zoning.

Seller represents that the Property is zoned _____

G. Flood Zone.

Is the Property or any part thereof located in a flood zone?

H. Exterior Injection Well, Soil Absorption and/or Percolation Test.

1. Exterior Injection Well. Does the Seller have knowledge of an exterior injection well being present on the Property? ☐ Yes / ☐ No

2. Soil Absorption and/or Percolation Test. Has the Property been tested for ☐ soil absorption and/or ☐ percolation? If either box is checked, please provide a copy of test results within _____ days of signing Agreement.

I. Subsurface Sewage Disposal.

Has the Property been evaluated for a Sub-Surface Sewage Disposal System? ☐ Yes / ☐ No

If yes, please provide a copy within _____ days of signing Agreement.

J. Survey.

Has the Property been surveyed? ☐ Yes / ☐ No If yes, please provide a copy of the most recent survey within _____ days of signing Agreement.

K. Special Tax Arrangements.

Is the Property in any special tax arrangement such as Green Belt? ☐ Yes / ☐ No

If yes, please list details: _____

L. Foreign/Unnatural Materials on Property.

Are you aware of any underground tanks or toxic substances, tires, appliances, garbage, foreign and/or unnatural materials, asbestos, polychlorinated biphenyl (PCB's), ureaformaldehyde, methane gas, methamphetamine production, radioactive material or radon on the Property (structure or soil)? ☐ Yes / ☐ No

If yes, please list details, including the substance and its location: _____

8. RESPONSIBILITIES AND RIGHTS OF THE PARTIES.

Broker is hereby granted the authority to advertise this listing on the Internet. Broker is additionally permitted to file this listing with any Multiple Listing Service (MLS) or similar service(s) of which Broker is a member. Seller understands and agrees that by placing the listing on the MLS or these similar services, the listing may be included in a searchable database provided by the MLS or similar service which can be viewed on other agents' websites. Seller also agrees that the listing may also appear on publicly accessible websites sponsored by and/or affiliated with the MLS, the local association of Realtors®, or similar listing services and those who lawfully receive listing information from said entities. Broker shall provide timely notice to MLS of status changes, shall use best efforts to produce a Buyer, and may divide compensation with other real estate licensees for cooperation in connection with the sale or lease of the Property. Broker shall offer a cooperative compensation to any agent who is a member participant of any MLS in which Property is listed in the amount of _____% of Selling Price/monthly rental amount or \$_____ to a

Selling Agent or Facilitator (an agent who is representing the interests of and/or is working with the Buyer/Tenant) who is the procuring cause of the transaction. Broker may offer a cooperative compensation to an agent who is not a member participant of the MLS(es) in which the Property is listed. In the event that Broker elects to offer a cooperating compensation to an agent who is not a member participant in the MLS(es) in which the Property is listed, it will be in the amount of _____% of Selling Price/monthly rental amount or \$_____ to a Selling Agent or Facilitator (an agent who is representing the interests of and/or is working with the Buyer) who is the procuring cause of the transaction. In this event, Broker shall notify Seller in writing that a cooperative compensation is being offered to that nonmember participant agent. Seller will assist Broker in any reasonable way in selling Property and will refer to Broker all inquiries regarding this Property during the term of the Agreement, and any extensions or renewals thereof, and authorizes Broker to provide final sales information to the MLS for the purpose of compiling comparable sales data reports. Broker is authorized to place a real estate sign and lock box on the Property and to remove all other real estate signs; to disseminate the Multiple Listing Profile Sheet; to exhibit said Property to any prospective Buyer; and to have photographs/videos taken, and/or audio recorded for the creation of any advertising materials of said Property to be used and distributed in promoting the sale and to use same to advertise the Property on the Internet or other broadcast media; and to do such advertising as Broker deems appropriate. In the event that Seller provides photographs, videos or other copyrightable materials to Broker, Seller grants Brokers a nonrevocable license to such material and the authority to grant license to Broker's MLS for storage; reproduction, compiling and distribution of said material. Seller shall allow the Property to be shown at all reasonable hours and otherwise cooperate with Broker. Seller agrees that Broker is authorized to receive on behalf of Seller all notices, offers, and other documents incidental to the offering and sale of the Property which is covered by this Agreement. Seller agrees that such receipt by Broker may be deemed to be receipt by Seller if such documents so provide or if the law so requires. Seller agrees to keep Broker informed of Seller's whereabouts in order for Broker to promptly forward all such notices, offers and other information to Seller. In response to inquiries from Buyers or cooperating brokers, Broker will follow Seller's lawful instructions on the disclosure of the existence of any offer and/or disclosure of terms and conditions of any offer. (Code of Ethics Standard of Practice 1-15)

9. FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT ("FIRPTA") DISCLOSURE.

Seller is hereby notified to consult with his/her own closing attorney and tax professional concerning the applicability of the Foreign Investment in Real Property Tax Act ("FIRPTA") which may require tax withholding to be collected from Seller at the Closing of any sale of the Property. Examples of this may include if Seller can be classified as one of the following:

Non United States citizen;

Non resident alien; or

Foreign corporation, partnership, trust, or estate

It is Seller's Responsibility to seek independent tax advice prior to any Closing Date regarding such tax matters.

10. HOLD HARMLESS AND LIMITATIONS ON BROKER'S AUTHORITY AND RESPONSIBILITY.

Seller agrees to carefully review the information on the Multiple Listing Profile Sheet to ensure information is accurate. Seller has not advised Broker and/or his affiliated Licensees (hereinafter "Agents") of any defects in the Property or the improvements located thereon. Seller is not aware of any other defect or environmental factor which would affect the value of the Property, significantly reduce the structural integrity of the improvements on the Property, or the health of future occupants. Seller agrees that Seller shall be solely responsible for any misrepresentations or mistakes on the listing data wherein Seller has supplied such information. Seller further agrees to hold Agents and firm harmless and indemnify them from any claim, demand, action, liability or proceedings resulting from any omission, alleged omission or misrepresentation by Seller and/or for any material fact that is known or should be known by Seller concerning the Property and that is not disclosed to Agents and to provide for defense costs including reasonable attorney's fees for Agents and firm in such an event. Seller is not aware of any other defect, environmental factors or adverse facts (as defined in Tenn. Code Ann. § 62-13-102) concerning the Property.

Seller authorizes Broker and/or his affiliated Licensees to conduct showings of the Property. **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.** Seller additionally authorizes Broker and/or his affiliated Licensees and any duly authorized key holder key-entry access to the Property. Seller also authorizes Broker and/or his affiliated Licensees to place a lock box on said Property for the purpose of conducting or allowing cooperating brokers to conduct key-entry showings of this Property. Seller represents that adequate insurance will be kept in force to protect Seller in the event of any damage, losses or claims arising from entry to Property by persons through the above use of the key and agrees to hold Broker, its licensees, salespersons and employees harmless from any loss, theft, or damage incurred as a result of showings thereof.

This form is copyrighted and may only be used in real estate transactions in which _____ is involved as a TAR authorized user. Unauthorized use of the form may result in legal sanctions being brought against the user and should be reported to the Tennessee Association of Realtors® at 615- 321-1477.

Seller acknowledges and agrees that Broker:

- (a) May show other properties to prospective buyers who are interested in Seller's Property;
- (b) Is not an expert with regard to matters that could be revealed through a survey, title search, or inspection; for the condition of the Property, any portion thereof, or any item therein; for any geological issues present on the Property; for the necessity or cost of any repairs to Property; hazardous or toxic materials; square footage; acreage; the availability and cost of utilities, septic or community amenities; conditions existing off the Property which may affect the Property; uses and zoning of the Property, whether permitted or proposed; for applicable boundaries of school districts or other school information; proposed or pending condemnation actions involving the Property; the appraised or future value of the Property; termites and wood destroying organisms; building products and construction techniques; the tax or legal consequences of a contemplated transaction; matters relating to financing; etc. Seller is hereby advised to seek independent expert advice on any of these or other matters which are of concern to Seller;
- (c) Shall owe no duties to Seller nor have any authority to act on behalf of Seller other than what is set forth in this Agreement and the duties contained in the Tennessee Real Estate License Act of 1973, as amended, and the Tennessee Real Estate Commission Rules; and
- (d) May make all disclosures required by law and/or the National Association of Realtors® Code of Ethics.

11. EXPERT ASSISTANCE.

While Broker has considerable general knowledge of the real estate industry and real estate practices, Broker is not an expert in the matters of law, taxation, financing, square footage, acreage, inspections, geological issues, wood destroying organisms, surveying, structural conditions, hazardous materials, engineering, etc. Client acknowledges Broker's advice to seek professional assistance and advice as needed in these and other areas of professional expertise. If Broker provides names or sources for such advice or assistance, Broker does not warrant or guarantee the services and/or products obtained by Client.

12. AGENCY.

A. Definitions.

1. **Broker:** In this Agreement, the term "Broker" shall mean a licensed Tennessee real estate broker or brokerage firm and where the context would indicate, the Broker's affiliated licensees.
2. **Designated Agent for the Seller:** The individual licensee that has been assigned by his/her Managing Broker and is working as an agent for the Seller or Property Owner in this consumer's prospective transaction, to the exclusion of all other licensees in his/her company. Even if someone else in the licensee's company represents a possible Buyer for this Seller's Property, the Designated Agent for the Seller will continue to work as an advocate for the best interests of the Seller or Property Owner. An agency relationship of this type cannot, by law, be established without a written agency agreement.
3. **Facilitator / Transaction Broker (not an agent for either party):** The licensee is not working as an agent for either party in this consumer's prospective transaction. A Facilitator may advise either or both of the parties to a transaction but cannot be considered a representative or advocate of either party. "Transaction Broker" may be used synonymously with, or in lieu of, "Facilitator" as used in any disclosures, forms or agreements. [By law, any Licensee or company who has not entered into a written agency agreement with either party in the transaction is considered a Facilitator or Transaction Broker until such time as an agency agreement is established.]
4. **Dual agency:** The licensee has agreements to provide services as an agent to more than one (1) party in a specific transaction and in which the interests of such parties are adverse. This agency status may only be employed upon full disclosure to each party and with each party's informed consent.
5. **Adverse Facts:** "Adverse Facts" means conditions or occurrences generally recognized by competent licensees that have a negative impact on the value of the real estate, significantly reduce the structural integrity of improvements to real property or present a significant health risk to occupants of the property.
6. **Confidentiality:** By law, every licensee is obligated to protect some information as confidential. This includes any information revealed by a consumer which may be helpful to the other party IF it was revealed by the consumer BEFORE the licensee disclosed any agency relationship with that other party. AFTER the licensee discloses that he/she has an agency relationship with another party, any such information which the consumer THEN reveals must be passed on by the licensee to that other party.

B. Duties owed to all Parties to a Transaction.

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Pursuant to the Tennessee Real Estate Broker License Act, every Real Estate Licensee owes the following duties to every Buyer and Seller, Tenant and Landlord (collectively “Buyers” and “Sellers”) unless otherwise provided by law:

1. To diligently exercise reasonable skill and care in providing services to all parties to the transaction;
2. To disclose to each party to the transaction any Adverse Facts of which licensee has actual notice or knowledge;
3. To maintain for each party in a transaction the confidentiality of any information obtained by a licensee prior to disclosure to all parties of a written agency agreement entered into by the licensee to represent either or both parties in the transaction. This duty of confidentiality extends to any information which the party would reasonably expect to be held in confidence, except for information which the party has authorized for disclosure or information required by law to be disclosed. This duty survives both the subsequent establishment of an agency relationship and the closing of the transaction;
4. To provide services to each party to the transaction with honesty and good faith;
5. To disclose to each party to the transaction timely and accurate information regarding market conditions that might affect such transaction only when such information is available through public records and when such information is requested by a party;
6. To timely account for earnest money deposits and all other property received from any party to a transaction; and
7. A) To refrain from engaging in self-dealing or acting on behalf of licensee’s immediate family, or on behalf of any other individual, organization or business entity in which licensee has a personal interest without prior disclosure of such personal interest and the timely written consent of all parties to the transaction; and
B) To refrain from recommending to any party to the transaction the use of services of another individual, organization or business entity in which the licensee has an interest or from whom the licensee may receive a referral fee or other compensation for the referral, other than referrals to other licensees to provide real estate services, without timely disclosure to the party who receives the referral, the licensee’s interest in such referral or the fact that a referral fee may be received.

C. Duties owed to Client.

In addition to the above, the Licensee has the following duties to his/her Client if the Licensee has become an Agent or Designated Agent in a transaction, pursuant to the Tennessee Real Estate Broker License Act:

1. Obey all lawful instructions of the client when such instructions are within the scope of the agency agreement between the licensee and licensee’s client;
2. Be loyal to the interests of the client. Licensee must place the interests of the client before all others in negotiation of a transaction and in other activities, except where such loyalty/duty would violate licensee’s duties to a customer in the transaction; and
3. Unless the following duties are specifically and individually waived in writing by a client, licensee shall assist the client by:
 - A) Scheduling all Property showings on behalf of the client;
 - B) Receiving all offers and counter offers and forwarding them promptly to the client;
 - C) Answering any questions that the client may have in negotiation of a successful purchase agreement within the scope of the licensee’s expertise; and
 - D) Advising the client as to whatever forms, procedures and steps are needed after execution of the purchase agreement for a successful closing of the transaction.

Upon waiver of any of the above duties listed under subsection 12.C.3., a consumer must be advised in writing by such consumer’s agent that the consumer may not expect or seek assistance from any other licensees in the transaction for the performance of said duties.

D. Seller’s Authorizations

1. **Appointment of Designated Agent.** Seller hereby authorizes Managing Broker to appoint the Listing Licensee as Designated Agent for the Seller, to the exclusion of any other licensees associated with Broker. A Designated Agent for the Seller can and will continue to advocate Seller’s interests in a transaction even if a Designated Agent for the Buyer (other than the Licensee below) is also associated with Broker. The Managing Broker hereby

appoints _____ to be the Designated Agent to the Seller in this transaction.

2. **Appointment of Subsequent Designated Agent.** Seller hereby authorizes the Managing Broker, if necessary, to appoint a licensee, other than the Licensee named above, as Designated Agent for the Seller, to the exclusion of any other licensees associated with Broker. This shall be accomplished through an amendment to this Agreement, if necessary.

3. **Default to Facilitator in the event both parties are represented by the same Designated Agent.** The Designated Agent shall default to Facilitator status for all showings or transactions *involving the same Designated Agent for both the Seller and a prospective buyer*, immediately notifying (verbally) the Buyer and the Seller of the need to default to this Facilitator status to be confirmed in writing prior to the execution of the contract. Upon any default to Facilitator status, the former Designated Agent must assume a neutral position and will not be an advocate for either the Seller or any prospective buyers.

4. **Resumption of Agency Status.** In the event that the Designated Agent defaults to a Facilitator status, this Facilitator status will only be temporary. The Facilitator status will only last until any transaction or contemplated transaction in which the parties are all assisted by the same Facilitator is resolved (either because the transaction is closed or contemplated transaction between these parties is terminated and no further negotiations occur between the parties). At that time, the agent will immediately revert to Designated Agency status for the Seller.

13. **EARNEST MONEY/TRUST MONEY.** Broker is authorized to accept from Buyer a deposit as earnest money/trust money to be applied to the purchase price for the Property. Such deposit is to be held by Broker in an escrow or trustee account or forwarded to party authorized to hold said funds as set forth in an executed contract for the purchase, lease, exchange, or option agreement until disbursed in accordance with the terms of said agreement.

14. **TITLE.** Seller warrants he is vested with good and marketable title to the Property with full authority to execute this Agreement and to sell the Property. Seller shall convey the Property by a good and sufficient general warranty deed.

15. **OTHER PROVISIONS.**

A. **Binding Effect, Entire Agreement, Modification, and Assignment.** This Agreement shall be for the benefit of, and be binding upon, the parties hereto, their heirs, successors, legal representatives and permitted assigns. This Agreement may only be assigned with the written consent of both parties. This Agreement constitutes the sole and entire agreement between the parties hereto and no modification of this Agreement shall be binding unless signed by all parties or assigns to this Agreement. No representation, promise, or inducement not included in this Agreement shall be binding upon any party hereto. Any assignee shall fulfill all the terms and conditions of this Agreement.

B. **Governing Law and Venue.** This Agreement is intended as a contract for the listing of real property and shall be governed by and interpreted in accordance with the laws and in the courts of the State of Tennessee.

C. **Terminology.** As the context may require in this Agreement: (1) the singular shall mean the plural and vice versa; (2) all pronouns shall mean and include the person, entity, firm or corporation to which they relate; (3) the masculine shall mean the feminine and vice versa; and (4) the term day(s) used throughout this Agreement shall be deemed to be calendar day(s) ending at 11:59 p.m. local time unless otherwise specified in this Agreement. Local time shall be determined by the location of Property

D. **Severability.** If any portion or provision of this Agreement is held or adjudicated to be invalid or unenforceable for any reason, each such portion or provision shall be severed from the remaining portions or provisions of this Agreement, and the remaining portions or provisions shall be unaffected and remain in full force and effect.

E. **Fair Housing.** Broker and his affiliated Licensees shall provide services without regard to race, color, creed, religion, sex, handicap, familial status, national origin, sexual orientation or gender identity. A request to observe discriminatory practices in the sale, lease, exchange, or option of property will not be granted.

16. **LEGAL DOCUMENTS.** THIS IS AN IMPORTANT LEGAL DOCUMENT CREATING VALUABLE RIGHTS AND OBLIGATIONS. IF YOU HAVE QUESTIONS ABOUT IT, YOU SHOULD REVIEW IT WITH YOUR ATTORNEY. NEITHER THE BROKER NOR ANY AGENT OR FACILITATOR IS AUTHORIZED OR QUALIFIED TO GIVE YOU ANY ADVICE ABOUT THE ADVISABILITY OR LEGAL EFFECT OF ITS PROVISIONS. BY SIGNING THIS DOCUMENT, YOU ARE CERTIFYING THAT YOU HAVE READ AND ACCEPT THESE TERMS AND ACKNOWLEDGE RECEIPT OF A COPY OF THIS AGREEMENT.

17. **CONFIDENTIALITY.** Information which the Seller authorizes Broker and his affiliated Licensees to disclose which might otherwise be confidential:

18. EXHIBITS AND ADDENDA. All exhibits and/or addenda attached hereto, listed below, or referenced herein are made a part of this Agreement:

19. SPECIAL STIPULATIONS. The following Special Stipulations, if conflicting with any preceding section, shall control:

NOTE: Any provisions of this Agreement which are preceded by a "□" must be marked if a part of this Agreement.

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

BY: Broker or Licensee Authorized by Broker

BROKER/FIRM

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

Address

Print/Type Name

Phone:

Email:

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

SELLER/OWNER

SELLER/OWNER

Print/Type Name

Print/Type Name

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

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

Address

Address

Phone: _____ (H) _____ (Cell)
_____ (W) Email: _____

Phone: _____ (H) _____ (Cell)
_____ (W) Email: _____

NOTE: This form is provided by TAR 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 TAR logo in conjunction with any form other than standardized forms created by TAR 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.

DRAFT SPECIMEN

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RF101 – Exclusive Right to Sell Listing Agreement (Designated Agency), Page 9 of 9

Version 01/01/2019

LOT/LAND EXCLUSIVE RIGHT TO SELL LISTING AGREEMENT (Seller Agency)

BROKER (listing company): _____

ADDRESS OF COMPANY: _____

OWNER / SELLER: _____

ADDRESS OF OWNER / SELLER: _____

In consideration of Broker's Agreement to find a ready, willing, and able Buyer and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned Seller hereby grants Broker the Exclusive Right to Sell the hereinafter described Property in accordance with the following terms and conditions:

1. PROPERTY ADDRESS / LEGAL DESCRIPTION: _____

(Address) _____ (City), Tennessee _____ (Zip) as recorded in _____ County Register of Deeds Office, _____ deed book(s) _____ page(s), and/or _____ instrument number, and further described as:

with an estimated acreage of _____ ("Property").

A. Other items that remain with the Property at no additional cost to Buyer:

B. Items that will NOT remain with the Property:

2. THE LISTING PRICE \$ _____ **(** _____ **)** Dollars).

This price is based (select one):

- ☐ for entire Property as a tract and not by the acre; or
- ☐ per acre with the sales price to be determined by the actual amount of acreage of the Property, \$ _____ per acre based on a current or mutually acceptable survey; or
- ☐ for entire Property as a tract but with the sales price to be adjusted upward or downward at \$ _____ per acre in the event the actual amount of acreage of the Property based on a current or mutually acceptable survey should vary more or less than _____ acre(s) from the _____ estimated acreage.

3. TERM. Listing Date: _____ Expiration Date: _____

This Agreement shall be valid from the date this Agreement is fully executed by all parties (the "Effective Date") through _____, 20____ ("Listing Expiration Date"). If a contract to purchase, exchange or lease is signed before this Agreement expires, the term hereof shall continue until final disposition of Purchase and Sale Agreement, exchange agreement, or lease agreement.

Marketing of Property Commencement Date: Seller directs Broker to commence marketing of the Property for sale to the general public on the Effective Date

OR

- ☐ on the _____ day of _____, 20____.

Carry-Over Clause. Should Seller contract to sell or exchange, or contract to lease the Property within _____ days after the Listing Expiration Date of this Exclusive Right to Sell Listing Agreement ("Agreement") to any Buyer/Tenant (or anyone acting on Buyer's/Tenant's behalf) who has been introduced to the Property, directly or indirectly, during the term hereof, as extended, the Seller agrees to pay the compensation as set forth below. This includes but is not limited to any introduction or exposure to Property by advertisements or postings appearing in any medium which originated as a

result of listing the Property with Broker. This carry-over clause shall not apply if the Property is listed with another licensed real estate broker at the time of such contract.

4. **TERMS** of sale acceptable to Seller (such as USDA, Conventional, etc.): _____

5. **POSSESSION OF PROPERTY** to be delivered: _____

6. **COMPENSATION.** A total of \$_____, or ____% compensation based on the total sales price shall be paid by Seller to Broker in readily available funds on the date of closing of Property as evidenced by delivery of warranty deed and payment of purchase price which includes, but is not limited to, payment of purchase price in full, execution of a 1031 exchange, execution of a deed of trust, or execution of a promissory note (the "Closing"). In any exchange of the Property, Seller consents to Broker receiving compensation from both parties based upon the value of both properties.

In the event that the Property is leased under the terms of this Agreement, Seller agrees to pay a total of \$_____, or ____% compensation based upon the monthly rental amount and which shall be paid by Seller to Broker in readily available funds within five business days of rent being due under the terms of said lease. Said compensation shall be paid by Seller to Broker and shall continue for the duration of the lease agreement with compensation being paid to Broker within five business days of rent being due under the terms of the lease. This obligation to pay said compensation shall survive the natural termination of this Agreement. In the event that the Property is sold during the term of any lease agreement reached under this Agreement or any carry-over period described herein, Seller agrees to pay Broker at the time of Closing any remaining compensation based upon future rental payments and/or any compensation that may be due under the terms of this Listing Agreement.

In the event a Buyer is found for said Property during the period above set out, on the terms and at the price specified herein, or for a price and upon terms agreeable to Seller, Seller further agrees to convey said Property by warranty deed to such Buyer, free from all assessments, liens and encumbrances, but subject to all restrictions of record, if any. The compensation payable for the sale of Property is not set in any manner other than between Broker and Seller. Property is offered without regard to race, creed, color, religion, sex, handicap, familial status or national origin. A request from Seller to observe discriminatory requirements in the sale or lease of the Property will not be granted since it is a violation of the law.

In the event that a ready, willing, and able Buyer (or Tenant) is produced and a contract results, the Seller is obligated to compensate Broker in the event that Seller unlawfully fails to close or to fulfill lease terms by Seller's breach of the Purchase and Sale Agreement or lease agreement. In the event this occurs, Seller agrees to compensate Broker in an amount equal to the compensation which would have been due and owing Broker had the transaction closed or the lease been fulfilled. Such compensation will be payable without demand. Should the Broker consent to release the Listing prior to the expiration of the term of this Agreement or any extensions, Seller agrees to pay all costs incurred by Broker to market Property or other amount as agreed to by the parties as a cancellation fee, in addition to any other sums that may be due to Broker. Seller agrees to pay all reasonable attorney's fees together with any court costs and expenses which real estate firm incurs in enforcing any of Seller's obligations to pay compensation under this Listing Agreement. The parties hereby agree that all remedies are fair and equitable and neither party will assert the lack of mutuality of remedies as a defense in the event of a dispute.

7. FURTHER INFORMATION CONCERNING PROPERTY.

A. Mineral, oil, gas, water and timber rights.

Will conveyance of this Property include all mineral, oil, gas, water and timber rights? ☐ Yes / ☐ No

If no, please explain: _____

B. Crops.

Crops planted at the time of sale will:

☐ Pass with the land to the buyer OR ☐ Remain with the seller OR ☐ Other (please describe): _____

C. Leasehold or Tenant's Rights.

There are no leasehold interests or tenant's rights in the subject Property, except as follows: _____

D. Licenses or Usage Permits.

No licenses or usage permits have been granted, including but not limited to those for crops, minerals, water, grazing, timber, usage rights to hunters, fishermen, or others except as follows: _____

E. Utilities.

Seller represents that the following utility connections are located as follows: (e.g. on the Property, at the lot line, across the street, unknown, etc.)

Electricity: _____ Gas: _____
 Municipal Sewer: _____ Municipal Water: _____
 Telephone: _____ Cable: _____

F. Zoning.

Seller represents that the Property is zoned _____

G. Flood Zone.

Is the Property or any part thereof located in a flood zone?

H. Exterior Injection Well, Soil Absorption and/or Percolation Test.

1. Exterior Injection Well. Does the Seller have knowledge of an exterior injection well being present on the property? ☐ Yes / ☐ No

2. Soil Absorption and/or Percolation Test. Has the Property been tested for ☐ soil absorption and/or ☐ percolation? If either box is checked, please provide a copy of test results within _____ days of signing Agreement.

I. Subsurface Sewage Disposal.

Has the Property been evaluated for a Sub-Surface Sewage Disposal System? ☐ Yes / ☐ No

If yes, please provide a copy within _____ days of signing Agreement.

J. Survey.

Has the Property been surveyed? ☐ Yes / ☐ No If yes, please provide a copy of the most recent survey within _____ days of signing Agreement.

K. Special Tax Arrangements.

Is the Property in any special tax arrangement such as Green Belt? ☐ Yes / ☐ No

If yes, please list details: _____

L. Foreign/Unnatural Materials on Property.

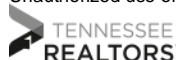
Are you aware of any underground tanks or toxic substances, tires, appliances, garbage, foreign and/or unnatural materials, asbestos, polychlorinated biphenyl (PCB's), ureaformaldehyde, methane gas, methamphetamine production, radioactive material or radon on the Property (structure or soil)? ☐ Yes / ☐ No

If yes, please list details, including the substance and its location: _____

8. RESPONSIBILITIES AND RIGHTS OF THE PARTIES

Broker is hereby granted the authority to advertise this listing on the Internet. Broker is additionally permitted to file this listing with any Multiple Listing Service (MLS) or similar service(s) of which Broker is a member. Seller understands and agrees that by placing the listing on the MLS or these similar services, the listing may be included in a searchable database provided by the MLS or similar service which can be viewed on other agents' websites. Seller also agrees that the listing may also appear on publicly accessible websites sponsored by and/or affiliated with the MLS, the local association of Realtors®, or similar listing services and those who lawfully receive listing information from said entities. Broker shall provide timely notice to MLS of status changes, shall use best efforts to produce a Buyer, and may divide compensation with other real estate licensees for cooperation in connection with the sale or lease of the Property. Broker shall offer a cooperative compensation to any agent who is a member participant of any MLS in which Property is listed in the amount of _____% of Selling Price/monthly rental amount or \$_____ to a Selling Agent or Facilitator (an agent who is representing the interests of and/or is working with the Buyer/Tenant) who is the procuring cause of the transaction. Broker may offer a cooperative compensation to an agent who is not a member participant of the MLS(es) in which the Property is listed. In the event that Broker elects to offer a cooperating compensation to an agent who is not a member participant in the MLS(es) in which the Property is listed, it will be in the amount of _____% of Selling Price/monthly rental amount or \$_____ to a Selling Agent or Facilitator (an agent who is representing the interests of and/or is working with the Buyer/Tenant) who is the procuring cause of the transaction. In this event, Broker shall notify Seller in writing that a cooperative compensation is being offered

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to that nonmember participant agent. Seller will assist Broker in any reasonable way in selling Property and will refer to Broker all inquiries regarding this Property during the term of the Agreement, and any extensions or renewals thereof, and authorizes Broker to provide final sales information to the MLS for the purpose of compiling comparable sales data reports.

Broker is authorized to place a real estate sign and lock box on the Property and to remove all other real estate signs; to disseminate the Multiple Listing Profile Sheet; to exhibit said Property to any prospective Buyer; and to have photographs/videos taken, and/or audio recorded for the creation of any advertising materials of said Property to be used

and distributed in promoting the sale and to use same to advertise the Property on the Internet or other broadcast media; and to do such advertising as Broker deems appropriate. In the event that Seller provides photographs, videos or other copyrightable materials to Broker, Seller grants Brokers a nonrevocable license to such material and the authority to grant license to Broker's MLS for storage; reproduction, compiling and distribution of said material. Seller shall allow the Property to be shown at all reasonable hours and otherwise cooperate with Broker. Seller agrees that Broker is authorized to receive on behalf of Seller, all notices, offers, and other documents incidental to the offering and sale of the Property which is covered by this Agreement. Seller agrees that such receipt by Broker may be deemed to be receipt by Seller if such documents so provide or if the law so requires. Seller agrees to keep Broker informed of Seller's whereabouts in order for Broker to promptly forward all such notices, offers and other information to Seller. In response to inquiries from Buyers or cooperating brokers, Broker will follow Seller's lawful instructions on the disclosure of the existence of any offer and/or disclosure of terms and conditions of any offer. (Code of Ethics Standard of Practice 1-15)

9. FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT ("FIRPTA") DISCLOSURE.

Seller is hereby notified to consult with his/her own closing attorney and tax professional concerning the applicability of the Foreign Investment in Real Property Tax Act ("FIRPTA") which may require tax withholding to be collected from Seller at the Closing of any sale of the Property. Examples of this may include if Seller can be classified as one of the following:

Non United States citizen;

Non resident alien; or

Foreign corporation, partnership, trust, or estate

It is Seller's Responsibility to seek independent tax advice prior to any Closing Date regarding such tax matters.

10. HOLD HARMLESS AND LIMITATIONS ON BROKER'S AUTHORITY AND RESPONSIBILITY.

Seller agrees to carefully review the information on the Multiple Listing Profile Sheet to ensure information is accurate. Seller has not advised Broker and/or his affiliated Licensees (hereinafter "Agents") of any defects in the Property or the improvements located thereon. Seller is not aware of any other defect or environmental factor which would affect the value of or the structural improvements on the Property or the health of future occupants. Seller agrees that Seller shall be solely responsible for any misrepresentations or mistakes on the listing data wherein Seller has supplied such information. Seller further agrees to hold Agents and firm harmless and indemnify them from any claim, demand, action, liability or proceedings resulting from any omission, alleged omission or misrepresentation by Seller and/or for any material fact that is known or should be known by Seller concerning the Property and that is not disclosed to Agents and to provide for defense costs including reasonable attorney's fees for Agents and firm in such an event. Seller is not aware of any other defect, environmental factors or adverse facts (as defined in Tenn. Code Ann. § 62-13-102) concerning the Property.

Seller authorizes Broker and/or his affiliated Licensees to conduct showings of the Property. **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.** Seller additionally authorizes Broker and/or his affiliated Licensees and any duly authorized key holder key-entry access to the Property. Seller also authorizes Broker and/or his affiliated Licensees to place a lock box on said Property for the purpose of conducting or allowing cooperating brokers to conduct key-entry showings of this Property. Seller represents that adequate insurance will be kept in force to protect Seller in the event of any damage, losses or claims arising from entry to Property by persons through the above use of the key and agrees to hold Broker, its licensees, salespersons and employees harmless from any loss, theft, or damage incurred as a result of showings, or otherwise authorized entry thereof.

Seller acknowledges and agrees that Broker:

- (a) May show other properties to prospective buyers who are interested in Seller's Property;
- (b) Is not an expert with regard to matters that could be revealed through a survey, title search, or inspection; for the condition of the Property, any portion thereof, or any item therein; for any geological issues present on the Property; for the necessity or cost of any repairs to Property; hazardous or toxic materials; square footage; acreage; the availability and cost of utilities, septic or community amenities; conditions existing off the Property which may affect the Property; uses and zoning of the Property, whether permitted or proposed; for applicable

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boundaries of school districts or other school information; proposed or pending condemnation actions involving the Property; the appraised or future value of the Property; termites and wood destroying organisms; building products and construction techniques; the tax or legal consequences of a contemplated transaction; matters relating to financing; etc. Seller acknowledges that Broker is not an expert with respect to the above matters and is hereby advised to seek independent expert advice on any of these or other matters which are of concern to Seller;

(c) Shall owe no duties to Seller nor have any authority to act on behalf of Seller other than what is set forth in this Agreement and the duties contained in the Tennessee Real Estate License Act of 1973, as amended, and the Tennessee Real Estate Commission Rules; and

(d) May make all disclosures required by law and/or the National Association of Realtors® Code of Ethics.

11. EXPERT ASSISTANCE.

While Broker has considerable general knowledge of the real estate industry and real estate practices, Broker is not an expert in the matters of law, taxation, financing, square footage, acreage, inspections, geological issues, wood destroying organisms, surveying, structural conditions, hazardous materials, engineering, etc. Client acknowledges Broker's advice to seek professional assistance and advice as needed in these and other areas of professional expertise. If Broker provides names or sources for such advice or assistance, Broker does not warrant or guarantee the services and/or products obtained by Client.

12. AGENCY.

A. Definitions.

1. **Broker.** In this Agreement, the term "Broker" shall mean a licensed Tennessee real estate broker or brokerage firm and where the context would indicate, the Broker's affiliated licensees.
2. **Agent for the Seller.** The licensee's company is working as an agent for the Property Seller and owes primary loyalty to the Seller. Even if the licensee is working with a prospective Buyer to locate property for sale, rent, or lease, the licensee and his/her company are legally bound to work in the best interests of any Property Owners whose Property is shown to this prospective Buyer. An agency relationship of this type cannot, by law, be established without a written agency agreement.
3. **Designated Agent for the Seller.** The individual licensee that has been assigned by his/her Managing Broker and is working as an agent for the Seller or Property Owner in this consumer's prospective transaction, to the exclusion of all other licensees in his/her company. Even if someone else in the licensee's company represents a possible Buyer for this Seller's Property, the Designated Agent for the Seller will continue to work as an advocate for the best interests of the Seller or Property Owner. An agency relationship of this type cannot, by law, be established without a written agency agreement.
4. **Facilitator / Transaction Broker (not an agent for either party).** The licensee is not working as an agent for either party in this consumer's prospective transaction. A Facilitator may advise either or both of the parties to a transaction but cannot be considered a representative or advocate of either party. "Transaction Broker" may be used synonymously with, or in lieu of, "Facilitator" as used in any disclosures, forms or agreements. [By law, any licensee or company who has not entered into a written agency agreement with either party in the transaction is considered a Facilitator or Transaction Broker until such time as an agency agreement is established.]
5. **Dual agency.** The licensee has agreements to provide services as an agent to more than one (1) party in a specific transaction and in which the interests of such parties are adverse. This agency status may only be employed upon full disclosure to each party and with each party's informed consent.
6. **Adverse Facts.** "Adverse Facts" means conditions or occurrences generally recognized by competent licensees that have a negative impact on the value of the real estate, significantly reduce the structural integrity of improvements to real property or present a significant health risk to occupants of the property.
7. **Confidentiality.** By law, every licensee is obligated to protect some information as confidential. This includes any information revealed by a consumer which may be helpful to the other party IF it was revealed by the consumer BEFORE the licensee disclosed any agency relationship with that other party. AFTER the licensee discloses that he/she has an agency relationship with another party, any such information which the consumer THEN reveals must be passed on by the licensee to that other party.

B. Duties owed to all Parties to a Transaction.

Pursuant to the Tennessee Real Estate Broker License Act, every Real Estate Licensee owes the following duties to every Buyer and Seller, Tenant and Landlord (collectively "Buyers" and "Sellers") unless otherwise provided by law:

1. To diligently exercise reasonable skill and care in providing services to all parties to the transaction;

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2. To disclose to each party to the transaction any Adverse Facts of which licensee has actual notice or knowledge;
3. To maintain for each party in a transaction the confidentiality of any information obtained by a licensee prior to disclosure to all parties of a written agency agreement entered into by the licensee to represent either or both parties in the transaction. This duty of confidentiality extends to any information which the party would reasonably expect to be held in confidence, except for information which the party has authorized for disclosure or information required by law to be disclosed. This duty survives both the subsequent establishment of an agency relationship and the closing of the transaction;
4. To provide services to each party to the transaction with honesty and good faith;
5. To disclose to each party to the transaction timely and accurate information regarding market conditions that might affect such transaction only when such information is available through public records and when such information is requested by a party;
6. To timely account for earnest money deposits and all other property received from any party to a transaction; and
7. A) To refrain from engaging in self-dealing or acting on behalf of licensee's immediate family, or on behalf of any other individual, organization or business entity in which licensee has a personal interest without prior disclosure of such personal interest and the timely written consent of all parties to the transaction; and
B) To refrain from recommending to any party to the transaction the use of services of another individual, organization or business entity in which the licensee has an interest or from whom the licensee may receive a referral fee or other compensation for the referral, other than referrals to other licensees to provide real estate services, without timely disclosure to the party who receives the referral, the licensee's interest in such referral or the fact that a referral fee may be received.

C. Duties owed to Client.

In addition to the above, the licensee has the following duties to his/her Client if the Licensee has become an Agent or Designated Agent in a transaction, pursuant to the Tennessee Real Estate Broker License Act:

1. Obey all lawful instructions of the client when such instructions are within the scope of the agency agreement between the licensee and licensee's client;
2. Be loyal to the interests of the client. Licensee must place the interests of the client before all others in negotiation of a transaction and in other activities, except where such loyalty/duty would violate licensee's duties to a customer in the transaction; and
3. Unless the following duties are specifically and individually waived in writing by a client, licensee shall assist the client by:
 - A) Scheduling all Property showings on behalf of the client;
 - B) Receiving all offers and counter offers and forwarding them promptly to the client;
 - C) Answering any questions that the client may have in negotiation of a successful purchase agreement within the scope of the licensee's expertise; and
 - D) Advising the client as to whatever forms, procedures and steps are needed after execution of the purchase agreement for a successful closing of the transaction.

Upon waiver of any of the above duties contained in subsection 12.C.3., a consumer must be advised in writing by such consumer's agent that the consumer may not expect or seek assistance from any other licensees in the transaction for the performance of the above.

D. Seller's Authorizations.

2. **Default to Facilitator.** Seller hereby authorizes Broker and Listing Licensee to default to Facilitator status (representing the interests of neither the Seller nor the Buyer) in any Property showings, negotiations, or transactions, in which the Listing Licensee may also have a representation agreement with the Buyer. In such event, Agent shall immediately notify (verbally) both the Buyer and the Seller of the need to default to this Facilitator status and notification shall be confirmed in writing prior to the execution of the contract. As a Facilitator, Broker and Broker's licensee may assist the parties and provide information in subsequent negotiations in that transaction. Upon any default to Facilitator status, the Broker and Broker's licensee must assume a neutral position and will not be an advocate for either the Buyer or Seller.
3. **Resumption of Agency Status.** In the event that Broker and Listing Licensee default to a Facilitator status, this Facilitator status will only be temporary. The Facilitator status will only last until any transaction or contemplated transaction in which the parties are all represented by the Facilitator is resolved (either because the transaction is

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closed or contemplated transaction between the parties is terminated or not accepted and no further negotiations occur between the parties). At that time, the Broker and Listing Licensee shall immediately revert back to their status as Agent for the Seller.

13. EARNEST MONEY/TRUST MONEY. Broker is authorized to accept from Buyer a deposit as earnest money/trust money to be applied to the purchase price for the Property. Such deposit is to be held by Broker in an escrow or trustee account or forwarded to party authorized to hold said funds as set forth in an executed contract for the purchase, lease, exchange, or option agreement until disbursed in accordance with the terms of said agreement.

14. TITLE. Seller warrants he is vested with good and marketable title to the Property with full authority to execute this Agreement and to sell the Property. Seller shall convey the Property by a good and sufficient general warranty deed.

15. OTHER PROVISIONS.

A. Binding Effect, Entire Agreement, Modification, and Assignment. This Agreement shall be for the benefit of, and be binding upon, the parties hereto, their heirs, successors, legal representatives and permitted assigns. This Agreement may only be assigned with the written consent of both parties. This Agreement constitutes the sole and entire agreement between the parties hereto and no modification of this Agreement shall be binding unless signed by all parties or assigns to this Agreement. No representation, promise, or inducement not included in this Agreement shall be binding upon any party hereto. Any assignee shall fulfill all the terms and conditions of this Agreement.

B. Governing Law and Venue. This Agreement is intended as a contract for the listing of real property and shall be governed by and interpreted in accordance with the laws and in the courts of the State of Tennessee.

C. Terminology. As the context may require in this Agreement: (1) the singular shall mean the plural and vice versa; (2) all pronouns shall mean and include the person, entity, firm or corporation to which they relate; (3) the masculine shall mean the feminine and vice versa; and (4) the term day(s) used throughout this Agreement shall be deemed to be calendar day(s) ending at 11:59 p.m. local time unless otherwise specified in this Agreement. Local time shall be determined by the location of Property.

D. Severability. If any portion or provision of this Agreement is held or adjudicated to be invalid or unenforceable for any reason, each such portion or provision shall be severed from the remaining portions or provisions of this Agreement, and the remaining portions or provisions shall be unaffected and remain in full force and effect.

E. Fair Housing. Broker and his affiliated Licensees shall provide services without regard to race, color, creed, religion, sex, handicap, familial status, national origin, sexual orientation or gender identity. A request to observe discriminatory practices in the sale, lease, exchange, or option of Property will not be granted.

16. LEGAL DOCUMENTS. THIS IS AN IMPORTANT LEGAL DOCUMENT CREATING VALUABLE RIGHTS AND OBLIGATIONS. IF YOU HAVE QUESTIONS ABOUT IT, YOU SHOULD REVIEW IT WITH YOUR ATTORNEY. NEITHER THE BROKER NOR ANY AGENT OR FACILITATOR IS AUTHORIZED OR QUALIFIED TO GIVE YOU ANY ADVICE ABOUT THE ADVISABILITY OR LEGAL EFFECT OF ITS PROVISIONS. BY SIGNING THIS DOCUMENT, YOU ARE CERTIFYING THAT YOU HAVE READ AND ACCEPT THESE TERMS AND ACKNOWLEDGE RECEIPT OF A COPY OF THIS AGREEMENT.

17. CONFIDENTIALITY. Information which Seller authorizes Broker and his affiliated Licensees to disclose which might otherwise be confidential:

18. EXHIBITS AND ADDENDA. All exhibits and/or addenda attached hereto, listed below, or referenced herein are made a part of this Agreement:

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364 **19. SPECIAL STIPULATIONS.** The following Special Stipulations, if conflicting with any preceding section, shall control:

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373 **NOTE:** Any provisions of this Agreement which are preceded by a “□” must be marked if a part of this Agreement.

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

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BY: Broker or Licensee Authorized by Broker

BROKER/FIRM

_____ at _____ o'clock □ am/ □ pm

Date

Address

Phone: _____

Print/Type Name

Email: _____

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

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SELLER/OWNER

SELLER/OWNER

Print/Type Name

Print/Type Name

_____ at _____ o'clock □ am/ □ pm

Date

_____ at _____ o'clock □ am/ □ pm

Date

Address

Address

Phone: _____ (H) _____ (Cell)

Phone: _____ (H) _____ (Cell)

_____ (W) Email: _____

_____ (W) Email: _____

NOTE: This form is provided by TAR 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 TAR logo in conjunction with any form other than standardized forms created by TAR 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.

DRAFT SPECIMEN

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RF132 – Lot/Land Exclusive Right to Sell Listing Agreement (Seller Agency), Page 9 of 9

Version 01/01/2020

EXCLUSIVE BUYER REPRESENTATION AGREEMENT (Designated Agency)

Broker/Firm: _____

Address of Firm: _____

Buyer: _____

1. TERM.

For and in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, this Agreement is entered into on this _____ day of _____, 20__ ("Effective Date") by and between the undersigned _____ ("Client" or "Buyer") ~~hereby employs the~~ and Firm/Broker of _____ ("Broker"), Broker shall act as Client's exclusive agent to locate property for Client's purchase, lease, exchange or option (collectively "Purchase") during the term of this agreement, and to advocate the Client's best interests in the negotiation of terms and conditions of any such Purchase. This Buyer Representation Agreement ("Agreement") begins on ~~this date~~ the Effective Date and terminates at 11:59 p.m. local time on _____, _____, or at the closing (or in the case of a lease, the date of possession) of any Purchase under this Agreement, if such occurs earlier. If a contract to purchase, exchange, or lease is signed before this Agreement expires, the term hereof shall continue until final disposition of the Purchase and Sales Agreement, exchange agreement, or lease agreement.

2. TYPE OF PROPERTY SOUGHT BY CLIENT.

A. General Description, Size and Location: _____

B. Price Range & Terms: _____

C. Sources to be Searched for Property: _____

D. Other Terms/Conditions: _____

E. Properties Specifically Exempted from this Agreement: _____

3. CLIENT DUTIES.

Buyer agrees:

- A. To Purchase property exclusively through Broker during the term of this Agreement;
- B. To furnish Broker on a timely basis with any necessary personal and/or financial information to ensure Client's ability to Purchase;
- C. That he/she is not under an exclusive right to buy contract or exclusive buyer representation agreement with any other agent at this time;
- D. That if Client utilizes the services of another real estate broker or deals solely with a Seller's Agent or the Seller directly at any time during the effective period of this Agreement and/or any extensions thereof and then enters into an agreement with a seller/owner to Purchase any property(ies) described above, the Buyer still owes a commission to the Broker provided herein;
- E. To authorize Broker to negotiate for a fee paid by the Seller and/or the Seller's agent, the payment of which will be fully disclosed to Client. If a fee is not offered or paid to Broker, as could occur, for example, in the purchase of an unlisted property, Client agrees to pay Broker a total of \$_____ or _____% compensation based on the total sale price. In the event that Buyer leases a property in lieu of purchase, the Buyer agrees to pay Broker a total of \$_____ in compensation unless otherwise stated herein. In the event that the amount of

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any cooperating compensation paid by Seller or Seller's broker is less than the amount listed above, Buyer agrees to pay Broker the difference at closing, or on the date of possession in the case of a lease. Broker's fee is earned at the signing by both parties of an agreement to purchase, lease, exchange or the exercise of an option for any property(ies) as described above and is due at the closing of any such transaction or upon possession of property unless otherwise stated herein. In the event that Buyer defaults on performance of a valid contract for sale, lease, exchange or exercised option, Broker's fee will be due on the date of default. Buyer agrees to pay all reasonable attorney's fees together with any court costs and expenses which real estate firm incurs in enforcing any of Buyer's obligations to pay compensation under this Agreement. The parties hereby agree that all remedies are fair and equitable and neither party will assert the lack of mutuality of remedies as a defense in the event of a dispute. **NOTICE:** Real estate fees are not fixed by law. They are set by each broker individually and are negotiable between Client and Broker. The payment of any fee by Seller will not make Broker either the Agent or Subagent of the Seller.

F. Carry-Over Clause. Should the Buyer contract to buy or exchange, or contract to lease a property within _____ days after the expiration of this Agreement with any Seller/Landlord (or anyone acting on Seller's/Landlord's behalf) who has been introduced to Buyer, directly or indirectly, during the term hereof, as extended, the Buyer agrees to pay the compensation as set forth above. This carry-over clause shall not apply if the Buyer is subject to a buyer's representation agreement with another licensed real estate broker at the time of such contract.

G. That he/she has reviewed this Agreement and agrees with the terms herein.

4. AGENCY

A. Definitions

- 1. Broker.** In this Agreement, the term "Broker" shall mean a licensed Tennessee real estate broker or brokerage firm and where the context would indicate, the Broker's affiliated licensees, including but not limited to the Designated Agent.
- 2. Designated Agent for the Buyer.** The individual licensee that has been assigned by the Managing Broker and is working as an agent for the Buyer in this consumer's prospective transaction, to the exclusion of all other licensees in his/her company. Even if someone else in the licensee's company represents a Seller of a prospective property, the Designated Agent for the Buyer will continue to work as an advocate for the best interests of the Buyer. An agency relationship, by law, can only be established by a written agency agreement.
- 3. Facilitator/Transaction Broker (not an agent for either party).** The licensee is not working as an agent for either party in this consumer's prospective transaction. A Facilitator may advise either or both of the parties to a transaction but cannot be considered a representative or advocate of either party. By law, any licensee or company who has not entered into a written agency agreement with either party in the transaction is considered a Facilitator or Transaction Broker until such time as an agency agreement is established.
- 4. Dual agency.** The licensee has agreements to provide services as an agent to more than one (1) party in a specific transaction and in which the interests of such parties are adverse. This agency status may only be employed upon full disclosure to each party and with each party's informed consent.
- 5. Adverse Facts.** "Adverse Facts" means conditions or occurrences generally recognized by competent licensees that have a negative impact on the value of the real estate, significantly reduce the structural integrity of improvements to real property or present a significant health risk to occupants of the property.
- 6. Confidentiality.** By law, every licensee is obligated to protect some information as confidential. This includes any information revealed by a consumer which may be helpful to the other party IF it was revealed by the consumer BEFORE the licensee disclosed any agency relationship with that other party. AFTER the licensee discloses that he/she has an agency relationship with another party, any such information which the consumer THEN reveals must be passed on by the licensee to that other party. Buyer understands that there is a possibility that sellers or sellers' representatives may not treat the existence, terms, or conditions of offers as confidential unless confidentiality is required by law, regulation, or by any confidentiality agreement between the parties.

B. Duties owed to all Parties to a Transaction.

Pursuant to the Tennessee Real Estate Broker License Act, every Real Estate Licensee owes the following duties to every Buyer and Seller, Tenant and Landlord (collectively “Buyers” and “Sellers”) unless otherwise provided by law:

1. To diligently exercise reasonable skill and care in providing services to all parties to the transaction;
2. To disclose to each party to the transaction any Adverse Facts of which Licensee has actual notice or knowledge;
3. To maintain for each party in a transaction the confidentiality of any information obtained by a Licensee prior to disclosure to all parties of a written agency agreement entered into by the Licensee to represent either or both parties in the transaction. This duty of confidentiality extends to any information that the party would reasonably expect to be held in confidence, except for information which the party has authorized for disclosure or information required by law to be disclosed;
4. To provide services to each party to the transaction with honesty and good faith;
5. To disclose to each party to the transaction timely and accurate information regarding market conditions that might affect such transaction only when such information is available through public records and when such information is requested by a party;
6. To give timely account for earnest money deposits and all other property received from any party to a transaction; and
7. A. To refrain from engaging in self-dealing or acting on behalf of Licensee’s immediate family, or on behalf of any other individual, organization or business entity in which Licensee has a personal interest without prior disclosure of such personal interest and the timely written consent of all parties to the transaction; and
B. To refrain from recommending to any party to the transaction the use of services of another individual, organization or business entity in which the Licensee has an interest or from whom the Licensee may receive a referral fee or other compensation for the referrals, other than referrals to other Licensees to provide real estate services, without timely disclosing to the party who receives the referral, the Licensee’s interest in such referral or the fact that a referral fee may be received.

C. Duties Owed to Client.

In addition to the above, the Licensee has the following duties to his/her Client if the Licensee has become an agent or Designated Agent in a transaction:

1. Obey all lawful instructions of the Client when such instructions are within the scope of this agency agreement between the Licensee and the Buyer/Client;
2. Be loyal to the interests of the Client. A Licensee must place the interests of the Client before all others in negotiation of a transaction and in other activities, except where such loyalty duty would violate Licensee’s duties to a customer in the transaction; and
3. Unless the following duties are specifically and individually waived in writing by a Client, Licensee shall assist the Client by:
 - A. Scheduling all property showings on behalf of the Client;
 - B. Receiving all offers and counter offers and forwarding them promptly to the Client;
 - C. Answering any questions that the Client may have in negotiation of a successful purchase within the scope of the Licensee’s expertise; and
 - D. Advising the Client as to whatever forms, procedures and steps are needed after execution of the purchase agreement for a successful closing of the transaction.

Upon Waiver of any of the above duties listed under subsection 4.C.3., the Client may not expect or seek assistance from any other licensees in the transaction for the performance of said duties.

D. Agent Disclosure. Pursuant to Tennessee Real Estate Commission Rule 1260-2-.36, Broker must disclose certain things to Client prior to the execution of this Agreement. Client hereby agrees that Broker has disclosed the following and that this Agreement constitutes written confirmation of same:

During the effective period of this Agreement:

1. Client should not contact listing agents directly and should make all arrangements to view and inspect property through Broker;
2. In the event Client comes into contact with a Seller's Agent(s) (for example, at an open house viewing), Client shall immediately inform the Seller's Agent(s) that he/she is represented by Broker; and
3. If Client purchases property(ies) covered by this Agreement through another real estate licensee or a Seller's Agent(s) or directly from a Seller, Client understands that he/she still owes a commission to the Broker as set forth in this Agreement.

E. Buyer's Authorizations.

1. **Appointment of Designated Agent.** Buyer hereby authorizes Managing Broker to appoint the Selling Licensee as Designated Agent for the Buyer, to the exclusion of any other licensees associated with Broker. A Designated Agent for the Buyer can and will continue to advocate Buyer's interests in a transaction even if a Designated Agent for the Seller (other than the Licensee listed below) is also associated with Broker. The Managing Broker hereby appoints _____ to be the Designated Agent for the Buyer in this transaction.
2. **Appointment of Subsequent Designated Agent.** Buyer hereby authorizes the Managing Broker, if necessary, to appoint a licensee, other than the Licensee named above, as Designated Agent for the Buyer, to the exclusion of any other licensees associated with Broker. This shall be accomplished through an amendment to this Agreement, if necessary.
3. **Default to Facilitator in the event that both parties are represented by the same Designated Agent.** The Designated Agent shall default to Facilitator status for all showings or transactions *involving the same Designated Agent for both the Buyer and a prospective Seller*, immediately notifying (verbally) the Buyer and the Seller of the need to default to this Facilitator status to be confirmed in writing prior to the execution of the contract. Upon any default to Facilitator status, the former Designated Agent must assume a neutral position and will not be an advocate for either the Buyer or any prospective Seller.
4. **Resumption of Agency Status.** In the event that the Designated Agent defaults to a Facilitator status, this Facilitator status will only be temporary. The Facilitator status will only last until any transaction or contemplated transaction in which the parties are all assisted by the same Facilitator is resolved (either because the transaction is closed or the transaction or contemplated transaction is terminated or not accepted and no further negotiations occur between the parties). At that time, the Agent will immediately revert back to Designated Agency status for the Buyer.

5. CONFIDENTIALITY.

Information which the Buyer authorizes Broker and his affiliated Licensees to disclose which might otherwise be confidential: _____

6. EARNEST MONEY/TRUST MONEY.

Broker is authorized to accept a deposit of earnest money/trust money to be applied to the purchase price for a property. Such deposit is to be held by Broker in an escrow or trustee account or forwarded to party authorized to hold said funds as set forth in an executed contract for purchase, lease, exchange or option agreement until disbursed in accordance with the terms of said agreement.

7. LIMITATIONS ON BROKER'S AUTHORITY AND RESPONSIBILITY.

Buyer acknowledges and agrees that Broker and Designated Agent:

- A. May show the same properties to other prospective buyers;
- B. Is not an expert with regard to matters that could be revealed through a survey, title search, or inspection; the insurability of the property or cost to insure the property; for the condition of the property, any portion thereof, or any item therein; for any geological issues present on the property; for any issues arising out of the failure to inspect property prior to entering into an agreement to Purchase property and/or closing on property; for the necessity or cost of any repairs to property; hazardous or toxic materials; square footage; acreage; the availability and cost of utilities, septic or community amenities; conditions existing off a property which may affect said property; proposed or pending condemnation actions involving the property; uses and zoning of a property, whether permitted or

This form is copyrighted and may only be used in real estate transactions in which _____ is involved as a TAR authorized user. Unauthorized use of the form may result in legal sanctions being brought against the user and should be reported to the Tennessee Association of Realtors® at 615-321-1477.

proposed; for applicable boundaries of school districts or other school information; termites and wood destroying organisms; building products and construction techniques; the tax or legal consequences of a contemplated transaction; matters relating to financing; for the appraised or future value of a property; etc. Buyer acknowledges that Broker is not an expert with respect to the above matters and is hereby advised to seek independent expert advice on any of these or other matters which are of concern to Buyer;

- C. Shall owe no duties to Buyer nor have any authority to act on behalf of Buyer other than what is set forth in this Agreement and the duties contained in the Tennessee Real Estate License Act of 1973, as amended, and the Tennessee Real Estate Commission Rules; and
- D. May make all disclosures required by law and/or the National Association of Realtors® Code of Ethics.
- E. **Hereby advises Buyer 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.**

8. EXPERT ASSISTANCE.

While Broker and the Licensees associated with Broker have considerable general knowledge of the real estate industry and real estate practices, they are not experts in matters of law, tax, financing, square footage, home inspections, wood destroying organisms, surveying, structural conditions, geological issues, hazardous materials, engineering, etc. Client acknowledges Broker's advice to seek professional assistance and advice in these and other areas of professional expertise as needed. If Broker or licensees associated with Broker provide names or sources to Client for such advice or assistance, those services and / or products are not warranted or guaranteed by the Broker or the Licensees associated with Broker.

9. OTHER PROVISIONS.

- A. Binding Effect, Entire Agreement, Modification, and Assignment.** This Agreement shall be for the benefit of, and be binding upon, the parties hereto, their heirs, successors, legal representatives and permitted assigns. This Agreement may only be assigned with the written consent of both parties. This Agreement constitutes the sole and entire agreement between the parties hereto and no modification of this Agreement shall be binding unless signed by all parties or assigns to this Agreement. No representation, promise, or inducement not included in this Agreement shall be binding upon any party hereto. Any assignee shall fulfill all the terms and conditions of this Agreement.
- B. Governing Law and Venue.** This Agreement is intended as a contract for buyer's agency representation and shall be governed by and interpreted in accordance with the laws and in the courts of the state of Tennessee.
- C. Terminology.** As the context may require in this Agreement: (1) the singular shall mean the plural and vice versa; (2) all pronouns shall mean and include the person, entity, firm or corporation to which they relate; (3) the masculine shall mean the feminine and vice versa; and (4) the term day(s) used throughout this Agreement shall be deemed to be calendar day(s) ending at 11:59 p.m. local time unless otherwise specified in this Agreement. Local time shall be determined by the location of the Firm.
- D. Severability.** If any portion or provision of this Agreement is held or adjudicated to be invalid or unenforceable for any reason, each such portion or provision shall be severed from the remaining portions or provisions of this Agreement, and the remaining portions or provisions shall be unaffected and remain in full force and effect.
- E. Fair Housing.** Broker and Designated Agent shall provide services without regard to race, color, creed, religion, sex, handicap, familial status, national origin, sexual orientation or gender identity. A request to observe discriminatory practices in the sale, lease, exchange, or option of property will not be granted.

10. LEGAL DOCUMENTS. THIS IS AN IMPORTANT LEGAL DOCUMENT CREATING VALUABLE RIGHTS AND OBLIGATIONS. IF YOU HAVE QUESTIONS ABOUT IT, YOU SHOULD REVIEW IT WITH YOUR ATTORNEY. NEITHER THE BROKER NOR ANY AGENT OR FACILITATOR IS AUTHORIZED OR QUALIFIED TO GIVE YOU ANY ADVICE CONCERNING THE ADVISABILITY OR LEGAL EFFECT OF ITS PROVISIONS. BY SIGNING THIS DOCUMENT, YOU ARE CERTIFYING THAT YOU HAVE READ AND ACCEPT THESE TERMS AND ACKNOWLEDGE RECEIPT OF THIS AGREEMENT.

11. EXHIBITS AND ADDENDA. All exhibits and/or addenda attached hereto, listed below, or referenced herein are made a part of this Agreement.

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12. SPECIAL STIPULATIONS. The following Special Stipulations, if conflicting with any preceding section, shall control:

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

BY: Broker or Licensee Authorized by Broker

BROKER/FIRM

_____ at _____ o'clock ☐ am/ ☐ pm

Date

Address

Phone: _____

Print/Type Name

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

BUYER

BUYER

Print/Type Name

Print/Type Name

_____ at _____ o'clock ☐ am/ ☐ pm

Date

_____ at _____ o'clock ☐ am/ ☐ pm

Date

Address

Address

Phone: _____ (H) _____ (Cell)

Phone: _____ (H) _____ (Cell)

_____ (W) Email: _____

_____ (W) Email: _____

NOTE: This form is provided by TAR 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 TAR logo in conjunction with any form other than standardized forms created by TAR 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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RF141 – Exclusive Buyer Representation Agreement (Designated Agency), Page 6 of 6

Version 01/01/2020

EXCLUSIVE BUYER REPRESENTATION AGREEMENT (BUYER AGENCY)

Broker/Firm: _____

Address of Firm: _____

Buyer: _____

1. TERM.

For and in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, this Agreement is entered into on this _____ day of _____, 20__ ("Effective Date") by and between the undersigned

_____, ("Client" or "Buyer") ~~hereby employs~~
~~the and~~ Firm/Broker of _____ ("Broker"),

Broker shall act as Client's exclusive agent to locate property for Client's purchase, lease, exchange or option (collectively "Purchase") during the term of this agreement, and to advocate the Client's best interests in the negotiation of terms and conditions of any such Purchase. This Buyer Representation Agreement ("Agreement") begins on ~~this date~~ the Effective Date and terminates at 11:59 p.m. local time on _____, _____, or at the closing (or in the case of a lease, the date of possession) of any Purchase under this Agreement, if such occurs earlier. If a contract to purchase, exchange, or lease is signed before this Agreement expires, the term hereof shall continue until final disposition of the Purchase and Sales Agreement, exchange agreement, or lease agreement.

2. TYPE OF PROPERTY SOUGHT BY CLIENT.

A. General Description, Size and Location:

B. Price Range & Terms:

C. Sources to be Searched for Property:

D. Other Terms/Conditions:

E. Properties Specifically Exempted from this Agreement:

3. CLIENT DUTIES.

Buyer agrees:

- A. To Purchase property exclusively through Broker during the term of this Agreement;
- B. To furnish Broker on a timely basis with any necessary personal and/or financial information to ensure Client's ability to Purchase;
- C. That he/she is not under an exclusive right to buy contract or exclusive buyer representation agreement with any other agent at this time;
- D. That if Client utilizes the services of another real estate broker or deals solely with a Seller's Agent or the Seller himself at any time during the effective period of this Agreement or any extensions thereof and then enters into an agreement with a seller/owner to Purchase any property(ies) described above, the Buyer still owes a commission to the Broker provided herein;

This form is copyrighted and may only be used in real estate transactions in which _____ is involved as a TAR authorized user. Unauthorized use of the form may result in legal sanctions being brought against the user and should be reported to the Tennessee Association of Realtors® at 615-321-1477.

- E. To authorize Broker to negotiate for a fee paid by the Seller and/or the Seller's agent, the payment of which will be fully disclosed to Client. If a fee is not offered or paid to Broker, as could occur, for example, in the purchase of an unlisted property, Client agrees to pay Broker a total of \$_____ or _____% compensation based on the total sale price. In the event that Buyer leases a property in lieu of purchase, the Buyer agrees to pay Broker a total of \$_____ in compensation unless otherwise stated herein. In the event that the amount of any cooperating compensation offered by Seller or Seller's broker is less than the amount listed above, Buyer agrees to pay Broker the difference at closing, or on the date of possession in the case of a lease. Broker's fee is earned at the signing by both parties of an agreement to purchase, lease, exchange or the exercise of an option for any property(ies) as described above and is due at the closing of any such transaction or upon possession of property unless otherwise stated herein. In the event that Buyer defaults on performance of a valid contract for sale, lease, exchange or exercised option, Broker's fee will be due on the date of default. Buyer agrees to pay all reasonable attorney's fees together with any court costs and expenses which real estate firm incurs in enforcing any of Buyer's obligations to pay compensation under this Agreement. The parties hereby agree that all remedies are fair and equitable and neither party will assert the lack of mutuality of remedies as a defense in the event of a dispute. **NOTICE:** Real estate fees are not fixed by law. They are set by each broker individually and are negotiable between Client and Broker. The payment of any fee by Seller will not make Broker either the Agent or Subagent of the Seller;
- F. **Carry-Over Clause.** Should the Buyer contract to buy or exchange, or contract to lease a property within _____ days after the expiration of this Agreement with any Seller/Landlord (or anyone acting on Seller's/Landlord's behalf) who has been introduced to the Buyer by the Broker, directly or indirectly, during the term hereof, as extended, the Buyer agrees to pay the compensation as set forth above. This carry-over clause shall not apply if the Buyer is subject to a buyer's representation agreement with another licensed real estate broker at the time of such contract.
- G. That he/she has reviewed this Agreement and agrees with the terms herein.

4. AGENCY

A. Definitions

1. **Broker.** In this Agreement, the term "Broker" shall mean a licensed Tennessee real estate broker or brokerage firm and where the context would indicate, the Broker's affiliated licensees.
2. **Agent for the Buyer.** The licensee's company is working as an agent for the Buyer, owes primary loyalty to the Buyer, and will work as an advocate of the best interests of the Buyer. An agency relationship of this type cannot, by law, be established without a written buyer agency agreement.
3. **Designated Agent for the Buyer.** The individual licensee that has been assigned by the Managing Broker and is working as an agent for the Buyer in this consumer's prospective transaction, to the exclusion of all other licensees in his/her company. Even if someone else in the licensee's company represents a Seller in whose property Buyer is interested, the Designated Agent for the Buyer will continue to work as an advocate for the best interests of the Buyer. An agency relationship, by law, can only be established by a written agency agreement.
4. **Facilitator/Transaction Broker (not an agent for either party).** The licensee is not working as an agent for either party in this consumer's prospective transaction. A Facilitator may advise either or both of the parties to a transaction but cannot be considered a representative or advocate of either party. By law, any licensee or company who has not entered into a written agency agreement with either party in the transaction is considered a Facilitator or Transaction Broker until such time as an agency agreement is established.
5. **Dual agency.** The licensee has agreements to provide services as an agent to more than one (1) party in a specific transaction and in which the interests of such parties are adverse. This agency status may only be employed upon full disclosure to each party and with each party's informed consent.
6. **Adverse Facts.** "Adverse Facts" means conditions or occurrences generally recognized by competent licensees that have a negative impact on the value of the real estate, significantly reduce the structural integrity of improvements to real property or present a significant health risk to occupants of the property.
7. **Confidentiality.** By law, every licensee is obligated to protect some information as confidential. This includes any information revealed by a consumer which may be helpful to the other party IF it was revealed by the consumer BEFORE the licensee disclosed any agency relationship with that other party. AFTER the licensee discloses that he/she has an agency relationship with another party, any such information which the consumer THEN reveals must be passed on by the licensee to that other party. Buyer understands that there is a possibility that sellers or sellers' representatives may not treat the existence, terms, or conditions of offers as confidential unless confidentiality is required by law, regulation, or by any confidentiality agreement between the parties.

B. Duties owed to all Parties to a Transaction.

Pursuant to the Tennessee Real Estate Broker License Act, every Real Estate Licensee owes the following duties to every Buyer and Seller, Tenant and Landlord (collectively “Buyers” and “Sellers”) unless otherwise provided by law:

1. To diligently exercise reasonable skill and care in providing services to all parties to the transaction;
2. To disclose to each party to the transaction any Adverse Facts of which Licensee has actual notice or knowledge;
3. To maintain for each party in a transaction the confidentiality of any information obtained by a Licensee prior to disclosure to all parties of a written agency agreement entered into by the Licensee to represent either or both parties in the transaction. This duty of confidentiality extends to any information that the party would reasonably expect to be held in confidence, except for information which the party has authorized for disclosure or information required by law to be disclosed;
4. To provide services to each party to the transaction with honesty and good faith;
5. To disclose to each party to the transaction timely and accurate information regarding market conditions that might affect such transaction only when such information is available through public records and when such information is requested by a party;
6. To give timely account for earnest money deposits and all other property received from any party to a transaction; and
7. (A) To refrain from engaging in self-dealing or acting on behalf of Licensee’s immediate family, or on behalf of any other individual, organization or business entity in which Licensee has a personal interest without prior disclosure of such personal interest and the timely written consent of all parties to the transaction; and
(B) To refrain from recommending to any party to the transaction the use of services of another individual, organization or business entity in which the Licensee has an interest or from whom the Licensee may receive a referral fee or other compensation for the referrals, other than referrals to other Licensees to provide real estate services, without timely disclosing to the party who receives the referral, the Licensee’s interest in such referral or the fact that a referral fee may be received.

C. Duties Owed to Client.

In addition to the above, the Licensee has the following duties to his/her Client if the Licensee has become an agent or Designated Agent in a transaction:

1. Obey all lawful instructions of the Client when such instructions are within the scope of this agency agreement between the Licensee and the Buyer/Client;
2. Be loyal to the interests of the Client. A Licensee must place the interests of the Client before all others in negotiation of a transaction and in other activities, except where such loyalty duty would violate Licensee’s duties to a customer in the transaction; and
3. Unless the following duties are specifically and individually waived in writing by a Client, Licensee shall assist the Client by:
 - A. Scheduling all property showings on behalf of the Client;
 - B. Receiving all offers and counter offers and forwarding them promptly to the Client;
 - C. Answering any questions that the Client may have in negotiation of a successful purchase within the scope of the Licensee’s expertise; and
 - D. Advising the Client as to whatever forms, procedures and steps are needed after execution of the purchase agreement for a successful closing of the transaction.

Upon Waiver of any of the above duties listed under subsection 4.C.3., the Client may not expect or seek assistance from any other licensees in the transaction for the performance of said duties.

D. Agent Disclosure. Pursuant to Tennessee Real Estate Commission Rule 1260-2-.36, Broker must disclose certain things to Client prior to the execution of this Agreement. Client hereby agrees that Broker has disclosed the following and that this Agreement constitutes written confirmation of same:

During the effective period of this Agreement:

1. Client should not contact listing agents directly and should make all arrangements to view and inspect property through Broker;

2. In the event Client comes into contact with a Seller's Agent(s) (for example, at an open house viewing), Client shall immediately inform the Seller's Agent(s) that he/she is represented by Broker; and
3. If Client purchases property(ies) covered by this Agreement through another real estate licensee or a Seller's Agent(s) or directly from a Seller, Client understands that he/she still owes a commission to the Broker as set forth in this Agreement.

E. Buyer's Authorizations.

1. **Default to Facilitator.** Buyer hereby authorizes Broker and Selling Licensee (agent working with Buyer) to default to Facilitator status (representing the interests of neither the Seller nor the Buyer) in any property showings, negotiations, or transactions in which the Broker may also have a representation agreement with the Seller who is also being assisted by the Selling Licensee. In such event, Agent shall immediately notify (verbally) both the Buyer and the Seller of the need to default to this Facilitator status and notification shall be confirmed in writing prior to the execution of the contract. As Facilitator, Broker and Broker's licensee may assist the parties and provide information in subsequent negotiations in that transaction. Upon any default to Facilitator status, the Broker and Broker's licensee must assume a neutral position and will not be an advocate for either the Buyer or any prospective Seller.
2. **Resumption of Agency Status.** In the event that Broker and Selling Licensee default to a Facilitator status, this Facilitator status will only be temporary. The Facilitator status will only last until any transaction or contemplated transaction in which the parties are all represented by the Facilitator is resolved (either because the transaction is closed or the transaction or contemplated transaction is terminated or not accepted and no further negotiations occur between the parties). At that time, the Broker and Selling Licensee shall immediately revert back to their status as Agent for the Buyer.

5. CONFIDENTIALITY.

Information which the Buyer authorizes Broker and his affiliated licensees to disclose which might otherwise be confidential:

6. EARNEST MONEY/TRUST MONEY.

Broker is authorized to accept a deposit of earnest money/trust money to be applied to the purchase price for a property. Such deposit is to be held by Broker in an escrow or trustee account or forwarded to party authorized to hold said funds as set forth in an executed contract for purchase, lease, exchange or option agreement until disbursed in accordance with the terms of said agreement.

7. LIMITATIONS ON BROKER'S AUTHORITY AND RESPONSIBILITY.

Buyer acknowledges and agrees that Broker:

- A. May show the same properties to other prospective buyers;
- B. Is not an expert with regard to matters that could be revealed through a survey, title search, or inspection; the insurability of the property or cost to insure the property; for the condition of the property, any portion thereof, or any item therein; for any geological issues present on the property; for any issues arising out of the failure to inspect property prior to entering into an agreement to Purchase property and/or closing on property; for the necessity or cost of any repairs to property; hazardous or toxic materials; square footage; acreage; the availability and cost of utilities, septic, or community amenities; conditions existing off a property which may affect said property; proposed or pending condemnation actions involving the property; uses and zoning of a property, whether permitted or proposed; for applicable boundaries of school districts or other school information; termites and wood destroying organisms; building products and construction techniques; the tax or legal consequences of a contemplated transaction; matters relating to financing; for the appraised or future value of a property; etc. Buyer acknowledges that Broker is not an expert with respect to the above matters and is hereby advised to seek independent expert advice on any of these or other matters which are of concern to Buyer;
- C. Shall owe no duties to Buyer nor have any authority to act on behalf of Buyer other than what is set forth in this Agreement and the duties contained in the Tennessee Real Estate Licensee Act of 1973, as amended, and the Tennessee Real Estate Commission Rules; and
- D. May make all disclosures required by law and/or the National Association of Realtors® Code of Ethics.

E. Hereby advises Buyer 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.

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While Broker and the Licensees associated with Broker have considerable general knowledge of the real estate industry and real estate practices, they are not experts in matters of law, tax, financing, square footage, home inspections, wood destroying organisms, surveying, structural conditions, geological issues, hazardous materials, engineering, etc. Client acknowledges Broker's advice to seek professional assistance and advice in these and other areas of professional expertise as needed. If Broker or licensees associated with Broker provide names or sources to Client for such advice or assistance, those services and/or products are not warranted or guaranteed by the Broker or the Licensees associated with Broker.

9. OTHER PROVISIONS.

A. Binding Effect, Entire Agreement, Modification, and Assignment. This Agreement shall be for the benefit of, and be binding upon, the parties hereto, their heirs, successors, legal representatives and permitted assigns. This Agreement may only be assigned with the written consent of both parties. This Agreement constitutes the sole and entire agreement between the parties hereto and no modification of this Agreement shall be binding unless signed by all parties or assigns to this Agreement. No representation, promise, or inducement not included in this Agreement shall be binding upon any party hereto. Any assignee shall fulfill all the terms and conditions of this Agreement.

B. Governing Law and Venue. This Agreement is intended as a contract for buyer's agency representation and shall be governed by and interpreted in accordance with the laws and in the courts of the state of Tennessee.

C. Terminology. As the context may require in this Agreement: (1) the singular shall mean the plural and vice versa; (2) all pronouns shall mean and include the person, entity, firm or corporation to which they relate; (3) the masculine shall mean the feminine and vice versa; and (4) the term day(s) used throughout this Agreement shall be deemed to be calendar day(s) ending at 11:59 p.m. local time unless otherwise specified in this Agreement. Local time shall be determined by the location of the Firm.

D. Severability. If any portion or provision of this Agreement is held or adjudicated to be invalid or unenforceable for any reason, each such portion or provision shall be severed from the remaining portions or provisions of this Agreement, and the remaining portions or provisions shall be unaffected and remain in full force and effect.

E. Fair Housing. Broker and his affiliated Licensees shall provide services without regard to race, color, creed, religion, sex, handicap, familial status, national origin, sexual orientation, or gender identity. A request to observe discriminatory practices in the sale, lease, exchange, or option of property will not be granted.

10. LEGAL DOCUMENTS. THIS IS AN IMPORTANT LEGAL DOCUMENT CREATING VALUABLE RIGHTS AND OBLIGATIONS. IF YOU HAVE QUESTIONS ABOUT IT, YOU SHOULD REVIEW IT WITH YOUR ATTORNEY. NEITHER THE BROKER NOR ANY AGENT OR FACILITATOR IS AUTHORIZED OR QUALIFIED TO GIVE YOU ANY ADVICE CONCERNING THE ADVISABILITY OR LEGAL EFFECT OF ITS PROVISIONS. BY SIGNING THIS DOCUMENT, YOU ARE CERTIFYING THAT YOU HAVE READ AND ACCEPT THESE TERMS AND ACKNOWLEDGE RECEIPT OF THIS AGREEMENT.

11. EXHIBITS AND ADDENDA: All exhibits and/or addenda attached hereto, listed below, or referenced herein are made a part of this Agreement.

12. SPECIAL STIPULATIONS. The following Special Stipulations, if conflicting with any preceding section, shall control:

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

BY: Broker or Licensee Authorized by Broker

BROKER/FIRM

_____ at _____ o'clock ☐ am/ ☐ pm

Date

Address

Print/Type Name

Phone:

Email:

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

BUYER

BUYER

Print/Type Name

Print/Type Name

_____ at _____ o'clock ☐ am/ ☐ pm

Date

_____ at _____ o'clock ☐ am/ ☐ pm

Date

Address

Address

Phone: _____ (H) _____ (Cell)

Phone: _____ (H) _____ (Cell)

_____ (W) Email: _____

_____ (W) Email: _____

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RF142 – Exclusive Buyer Representation Agreement (Buyer Agency) Page 6 of 6

Version 01/01/2020

NON-EXCLUSIVE BUYER REPRESENTATION AGREEMENT (Designated Agency)

Broker/Firm: _____

Address of Firm: _____

Buyer: _____

1. TERM.

For and in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, this Agreement is entered into on this _____ day of _____, 20__ ("Effective Date") by and between the undersigned

_____, ("Client" or "Buyer") ~~hereby employs~~
~~the~~ and Firm/Broker of _____ ("Broker"),
Broker shall act as Client's non-exclusive agent to locate property for Client's purchase, lease, exchange or option (collectively "Purchase") during the term of this agreement, and to advocate the Client's best interests in the negotiation of terms and conditions of any such Purchase. This Buyer Representation Agreement ("Agreement") begins on ~~this date the~~ Effective Date and terminates at 11:59 p.m., local time, on _____, _____, or at the closing (or in the case of a lease, the date of possession) of any Purchase under this Agreement, if such occurs earlier.

2. TYPE OF PROPERTY SOUGHT BY CLIENT.

A. General Description, Size and Location: _____

B. Price Range & Terms: _____

C. Sources to be Searched for Property: _____

D. Other Terms/Conditions: _____

E. Properties Specifically Exempted from this Agreement: _____

3. CLIENT DUTIES.

Buyer agrees:

A. To furnish Broker on a timely basis with any necessary personal and/or financial information to ensure Client's ability to Purchase.

B. That he/she is not under an exclusive right to buy contract or exclusive buyer's representation agreement with any other agent at this time.

C. To authorize Broker to negotiate for a fee paid by the Seller and/or the Seller's agent, the payment of which will be fully disclosed to Client. If a fee is not offered or paid to Broker, as could occur, for example, in the purchase of an unlisted property, Client agrees to pay Broker a total of \$ _____ or _____% compensation based on the total sale price of any properties achieved through the efforts of Broker. In the event that Buyer leases a property in lieu of purchase achieved through the efforts of Broker, the Buyer agrees to pay Broker a total of \$ _____ in compensation unless otherwise stated herein. In the event that the amount of any cooperating compensation paid by Seller or Seller's broker is less than the amount listed above, Buyer agrees to pay Broker the difference at closing, or on the date of possession in the case of a lease. Broker's fee is earned at the signing by both parties of an agreement to purchase, lease, exchange or the exercise of an option for any property(ies) as described above through the efforts of Broker and is due at the closing of any such transaction or upon possession of property unless otherwise stated herein. In the event that Buyer defaults on performance of a valid contract for sale, lease, exchange or exercised option, Broker's fee will be due on the date of default. Buyer agrees to pay all reasonable attorney's fees together with any court costs and expenses which real estate firm incurs in enforcing any of Buyer's obligations to pay compensation under this Agreement. The parties hereby agree that all remedies are fair and

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equitable and neither party will assert the lack of mutuality of remedies as a defense in the event of a dispute. **NOTICE:** Real estate fees are not fixed by law. They are set by each broker individually and are negotiable between Client and Broker. The payment of any fee by Seller will not make Broker either the Agent or Subagent of the Seller.

D. Carry-Over Clause. Should the Buyer contract to buy or exchange, or contract to lease a property within _____ days after the expiration of this Agreement with any Seller/Landlord (or anyone acting on Seller's/Landlord's behalf) who has been introduced to the Buyer, directly or indirectly by the Broker, during the term hereof, as extended, the Buyer agrees to pay the compensation as set forth above. This carry-over clause shall not apply if the Buyer is subject to a buyer's representation agreement with another licensed real estate broker at the time of such contract.

E. That he/she has reviewed this Agreement and agrees with the terms herein.

4. AGENCY

A. Definitions

- 1. Broker.** In this Agreement, the term "Broker" shall mean a licensed Tennessee real estate broker or brokerage firm and where the context would indicate, the Broker's affiliated licensees, including but not limited to the Designated Agent.
- 2. Designated Agent for the Buyer.** The individual licensee that has been assigned by the Managing Broker and is working as an agent for the Buyer in this consumer's prospective transaction, to the exclusion of all other licensees in his/her company. Even if someone else in the licensee's company represents a Seller of a prospective property, the Designated Agent for the Buyer will continue to work as an advocate for the best interests of the Buyer. An agency relationship, by law, can only be established by a written agency agreement.
- 3. Facilitator/Transaction Broker (not an agent for either party).** The licensee is not working as an agent for either party in this consumer's prospective transaction. A Facilitator may advise either or both of the parties to a transaction but cannot be considered a representative or advocate of either party. By law, any licensee or company who has not entered into a written agency agreement with either party in the transaction is considered a Facilitator or Transaction Broker until such time as an agency agreement is established.
- 4. Dual agency.** The licensee has agreements to provide services as an agent to more than one (1) party in a specific transaction and in which the interests of such parties are adverse. This agency status may only be employed upon full disclosure to each party and with each party's informed consent.
- 5. Adverse Facts.** "Adverse Facts" means conditions or occurrences generally recognized by competent licensees that have a negative impact on the value of the real estate, significantly reduce the structural integrity of improvements to real property or present a significant health risk to occupants of the property.
- 6. Confidentiality.** By law, every licensee is obligated to protect some information as confidential. This includes any information revealed by a consumer which may be helpful to the other party IF it was revealed by the consumer BEFORE the licensee disclosed any agency relationship with that other party. AFTER the licensee discloses that he/she has an agency relationship with another party, any such information which the consumer THEN reveals must be passed on by the licensee to that other party. Buyer understands that there is a possibility that sellers or sellers' representatives may not treat the existence, terms, or conditions of offers as confidential unless confidentiality is required by law, regulation, or by any confidentiality agreement between the parties.

B. Duties owed to all Parties to a Transaction.

Pursuant to the Tennessee Real Estate Broker License Act, every Real Estate Licensee owes the following duties to every Buyer and Seller, Tenant and Landlord (collectively "Buyers" and "Sellers") unless otherwise provided by law:

1. To diligently exercise reasonable skill and care in providing services to all parties to the transaction;
2. To disclose to each party to the transaction any Adverse Facts of which Licensee has actual notice or knowledge;
3. To maintain for each party in a transaction the confidentiality of any information obtained by a Licensee prior to disclosure to all parties of a written agency agreement entered into by the Licensee to represent either or both parties in the transaction. This duty of confidentiality extends to any information that the party would reasonably expect to be held in confidence, except for information which the party has authorized for disclosure or information required by law to be disclosed;
4. To provide services to each party to the transaction with honesty and good faith;
5. To disclose to each party to the transaction timely and accurate information regarding market conditions that might affect such transaction only when such information is available through public records and when such information is requested by a party;

6. To give timely account for earnest money deposits and all other property received from any party to a transaction; and
7. (A) To refrain from engaging in self-dealing or acting on behalf of Licensee's immediate family, or on behalf of any other individual, organization or business entity in which Licensee has a personal interest without prior disclosure of such personal interest and the timely written consent of all parties to the transaction; and
(B) To refrain from recommending to any party to the transaction the use of services of another individual, organization or business entity in which the Licensee has an interest or from whom the Licensee may receive a referral fee or other compensation for the referrals, other than referrals to other Licensees to provide real estate services, without timely disclosing to the party who receives the referral, the Licensee's interest in such referral or the fact that a referral fee may be received.

C. Duties Owed to Client.

In addition to the above, the Licensee has the following duties to his/her Client if the Licensee has become an agent or Designated Agent in a transaction:

1. Obey all lawful instructions of the Client when such instructions are within the scope of this agency agreement between the Licensee and the Buyer/Client;
2. Be loyal to the interests of the Client. A Licensee must place the interests of the Client before all others in negotiation of a transaction and in other activities, except where such loyalty duty would violate Licensee's duties to a customer in the transaction; and
3. Unless the following duties are specifically and individually waived in writing by a Client, Licensee shall assist the Client by:
 - A. Scheduling all property showings on behalf of the Client;
 - B. Receiving all offers and counter offers and forwarding them promptly to the Client;
 - C. Answering any questions that the Client may have in negotiation of a successful purchase within the scope of the Licensee's expertise; and
 - D. Advising the Client as to whatever forms, procedures and steps are needed after execution of the purchase agreement for a successful closing of the transaction.

Upon Waiver of any of the above duties listed under subparagraph 4.C.3., the Client may not expect or seek assistance from any other licensees in the transaction for the performance of said duties.

D. Buyer's Authorizations.

1. **Appointment of Designated Agent.** Buyer hereby authorizes Managing Broker to appoint the Selling Licensee as Designated Agent for the Buyer, to the exclusion of any other licensees associated with Broker. A Designated Agent for the Buyer can and will continue to advocate Buyer's interests in a transaction even if a Designated Agent for the Seller (other than the Licensee listed below) is also associated with Broker. The Managing Broker hereby appoints _____ to be the Designated Agent for the Buyer in this transaction.
2. **Appointment of Subsequent Designated Agent.** Buyer hereby authorizes the Managing Broker, if necessary, to appoint a licensee, other than the Licensee named above, as Designated Agent for the Buyer, to the exclusion of any other licensees associated with Broker. This shall be accomplished through an amendment to this Agreement, if necessary.
3. **Default to Facilitator in the event that both parties are represented by the same Designated Agent.** The Designated Agent shall default to Facilitator status for all showings or transactions *involving the same Designated Agent for both the Buyer and a prospective Seller*, immediately notifying (verbally) the Buyer and the Seller of the need to default to this Facilitator status to be confirmed in writing prior to the execution of the contract. Upon any default to Facilitator status, the former Designated Agent must assume a neutral position and will not be an advocate for either the Buyer or any prospective Sellers.
4. **Resumption of Agency Status.** In the event that the Designated Agent defaults to a Facilitator status, this Facilitator status will only be temporary. The Facilitator status will only last until any transaction or contemplated transaction in which the parties are all represented by the same Facilitator is resolved (either because the transaction is closed or the transaction or contemplated transaction is terminated or not accepted and no further negotiations occur between the parties). At that time, the Agent will immediately revert back to Designated Agency status for the Buyer.

5. CONFIDENTIALITY.

Information which the Buyer authorizes Broker and his affiliated Licensees to disclose which might otherwise be confidential:

6. EARNEST MONEY/TRUST MONEY.

Broker is authorized to accept a deposit of earnest money/trust money to be applied to the purchase price for a property. Such deposit is to be held by Broker in an escrow or trustee account or forwarded to party authorized to hold said funds as set forth in an executed contract for purchase, lease, exchange or option agreement until disbursed in accordance with the terms of said agreement.

7. LIMITATIONS ON BROKER'S AUTHORITY AND RESPONSIBILITY.

Buyer acknowledges and agrees that Broker and Designated Agent:

- A. May show the same properties to other prospective buyers;
- B. Is not an expert with regard to matters that could be revealed through a survey, title search, or inspection; the insurability of the property or cost to insure the property; for the condition of the property, any portion thereof, or any item therein; for any geological issues present on the property; for any issues arising out of the failure to inspect property prior to entering into an agreement to Purchase property and/or closing on property; for the necessity or cost of any repairs to property; hazardous or toxic materials; square footage; acreage; the availability and cost of utilities, septic, or community amenities; conditions existing off a property which may affect said property; proposed or pending condemnation actions involving the property; uses and zoning of a property, whether permitted or proposed; for applicable boundaries of school districts or other school information; termites and wood destroying organisms; building products and construction techniques; the tax or legal consequences of a contemplated transaction; matters relating to financing; for the appraised or future value of a property; etc. Buyer acknowledges that Broker is not an expert with respect to the above matters and is hereby advised to seek independent expert advice on any of these or other matters which are of concern to Buyer;
- C. Shall owe no duties to Buyer nor have any authority to act on behalf of Buyer other than what is set forth in this Agreement and the duties contained in the Tennessee Real Estate License Act of 1973, as amended, and the Tennessee Real Estate Commission Rules; and
- D. May make all disclosures required by law and/or the National Association of Realtors® Code of Ethics.
- E. **Hereby advises Buyer 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.**

8. EXPERT ASSISTANCE.

While Broker and the Licensees associated with Broker have considerable general knowledge of the real estate industry and real estate practices, they are not experts in matters of law, tax, financing, square footage, home inspections, wood destroying organisms, surveying, structural conditions, geological issues, hazardous materials, engineering, etc. Client acknowledges Broker's advice to seek professional assistance and advice in these and other areas of professional expertise as needed. If Broker or licensees associated with Broker provide names or sources to Client for such advice or assistance, those services and/or products are not warranted or guaranteed by the Broker or the Licensees associated with Broker.

9. OTHER PROVISIONS.

- A. **Binding Effect, Entire Agreement, Modification, and Assignment.** This Agreement shall be for the benefit of, and be binding upon, the parties hereto, their heirs, successors, legal representatives and permitted assigns. This Agreement may only be assigned with the written consent of both parties. This Agreement constitutes the sole and entire agreement between the parties hereto and no modification of this Agreement shall be binding unless signed by all parties or assigns to this Agreement. No representation, promise, or inducement not included in this Agreement shall be binding upon any party hereto. Any assignee shall fulfill all the terms and conditions of this Agreement.
- B. **Governing Law and Venue.** This Agreement is intended as a contract for buyer's agency representation and shall be governed by and interpreted in accordance with the laws and in the courts of the state of Tennessee.
- C. **Terminology.** As the context may require in this Agreement: (1) the singular shall mean the plural and vice versa; (2) all pronouns shall mean and include the person, entity, firm or corporation to which they relate; (3) the masculine shall mean the feminine and vice versa; and (4) the term day(s) used throughout this Agreement shall be deemed to

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be calendar day(s) ending at 11:59 p.m. local time unless otherwise specified in this Agreement. Local time shall be determined by the location of the Firm.

D. Severability. If any portion or provision of this Agreement is held or adjudicated to be invalid or unenforceable for any reason, each such portion or provision shall be severed from the remaining portions or provisions of this Agreement, and the remaining portions or provisions shall be unaffected and remain in full force and effect.

E. Fair Housing. Broker and Designated Agent shall provide services without regard to race, color, creed, religion, sex, handicap, familial status, national origin, sexual orientation, or gender identity. A request to observe discriminatory practices in the sale, lease, exchange, or option of property will not be granted.

10. LEGAL DOCUMENTS. THIS IS AN IMPORTANT LEGAL DOCUMENT CREATING VALUABLE RIGHTS AND OBLIGATIONS. IF YOU HAVE QUESTIONS ABOUT IT, YOU SHOULD REVIEW IT WITH YOUR ATTORNEY. NEITHER THE BROKER NOR ANY AGENT OR FACILITATOR IS AUTHORIZED OR QUALIFIED TO GIVE YOU ANY ADVICE CONCERNING THE ADVISABILITY OR LEGAL EFFECT OF ITS PROVISIONS. BY SIGNING THIS DOCUMENT, YOU ARE CERTIFYING THAT YOU HAVE READ AND ACCEPT THESE TERMS AND ACKNOWLEDGE RECEIPT OF THIS AGREEMENT.

11. EXHIBITS AND ADDENDA. All exhibits and/or addenda attached hereto, listed below, or referenced herein are made a part of this Agreement.

12. SPECIAL STIPULATIONS. The following Special Stipulations, if conflicting with any preceding section, shall control:

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

BY: Broker or Licensee Authorized by Broker

BROKER/FIRM

_____ at _____ o'clock ☐ am/ ☐ pm

Date

Address

Print/Type Name

Phone: _____

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

BUYER

BUYER

Print/Type Name

Print/Type Name

_____ at _____ o'clock ☐ am/ ☐ pm

Date

_____ at _____ o'clock ☐ am/ ☐ pm

Date

Address

Address

Phone: _____ (H) _____ (Cell)

Phone: _____ (H) _____ (Cell)

_____ (W) Email: _____

_____ (W) Email: _____

NOTE: This form is provided by TAR 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

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any such alteration, amendment or edit of said form is done at your own risk. Use of the TAR logo in conjunction with any form other than standardized forms created by TAR 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.

DRAFT SPECIMEN

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RF143 – Non-Exclusive Buyer Representation Agreement (Designated Agency) Page 6 of 6

Version 01/01/2020

NON-EXCLUSIVE BUYER REPRESENTATION AGREEMENT (BUYER AGENCY)

Broker/Firm: _____

Address of Firm: _____

Buyer: _____

1. TERM.

For and in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, this Agreement is entered into on this _____ day of _____, 20__ ("Effective Date") by and between the undersigned

_____, ("Client" or "Buyer") ~~hereby employs~~
~~the~~ and Firm/Broker of _____ ("Broker"),
Broker shall act as Client's non-exclusive agent to locate property for Client's purchase, lease, exchange or option (collectively "Purchase") during the term of this agreement, and to advocate the Client's best interests in the negotiation of terms and conditions of any such Purchase. This Buyer Representation Agreement ("Agreement") begins on ~~this date the~~ Effective Date and terminates at 11:59 p.m. local time on _____, _____, or at the closing (or in the case of a lease, the date of possession) of any Purchase under this Agreement, if such occurs earlier. If a contract to purchase, exchange, or lease is signed before this Agreement expires, the term hereof shall continue until final disposition of the Purchase and Sales Agreement, exchange agreement, or lease agreement.

2. TYPE OF PROPERTY SOUGHT BY CLIENT.

A. General Description, Size and Location: _____

B. Price Range & Terms: _____

C. Sources to be Searched for Property: _____

D. Other Terms/Conditions: _____

E. Properties Specifically Exempted from this Agreement: _____

3. CLIENT DUTIES.

Buyer agrees:

A. To furnish Broker on a timely basis with any necessary personal and/or financial information to ensure Client's ability to Purchase.

B. That he/she is not under an exclusive right to buy contract or exclusive buyer's representation agreement with any other agent at this time.

C. To authorize Broker to negotiate for a fee paid by the Seller and/or the Seller's agent, the payment of which will be fully disclosed to Client. If a fee is not offered or paid to Broker, as could occur, for example, in the purchase of an unlisted property, Client agrees to pay Broker a total of \$ _____ or _____% compensation based on the total sale price of any properties achieved through the efforts of Broker. In the event that Buyer leases a property achieved through the efforts of Broker in lieu of purchase, the Buyer agrees to pay Broker a total of \$ _____ in compensation unless otherwise stated herein. In the event that the amount of any cooperating compensation paid by Seller or Seller's broker is less than the amount listed above, Buyer agrees to pay Broker the difference at closing, or on the date of possession in the case of a lease. Broker's fee is earned at the signing by both parties of an agreement to purchase, lease, exchange or the exercise of an option for any property(ies) as described above through the efforts of Broker and is due at the closing of any such transaction or upon possession of property unless otherwise stated herein. In the event that Buyer defaults on performance of a valid contract for sale, lease, exchange or exercised option, Broker's fee will be due on the date of default. Buyer agrees to pay all reasonable

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attorney's fees together with any court costs and expenses which real estate firm incurs in enforcing any of Buyer's obligations to pay compensation under this Agreement. The parties hereby agree that all remedies are fair and equitable and neither party will assert the lack of mutuality of remedies as a defense in the event of a dispute. **NOTICE:** Real estate fees are not fixed by law. They are set by each broker individually and are negotiable between Client and Broker. The payment of any fee by Seller will not make Broker either the Agent or Subagent of the Seller.

- D. Carry-Over Clause.** Should the Buyer contract to sell or exchange, or contract to lease a property within _____ days after the expiration of this Agreement with any Seller/Landlord (or anyone acting on Seller's/Landlord's behalf) who has been introduced to the Buyer, directly or indirectly by the Broker, during the term hereof, as extended, the Buyer agrees to pay the compensation as set forth above. This carry-over clause shall not apply if the Buyer is subject to a buyer's representation agreement with another licensed real estate broker at the time of such contract.
- E.** That he/she has reviewed this Agreement and agrees with the terms herein.

4. AGENCY

A. Definitions

- 1. Broker.** In this Agreement, the term "Broker" shall mean a licensed Tennessee real estate broker or brokerage firm and where the context would indicate, the Broker's affiliated licensees.
- 2. Agent for the Buyer.** The licensee's company is working as an agent for the Buyer, owes primary loyalty to the Buyer, and will work as an advocate of the best interests of the Buyer. An agency relationship of this type cannot, by law, be established without a written buyer agency agreement.
- 3. Designated Agent for the Buyer.** The individual licensee that has been assigned by the Managing Broker and is working as an agent for the Buyer in this consumer's prospective transaction, to the exclusion of all other licensees in his/her company. Even if someone else in the licensee's company represents a Seller of a prospective property, the Designated Agent for the Buyer will continue to work as an advocate for the best interests of the Buyer. An agency relationship, by law, can only be established by a written agency agreement.
- 4. Facilitator/Transaction Broker (not an agent for either party).** The licensee is not working as an agent for either party in this consumer's prospective transaction. A Facilitator may advise either or both of the parties to a transaction but cannot be considered a representative or advocate of either party. By law, any licensee or company who has not entered into a written agency agreement with either party in the transaction is considered a Facilitator or Transaction Broker until such time as an agency agreement is established.
- 5. Dual Agency.** The licensee has agreements to provide services as an agent to more than one (1) party in a specific transaction and in which the interests of such parties are adverse. This agency status may only be employed upon full disclosure to each party and with each party's informed consent.
- 6. Adverse Facts.** "Adverse Facts" means conditions or occurrences generally recognized by competent licensees that have a negative impact on the value of the real estate, significantly reduce the structural integrity of improvements to real property or present a significant health risk to occupants of the property.
- 7. Confidentiality.** By law, every licensee is obligated to protect some information as confidential. This includes any information revealed by a consumer which may be helpful to the other party IF it was revealed by the consumer BEFORE the licensee disclosed any agency relationship with that other party. AFTER the licensee discloses that he/she has an agency relationship with another party, any such information which the consumer THEN reveals must be passed on by the licensee to that other party. Buyer understands that there is a possibility that sellers or sellers' representatives may not treat the existence, terms, or conditions of offers as confidential unless confidentiality is required by law, regulation, or by any confidentiality agreement between the parties.

B. Duties owed to all Parties to a Transaction.

Pursuant to the Tennessee Real Estate Broker License Act, every Real Estate Licensee owes the following duties to every Buyer and Seller, Tenant and Landlord (collectively "Buyers" and "Sellers") unless otherwise provided by law:

- 1.** To diligently exercise reasonable skill and care in providing services to all parties to the transaction;
- 2.** To disclose to each party to the transaction any Adverse Facts of which Licensee has actual notice or knowledge;
- 3.** To maintain for each party in a transaction the confidentiality of any information obtained by a Licensee prior to disclosure to all parties of a written agency agreement entered into by the Licensee to represent either or both parties in the transaction. This duty of confidentiality extends to any information that the party would reasonably expect to be held in confidence, except for information which the party has authorized for disclosure or information required by law to be disclosed;
- 4.** To provide services to each party to the transaction with honesty and good faith;

5. To disclose to each party to the transaction timely and accurate information regarding market conditions that might affect such transaction only when such information is available through public records and when such information is requested by a party;
6. To give timely account for earnest money deposits and all other property received from any party to a transaction; and
7. A. To refrain from engaging in self-dealing or acting on behalf of Licensee's immediate family, or on behalf of any other individual, organization or business entity in which Licensee has a personal interest without prior disclosure of such personal interest and the timely written consent of all parties to the transaction; and
B. To refrain from recommending to any party to the transaction the use of services of another individual, organization or business entity in which the Licensee has an interest or from whom the Licensee may receive a referral fee or other compensation for the referrals, other than referrals to other Licensees to provide real estate services, without timely disclosing to the party who receives the referral, the Licensee's interest in such referral or the fact that a referral fee may be received.

C. Duties Owed to Client.

In addition to the above, the Licensee has the following duties to his/her Client if the Licensee has become an agent or Designated Agent in a transaction:

1. Obey all lawful instructions of the Client when such instructions are within the scope of this agency agreement between the Licensee and the Buyer/Client;
2. Be loyal to the interests of the Client. A Licensee must place the interests of the Client before all others in negotiation of a transaction and in other activities, except where such loyalty duty would violate Licensee's duties to a customer in the transaction; and
3. Unless the following duties are specifically and individually waived in writing by a Client, Licensee shall assist the Client by:
 - A. Scheduling all property showings on behalf of the Client;
 - B. Receiving all offers and counter offers and forwarding them promptly to the Client;
 - C. Answering any questions that the Client may have in negotiation of a successful purchase within the scope of the Licensee's expertise; and
 - D. Advising the Client as to whatever forms, procedures and steps are needed after execution of the purchase agreement for a successful closing of the transaction.

Upon Waiver of any of the above duties listed under subsection 4.C.3., the Client may not expect or seek assistance from any other licensees in the transaction for the performance of said duties.

D. Buyer's Authorizations.

1. **Default to Facilitator.** Buyer hereby authorizes Broker and Selling Licensee (agent working with Buyer) to default to Facilitator status (representing the interests of neither the Seller nor the Buyer) in any property showings, negotiations, or transactions, in which the Broker may also have a representation agreement with the Seller who is also being assisted by the Selling Licensee. In such event, Agent shall immediately notify (verbally) both the Buyer and the Seller of the need to default to this Facilitator status and notification shall be confirmed in writing prior to the execution of the contract. As Facilitator, Broker and Broker's licensee may assist the parties and provide information in subsequent negotiations in that transaction. Upon any default to Facilitator status, the Broker and Broker's licensee must assume a neutral position and will not be an advocate for either the Buyer or any prospective Seller.
2. **Resumption of Agency Status.** In the event that Broker and Selling Licensee default to a Facilitator status, this Facilitator status will only be temporary. The Facilitator status will only last until any transaction or contemplated transaction in which the parties are all represented by the Facilitator is resolved (either because the transaction is closed or the transaction or contemplated transaction is terminated or not accepted and no further negotiations occur between the parties). At that time, the Broker and Selling Licensee shall immediately revert back to their status as Agent for the Buyer.

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Information which the Buyer authorizes Broker and his affiliated licensees to disclose which might otherwise be confidential: _____

6. EARNEST MONEY/TRUST MONEY.

Broker is authorized to accept a deposit of earnest money/trust money to be applied to the purchase price for a property. Such deposit is to be held by Broker in an escrow or trustee account or forwarded to party authorized to hold said funds as set forth in an executed contract for purchase, lease, exchange or option agreement until disbursed in accordance with the terms of said agreement.

7. LIMITATIONS ON BROKER'S AUTHORITY AND RESPONSIBILITY.

Buyer acknowledges and agrees that Broker:

- A. May show the same properties to other prospective buyers;
- B. Is not an expert with regard to matters that could be revealed through a survey, title search, or inspection; the insurability of the property or cost to insure property; for the condition of the property, any portion thereof, or any item therein; for any geological issues present on the property; for any issues arising out of the failure to inspect property prior to entering into an agreement to Purchase property and/or closing on property; for the necessity or cost of any repairs to property; hazardous or toxic materials; square footage; acreage; the availability and cost of utilities, septic, or community amenities; conditions existing off a property which may affect said property; proposed or pending condemnation actions involving the property; uses and zoning of a property, whether permitted or proposed; for applicable boundaries of school districts or other school information; termites and wood destroying organisms; building products and construction techniques; the tax or legal consequences of a contemplated transaction; matters relating to financing; for the appraised or future value of a property; etc. Buyer acknowledges that Broker is not an expert with respect to the above matters and is hereby advised to seek independent expert advice on any of these or other matters which are of concern to Buyer;
- C. Shall owe no duties to Buyer nor have any authority to act on behalf of Buyer other than what is set forth in this Agreement and the duties contained in the Tennessee Real Estate Licensee Act of 1973, as amended, and the Tennessee Real Estate Commission Rules; and
- D. May make all disclosures required by law and/or the National Association of Realtors® Code of Ethics.
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9. OTHER PROVISIONS.

- A. **Binding Effect, Entire Agreement, Modification, and Assignment.** This Agreement shall be for the benefit of, and be binding upon, the parties hereto, their heirs, successors, legal representatives and permitted assigns. This Agreement may only be assigned with the written consent of both parties. This Agreement constitutes the sole and entire agreement between the parties hereto and no modification of this Agreement shall be binding unless signed by all parties or assigns to this Agreement. No representation, promise, or inducement not included in this Agreement shall be binding upon any party hereto. Any assignee shall fulfill all the terms and conditions of this Agreement.
- B. **Governing Law and Venue.** This Agreement is intended as a contract for buyer's agency representation and shall be governed by and interpreted in accordance with the laws and in the courts of the state of Tennessee.
- C. **Terminology.** As the context may require in this Agreement: (1) the singular shall mean the plural and vice versa; (2) all pronouns shall mean and include the person, entity, firm or corporation to which they relate; (3) the masculine shall mean the feminine and vice versa; and (4) the term day(s) used throughout this Agreement shall be deemed to be calendar day(s) ending at 11:59 p.m. local time unless otherwise specified in this Agreement. Local time shall be determined by the location of the Firm
- D. **Severability.** If any portion or provision of this Agreement is held or adjudicated to be invalid or unenforceable for any reason, each such portion or provision shall be severed from the remaining portions or provisions of this Agreement, and the remaining portions or provisions shall be unaffected and remain in full force and effect.

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E. Fair Housing. Broker and his affiliated Licensees shall provide services without regard to race, color, creed, religion, sex, handicap, familial status, national origin, sexual orientation or gender identity. A request to observe discriminatory practices in the sale, lease, exchange, or option of property will not be granted.

10. LEGAL DOCUMENTS. THIS IS AN IMPORTANT LEGAL DOCUMENT CREATING VALUABLE RIGHTS AND OBLIGATIONS. IF YOU HAVE QUESTIONS ABOUT IT, YOU SHOULD REVIEW IT WITH YOUR ATTORNEY. NEITHER THE BROKER NOR ANY AGENT OR FACILITATOR IS AUTHORIZED OR QUALIFIED TO GIVE YOU ANY ADVICE CONCERNING THE ADVISABILITY OR LEGAL EFFECT OF ITS PROVISIONS. BY SIGNING THIS DOCUMENT, YOU ARE CERTIFYING THAT YOU HAVE READ AND ACCEPT THESE TERMS AND ACKNOWLEDGE RECEIPT OF THIS AGREEMENT.

11. EXHIBITS AND ADDENDA. All exhibits and/or addenda attached hereto, listed below, or referenced herein are made a part of this Agreement.

12. SPECIAL STIPULATIONS: The following Special Stipulations, if conflicting with any preceding section, shall control:

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

BY: Broker or Licensee Authorized by Broker

BROKER/FIRM

_____ at _____ o'clock ☐ am/ ☐ pm

Date

Address

Print/Type Name

Phone: _____

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

BUYER

BUYER

Print/Type Name

Print/Type Name

_____ at _____ o'clock ☐ am/ ☐ pm

Date

_____ at _____ o'clock ☐ am/ ☐ pm

Date

Address

Address

Phone: _____ (H) _____ (Cell)

Phone: _____ (H) _____ (Cell)

_____ (W) Email: _____

_____ (W) Email: _____

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RF144 – Non-Exclusive Buyer Representation Agreement (Buyer Agency), Page 5 of 5

Version 01/01/2020

LISTING/AGENCY MUTUAL RELEASE AGREEMENT

1 Firm/Company: _____
 2 Client/Customer: _____
 3 Property (if applicable): _____ MLS # _____

4 This is a Mutual Release between the "Client/Customer" and the real estate "Firm/Company."

5 Whereas, the Client/Customer and Firm/Company have entered into a marketing / listing / and/or agency agreement
 6 ("Agreement") ~~dated~~ with an Effective Date of _____ and all parties desire to terminate the Agreement(s)
 7 regarding the Property (if applicable) listed above.

8 NOW, THEREFORE, it is hereby agreed by and among the parties as follows (select one box):

9 ☐ If the Client/Customer enters into an agreement for the sale or exchange or contract to lease with option to buy within
 10 _____ days after the date of this Mutual Release of the Listing/Marketing Agreement with any buyer (or anyone acting on
 11 buyer's behalf) who has been introduced to the property directly or indirectly, during the term of the Listing/Marketing
 12 Agreement and any extensions thereof without the services of a licensed broker or agent, the Client/Customer agrees to pay
 13 compensation for a total of \$ _____ or _____ % of the purchase price to the Firm/Company. This includes
 14 but is not limited to any introduction or exposure to Property by advertisements or postings appearing in any medium which
 15 originated as a result of listing the Property with Firm/Company. Client/Customer agrees to pay a cancellation fee of
 16 \$ _____, receipt of which is hereby acknowledged. This paragraph shall not apply if the Property is listed
 17 with another licensed real estate broker at the time of such contract.

18 **OR**

19 ☐ Agency Agreement in conjunction with the aforementioned Client and Firm/Company is hereby mutually canceled.

20 **OR**

21 ☐ Buyer Representation Agreement between the aforementioned Client and Firm/Company is hereby mutually cancelled.

22 For and in consideration of the Agreement set forth herein and in consideration of the mutual releases granted herein, the
 23 receipt and adequacy of which is hereby acknowledged, the Client/Customer and Firm/Company do hereby release, acquit
 24 and forever discharge each other, and all other persons acting through them from all of the terms, conditions, responsibilities
 25 and obligations of the Agreement(s).

26 The parties to this Mutual Release have read its entire contents and it is agreed that all terms and conditions pertinent hereto
 27 are included in this writing and no verbal agreements or understandings of any kind shall be binding upon the parties. This
 28 Mutual Release now contains the entire agreement between the parties.

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

30 _____	_____
31 MANAGING BROKER	FIRM / COMPANY
32 _____ at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm	_____ at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm
33 Date	Date

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

35 _____	_____
36 CLIENT / CUSTOMER	CLIENT / CUSTOMER
37 _____ at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm	_____ at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm
38 Date	Date

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AGREEMENT TO SHOW PROPERTY

- 1 **1. Permission to Show Property.** In consideration of the services and efforts of
 2 _____, a licensed real estate firm
 3 (hereinafter "Broker"), the undersigned seller (hereinafter "Seller") enters into this Agreement with Broker on
 4 _____, 20____ ("Effective Date") ~~hereby grants to~~ granting Broker the right and privilege
 5 to show and offer for sale to _____ (hereinafter
 6 "Prospect"), from _____ to _____ (hereinafter the "Authorization Period"), the following
 7 described property: _____ (Address),
 8 _____ (City), Tennessee, _____ (Zip), as recorded in _____
 9 County Register of Deeds Office, _____ deed book(s), _____ page(s) _____
 10 instrument number, and further described as:
 11 _____ together with all fixtures,
 12 landscaping, improvements and appurtenances, all being hereinafter collectively referred to as the "Property".
- 13 **2. Price.** A price of \$_____ may be quoted for the Property, which amount includes the
 14 real estate compensation, terms of which are more fully set forth below.
- 15 **3. Brokerage Compensation.** Seller agrees to pay to Broker, at the closing of the sale which includes, but is not
 16 limited to, payment of purchase price in full, execution of a 1031 exchange, execution of a deed of trust, or
 17 execution of a promissory note, a real estate compensation (hereinafter "Compensation") of
 18 _____ percent (____%) of the negotiated sales price should Prospect enter into,
 19 during the Authorization Period, an enforceable Purchase and Sale Agreement to purchase the Property, and
 20 Seller acknowledges that in such event, Broker shall have been the procuring cause of such sale. In the event
 21 that the Property is sold directly by Seller to Prospect within _____ [insert time period]
 22 after the expiration of the Authorization Period, then Seller agrees to pay the Compensation to Broker at the
 23 closing of the sale.
- 24 **4. Representation.** This Agreement is not a seller's agency engagement, but rather, is limited to Seller's
 25 permission given to Broker to show the above Property to Prospect, in exchange for compensation to Broker as
 26 set forth above. This Agreement shall not be construed to create an agency relationship between Seller and
 27 Broker. The parties understand and agree that although Broker is not Seller's agent, Broker will treat Seller
 28 honestly and may perform ministerial acts for Seller. It is understood that this Agreement in no way prohibits
 29 Seller from selling the Property directly to a buyer other than Prospect.
- 30 **5. Good and Marketable Title.** Seller warrants that Seller (1) presently has title to the Property or has full
 31 authority to enter into this Agreement, and (2) will in good faith cooperate with Broker in the showing of the
 32 Property to Prospect. Seller authorizes submission of information to Multiple Listing Service when Property
 33 has closed (evidenced by delivery of warranty deed and payment of purchase price).
- 34 **6. Audio/Video Recording.** Seller is responsible for compliance with state or federal law regarding usage
 35 of video or audio recording devices while marketing or showing the property. Seller should seek legal
 36 advice regarding their rights or limitations related to their actions.
- 37 **7. Other Provisions.**
- 38 **A. Binding Effect, Entire Agreement, Modification, and Assignment.** This Agreement shall be for the
 39 benefit of, and be binding upon, the parties hereto, their heirs, successors, legal representatives and assigns.
 40 This Agreement constitutes the sole and entire agreement between the parties hereto and no modification
 41 of this Agreement shall be binding unless signed by all parties or assigns to this Agreement. No
 42 representation, promise, or inducement not included in this Agreement shall be binding upon any party
 43 hereto. Any assignee shall fulfill all the terms and conditions of this Agreement.
- 44 **B. Governing Law and Venue.** This Agreement is intended as a contract to show real property and shall be
 45 governed by and interpreted in accordance with the laws and in the courts of the State of Tennessee.

- C. Equal Housing.** This Property is being sold without regard to race, creed, color, sex, religion, handicap, familial status, or national origin.
- D. Severability.** If any portion or provision of this Agreement is held or adjudicated to be invalid or unenforceable for any reason, each such portion or provision shall be severed from the remaining portions or provisions of this Agreement, and the remaining portions or provisions shall be unaffected and remain in full force and effect.
- E. Default.** Seller agrees to pay all reasonable attorney's fees together with any court costs and expenses which Broker incurs in enforcing any of Seller's obligations to pay compensation under this Agreement to Show Property. The parties hereby agree that all remedies are fair and equitable and neither party will assert the lack of mutuality of remedies as a defense in the event of a dispute.
- F. Time of Essence.** Time is of the essence in this Agreement.
- G. Method of Execution.** The parties agree that signatures and initials transmitted by facsimile, other photocopy transmittal, or by transmittal of digital signature as defined by the applicable State or Federal law will be acceptable and may be treated as originals and that the final Purchase and Sale Agreement containing all signatures and initials may be executed partially by original signature and partially on facsimile, other photocopy documents, or by digital signature as defined by the applicable State or Federal law.

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

By: Broker or Licensee Authorized by Broker

BROKER/FIRM

_____ at _____ o'clock ☐ am/ ☐ pm

Date

ADDRESS

PHONE:

PRINT/TYPE NAME

EMAIL:

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

PRINT/TYPE NAME:

PRINT/TYPE NAME:

ADDRESS:

ADDRESS:

Phone(H): _____ Phone(W): _____

Phone(H): _____ Phone(W): _____

Cell: _____ Email: _____

Cell: _____ Email: _____

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EXCLUSIVE PROPERTY MANAGEMENT AGREEMENT

For and in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged,

_____ (hereinafter referred to as "Owner"),
and _____ as broker/firm and its affiliated
licensees (hereinafter collectively referred to as "Broker") do hereby enter into this Exclusive Property Management Agreement
("Agreement"), this _____ day of _____, _____ ("Effective Date").

WHEREAS, Owner owns that certain real estate property described as follows: All that tract of land known as:

_____ (Address),
_____ (City), Tennessee, _____ (Zip), as recorded in _____
County Register of Deeds Office, _____ deed book(s) _____ page(s) and/or
_____ instrument number, and further described as:

together with all fixtures, landscaping, improvements, and appurtenances, all being hereinafter collectively referred to as the
"Property."

1. TERM. Broker shall have the exclusive right to manage the Property for the period of _____
beginning on _____, _____ and shall continue through and including _____,
("Agreement Term"). If either party does not provide written notice of termination 30 days prior to the end of the
Agreement Term, the Agreement shall continue and may only be terminated with 30 days' written notice from either party.
If Owner terminates this Agreement without legally sufficient cause or Broker terminates this Agreement with legally
sufficient cause prior to expiration of the Agreement Term, Owner shall pay Broker an amount equal to the compensation
Broker would have been entitled to receive during the balance of the then-existing term of this Agreement, taking into
account any rental agreements in effect at time of such termination. Broker may deduct the full amount of such fees from
any monies coming to Broker which would be due to Owner.

2. LEASES. Any lease agreement will be in writing, with the basic terms being: a lease period of _____ months at a
monthly rental rate of \$ _____ (_____ Dollars), or such other terms agreeable to
the parties.

3. BROKER'S DUTIES. Owner agrees that Broker is authorized to receive on behalf of Owner all notices, offers, and other
documents incidental to the lease and management of the Property which is covered by this Agreement. Owner agrees
that such receipt by Broker may be deemed to be receipt by Owner if such documents so provide or if the law so requires.
Owner agrees to keep Broker informed of Owner's whereabouts in order for Broker to promptly forward all such notices
and other information to Owner.

Owner authorizes Broker and/or its affiliated Licensees and any duly authorized key holder key entry access to the
Property. Owner represents that adequate insurance will be kept in force to protect Owner in the event of any damage,
losses or claims arising from entry to Property by persons through the above use of the key and agrees to hold Broker, its
licensees, salespersons and employees harmless from any loss, theft, or damage incurred as a result of showings, Open
Houses or other authorized entry thereof.

Broker is authorized to manage the Property to the best of Broker's ability, devoting thereto such time and attention may
be necessary including the following authorizations:

1. Broker is authorized to negotiate, prepare, and execute all leases, including all renewals and extensions of
leases and to cancel and modify existing leases on behalf of the Owner.
2. Broker is authorized to provide notices of termination of tenancies at the end of the lease terms and/or in a
month-to-month tenancy situation according to the terms of the lease agreement; and to disseminate such other
notices as are appropriate.
3. Broker is authorized to collect the rents due or to become due and give receipts therefore within 30 days.
4. Broker is authorized to retain such amounts from Owner's rental proceeds as may be necessary from time to
time to pay expenses associated with the management and operation of the Property for which Owner is
responsible hereunder. Broker will establish and maintain a fund on Owner's behalf in the amount of
\$ _____ from which expenses may be paid, but Owner acknowledges and understands that Broker may

from time to time retain additional amounts which are reasonably necessary and will notify Owner in writing in advance. Upon commencement of this Agreement, Owner shall remit to Broker the sum of \$_____ to be deposited in the fund as an initial deposit. This fund is fully refundable (less unpaid balances and unpaid invoices) upon termination of agreement with legally sufficient cause.

5. Broker is authorized to negotiate partial refunds with tenant if, in Broker's reasonable opinion, the tenant's use and enjoyment of the Property has been or will be materially and adversely affected as a result of a defect in the condition of the Property (such as a repair to the electrical, plumbing, sanitary, heating or ventilating facilities or a major appliance that cannot be made reasonably and promptly).

6. Broker is authorized to make arrangements on Owner's behalf for any repairs which, in Broker's opinion, may be necessary to preserve, maintain and protect the Property; provided, Broker may not make arrangements for any repairs that exceed \$_____ without prior approval of Owner, except that in case of an emergency, Broker may, without prior approval, make arrangements for whatever expenditures on behalf of Owner that are reasonably necessary to preserve the Property, prevent further damage from occurring, or to provide essential services to tenant.

7. Broker is authorized to charge tenant reasonable administrative fees permitted by law and retain any such fees, including but not limited to, fees to cover the costs of processing tenant rental applications. If tenant leases provide for late payment fees and/or returned check fees, such fees, when collected by Broker, shall belong to Broker.

4. **OWNER'S DUTIES AND REPRESENTATIONS.** Owner represents that Owner: (a) presently has title to the Property or has full authority to enter into this Agreement; (b) warrants and covenants that on the date of this Agreement the Property is habitable, meets all governmental requirements and codes for habitation and rental, including ensuring all smoke detectors are in proper working condition; (c) will cooperate with Broker to lease the Property to prospective tenant; (d) will make the Property available for showing at reasonable times as requested by Broker; (e) will provide Broker with accurate information regarding the Property (including information concerning all adverse material facts pertaining to the physical condition of the Property); (f) is responsible for all costs and expenses associated with the maintenance and operation of the Property; (g) is responsible for timely payment of all property taxes, mortgage payments, governmental or owners' association assessments associated with the Property, and any other expenses which could become a lien against the Property; (h) will promptly notify Broker in the event that Owner receives any notice(s) from the holder of any loan or from any other lien holder of any kind during the term of this Agreement, regarding a default in payment threatened foreclosure or the filing of a foreclosure proceeding; (i) is offering Property for rent without regard to race, color, creed, religion, sex, handicap, familial status, national origin, and any other law relating to discrimination and (j) is responsible for filing any appropriate suits for a breach under a lease unless otherwise agreed to in writing. *[Check all that apply. The sections not marked shall not be a part of this Agreement.]*

- ☐ Owner is responsible for winterizing exterior and interior features of the Property;
- ☐ Owner is required to refund Broker for any utility balance in the event utilities are switched into Broker's name or Broker's firm's name;
- ☐ Owner shall provide funds to Broker promptly upon Broker's request for any cost or expense for which Owner is responsible that Broker, in Broker's discretion, incurs on Owner's behalf, including but not limited to, emergency maintenance and repairs, utilities, owners' association dues and assessments; and further pay interest at a rate of _____ percent (____%) per year on the amount of any outstanding balance thereof not paid to Broker within _____ days of Broker's written request therefore;
- ☐ Owner is responsible for applicable lawncare services for the Property while Property is vacant.
- ☐ Owner is responsible for applicable pest control services for the Property.

5. **COMPENSATION.** Broker shall be compensated on the following basis:

A. Terms. Owner agrees to pay Broker a commission of *[Check one. The sections not marked shall not be a part of this Agreement.]*:

- ☐ 1. \$_____ or _____% of the monthly rents to be paid, which shall be **due and payable upon occupancy by a tenant.** This compensation amount shall be based on the total amount of rent to be paid over the lease term.
- ☐ 2. \$_____ or _____% of the monthly rents paid, which shall be **due and payable upon a tenant's monthly payment of rent.** This compensation amount shall be based on the total amount of rent to be paid and shall be payable over the lease term.

- ☐ 3. \$ _____ due and payable upon occupancy by a tenant and _____% of the monthly rents paid, which shall be **due and payable upon a tenant's monthly payment of rent**. This compensation shall be based on the total amount of rent to be paid over the lease term.

Any ongoing compensation obligations as referenced above shall survive the termination of this Agreement.

- C. Enforcement.** Owner agrees to pay all reasonable attorney's fees together with any court costs and expenses which real estate firm incurs in enforcing any of Owner's obligations to pay compensation under this Agreement. The parties hereby agree that all remedies are fair and equitable and neither party will assert the lack of mutuality of remedies as a defense in the event of a dispute.

6. HOMEOWNER/ CONDO ASSOCIATION

Name of Association: _____

Name of Association Property Manager: _____

Property Manager address and phone number: _____

Association website address, if any: _____

- 7. CONDITION OF PROPERTY.** Owner certifies that unless provided otherwise herein, all systems and fixtures are in working condition. Upon the execution of this Agreement, Owner will provide two sets of keys for the Property and ensure that the Property is clean and the grounds are in good condition. Owner shall maintain adequate fire and extended insurance coverage on the Property, and Owner will, at all times, maintain landlord's liability insurance, at Owner's expense, for Owner and will cause Broker to be named as additionally insured under such liability insurance against any and all claims or demands whatever arising out of, or in any way connected with, the operation, leasing and maintenance of the Property, including Property damage. Owner will provide Broker with evidence of such insurance coverage prior to date of occupancy of tenant and provide at least annually a copy of such insurance policy or policies to Broker upon Broker's request; Name of Insurance Agent: _____; Telephone no.: _____.

EXCEPTIONS:

- 8. PETS.** Tenant (*check one of the following*) ☐ shall not be allowed to bring Pets onto the Property ☐ shall be allowed to bring pets onto the Property and a pet fee pursuant to the terms of the lease agreement. If pets are allowed on the property, there shall be a nonrefundable fee of \$ _____ (_____ Dollars) per pet payable pursuant to the terms of the lease agreement and Owner approval. Maximum number of pets allowed on Property is _____ pets. Maximum size of pets allowed on Property is _____ pounds. Owner understands that whether or not pets are allowed, a person with a disability has the legal right to be accompanied by a service/assistance animal in the Property, and that such person would be liable for any damage done by the service/assistance animal to the Property. Owner must comply with all state and federal laws.

- 9. RECEIPT AND PAYMENT OF FUNDS.** Broker is authorized to accept from tenant all rents, security deposit(s), and pet fee(s) and deposit such in a trust or escrow account maintained by Broker. However, Broker will not be held liable in event of bankruptcy or failure of a depository. Broker shall distribute funds from deposits in accordance with the executed lease agreement. Broker shall distribute to Owner any rent and fee(s) received as follows:

10. AGENCY.

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This document creates an agency relationship between Broker and Owner.

- a. **Appointment of Designated Agent.** Owner hereby authorizes Managing Broker to appoint the Listing Licensee as Designated Agent for the Owner, to the exclusion of any other licensees associated with Broker. A Designated Agent for the Owner can and will continue to advocate Owner's interests in a transaction even if a Designated Agent for the tenant (other than the licensee below) is also associated with Broker. The Managing Broker hereby appoints _____ to be the Designated Agent to the Owner in this transaction.
- b. **Appointment of Subsequent Designated Agent.** Owner hereby authorizes the Managing Broker, if necessary, to appoint a licensee, other than the licensee named above, as Designated Agent for the Owner, to the exclusion of any other licensees associated with Broker. This shall be accomplished through an amendment to this Agreement, if necessary.

B. Duties owed to all Parties to a Transaction.

Pursuant to the Tennessee Real Estate Broker License Act, every Real Estate Licensee owes the following duties to every Buyer and Seller, Tenant and Landlord (collectively "Buyers" and "Sellers") unless otherwise provided by law:

1. To diligently exercise reasonable skill and care in providing services to all parties to the transaction.
2. To disclose to each party to the transaction any Adverse Facts of which licensee has actual notice or knowledge.
3. To maintain for each party in a transaction the confidentiality of any information obtained by a licensee prior to disclosure to all parties of a written agency agreement entered into by the licensee to represent either or both parties in the transaction. This duty of confidentiality extends to any information which the party would reasonably expect to be held in confidence, except for information which the party has authorized for disclosure or information required by law to be disclosed. This duty survives both the subsequent establishment of an agency relationship and the closing of the transaction.
4. To provide services to each party to the transaction with honesty and good faith.
5. To disclose to each party to the transaction timely and accurate information regarding market conditions that might affect such transaction only when such information is available through public records and when such information is requested by a party.
6. To timely account for deposits and all other property received from any party to a transaction and
7. A) To refrain from engaging in self-dealing or acting on behalf of licensee's immediate family, or on behalf of any other individual, organization or business entity in which licensee has a personal interest without prior disclosure of such personal interest and the timely written consent of all parties to the transaction, and
B) To refrain from recommending to any party to the transaction the use of services of another individual, organization or business entity in which the licensee has an interest or from whom the licensee may receive a referral fee or other compensation for the referral, other than referrals to other licensees to provide real estate services, without timely disclosure to the party who receives the referral, the licensee's interest in such referral or the fact that a referral fee may be received.

C. Duties owed to Client.

In addition to the above, the licensee has the following duties to his/her Client if the licensee has become an Agent or Designated Agent in a transaction, pursuant to the Tennessee Real Estate Broker License Act:

1. Obey all lawful instructions of the client when such instructions are within the scope of the agency agreement between the licensee and licensee's client;
2. Be loyal to the interests of the client. Licensee must place the interests of the client before all others in negotiation of a transaction and in other activities, except where such loyalty/duty would violate licensee's duties to a customer in the transaction; and
3. Unless the following duties are specifically and individually waived in writing by a client, licensee shall assist the client by:
 - A) Scheduling all Property showings on behalf of the client;
 - B) Receiving all offers and counter offers and forwarding them promptly to the client;
 - C) Answering any questions that the client may have in negotiation of a successful lease agreement within the scope of the licensee's expertise; and

- D) Advising the client as to whatever forms, procedures and steps are needed after execution of the lease to fulfill the obligations as set forth herein.

Upon waiver of any of the above duties contained in subparagraph 11.C.3., a consumer must be advised in writing by such consumer's agent that the consumer may not expect or seek assistance from any other licensees in the transaction for the performance of the above duties.

11. LIMITS ON BROKER'S DUTIES AND RESPONSIBILITIES AND DISCLAIMER. Unless otherwise disclosed in writing, it is understood and agreed that the real estate firms and real estate licensee(s) representing or assisting Owner or the tenant are not parties to any lease agreement between Owner and the tenant and do not have or assume liability for the performance or nonperformance of Owner or tenant.

Owner acknowledges and agrees that Broker: (a) is not an expert with regard to matters that could be revealed through a survey, title search, or inspection of the Property; for the condition of Property, any portion thereof, or any item therein; for any geological issues present on the Property; for the necessity, or cost of repairs; for hazardous or toxic materials; for the availability and cost of utilities, septic or community amenities; for conditions existing off the Property that may affect the Property; for uses and zoning of the Property, whether permitted or proposed; for applicable boundaries of school districts or other school information; for proposed or pending condemnation actions involving the Property; for the appraised or future value of the Property; for termites and wood destroying organisms; for building products and construction techniques; for the tax or legal consequences of a contemplated transaction; or for matters relating to financing (Owner acknowledges that Broker is not an expert with respect to the above matters and is hereby advised to seek independent expert advice on any of these matters of concern to Owner. Owner further acknowledges that he has not relied upon any advice, representations or statements of Brokers (including their firms and affiliated licensees) and waives and shall not assert any claims against Brokers (including their firms and affiliated licensees) involving same); (b) shall owe no duties to Owner nor have any authority to act on behalf of Owner other than what is set forth in this Agreement and those duties contained in the Tennessee Real Estate Broker License Act of 1973 and the Tennessee Real Estate Commission Rules, as amended; (c) may make all disclosures required by law and the Realtors® Code of Ethics; and (d) may disclose all information about the Property to others.

Owner agrees to hold Broker (including firm and affiliated licensees) harmless from any and all claims, causes of action, or damages (and shall indemnify Broker (including firm and affiliated licensees) therefrom) arising out of or relating to: (a) Owner providing Broker incomplete and/or inaccurate information; (b) the handling of deposit money by anyone other than Broker (if such deposit money is entrusted to such person by Owner); or (c) any injury to persons on the Property and/or loss of or damage to the Property or anything contained therein.

12. INDEMNITY. Owner agrees to hold Broker harmless from all damage suits in connection with the leasing of the Property and from liability from injury suffered by an employee or other person whomsoever. Broker shall not be liable for any error of judgment or any mistake, in fact or in law, or for anything which it may do or refrain from doing hereinafter, except in cases of willful misconduct or gross negligence. Notwithstanding any other provisions to the contrary, Broker shall under no circumstances have any liability greater than the compensation actually paid to Broker hereunder including commissions, excluding any commission amount paid to a cooperating real estate broker, if any.

13. HOLD HARMLESS.

Owner agrees to complete the Lead-Based Paint Disclosure if required by law and said information has not otherwise been disclosed in writing. Owner is not aware of any other defect or environmental factor which would affect the value of or structural integrity of improvements on the Property or the health of occupants, except those that have been previously disclosed to Broker in writing. Owner agrees that Owner shall be solely responsible for any misrepresentations or mistakes on the listing data wherein Owner has supplied such information. Owner further agrees to hold Agents and firm harmless and indemnify them from any claim, demand, action, liability or proceedings resulting from any omission, alleged omission or misrepresentation by Owner on said forms and/or for any material fact that is known or should be known by Owner concerning the Property and that is not disclosed to Agents and to provide for defense costs including reasonable attorney's fee for Agents and firm in such an event. Owner is not aware of any other defect, environmental factors or adverse facts (as defined in Tenn. Code Ann § 62-13-102) concerning the Property.

14. OTHER PROVISIONS.

- A. Binding Effect, Entire Agreement, Modification, and Assignment.** This Agreement shall be for the benefit of, and be binding upon, the parties hereto, their heirs, successors, legal representatives and permitted assigns. This Agreement may only be assigned with the written consent of both parties. This Agreement constitutes the sole and entire agreement between the parties hereto and no modification of this Agreement shall be binding unless signed by all parties or assigns to this Agreement. No representation, promise, or inducement not included in this Agreement shall be binding upon any party hereto. Any assignee shall fulfill all the terms and conditions of this Agreement.

Version 01/01/2020

309 ☐ (Mark box if additional pages are attached.)

310 **BY SIGNING THIS AGREEMENT, OWNER ACKNOWLEDGES THAT: (1) OWNER HAS READ ALL**
 311 **PROVISIONS MADE HEREIN; (2) OWNER UNDERSTANDS ALL SUCH PROVISIONS AND DISCLOSURES**
 312 **AND HAS ENTERED INTO THIS AGREEMENT VOLUNTARILY; AND (3) OWNER IS NOT SUBJECT TO A**
 313 **CURRENT MANAGEMENT AGREEMENT WITH ANY OTHER BROKER.**

314 **LEGAL DOCUMENTS:** This is an important legal document creating valuable rights and obligations. If you have
 315 questions about it, you should review it with your attorney. Neither the Broker nor any Agent or Facilitator is
 316 authorized or qualified to give you any advice about the advisability or legal effect of its provisions.

317 **NOTE:** Any provisions of this Agreement which are preceded by a box "☐" must be marked to be a part of this
 318 Agreement. By affixing your signature below, you also acknowledge that you have reviewed each page and have
 319 received a copy of this Agreement.

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

321 _____	_____
322 BY: Broker or Licensee Authorized by Broker	BROKER/FIRM
323 _____ at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm	_____
324 Date	Address
325 _____	Phone: _____
326 Print/Type Name	Email: _____

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

328 _____	_____
329 OWNER	OWNER
330 By: _____	By: _____
331 Title: _____	Title: _____
332 Entity: _____	Entity: _____
333 _____ at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm	_____ at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm
334 Date	Date
335 _____	_____
336 Address	Address
337 Phone: _____ (H) _____ (Cell)	Phone: _____ (H) _____ (Cell)
338 _____ (W) Email: _____	_____ (W) Email: _____

fNOTE: This form is provided by TAR 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 TAR logo in conjunction with any form other than standardized forms created by TAR 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.

This form is copyrighted and may only be used in real estate transactions in which _____ is involved as a TAR authorized user. Unauthorized use of the form may result in legal sanctions being brought against the user and should be reported to the Tennessee Association of Realtors® at 615- 321-1477.



EXCLUSIVE RIGHT TO MARKET FOR LEASE AGREEMENT (NOT A PROPERTY MANAGEMENT AGREEMENT)

For and in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged,

_____ (hereinafter referred to as "Owner"),
and _____ as broker/firm and its affiliated
licensees (hereinafter collectively referred to as "Broker") do hereby enter into this Exclusive Right to Market for Lease
Agreement ("Agreement"), this _____ day of _____, _____ ("Effective Date").

WHEREAS, Owner owns that certain real estate property described as follows: All that tract of land known as:
_____ (Address),
_____ (City), Tennessee, _____ (Zip), as recorded in _____
County Register of Deeds Office, _____ deed book(s) _____ page(s) and/or
_____ instrument number, _____ and further described as:

together with all fixtures, landscaping, improvements, and appurtenances, all being hereinafter collectively referred to as the
"Property."

1. **TERM.** Broker shall have the exclusive right to market the Property for lease beginning on _____,
_____ and shall continue through and including _____ ("Agreement Term") or until such
time as property is leased hereunder whichever occurs first. The Property may be occupied by a tenant obtained by
Broker on or after _____. If Owner terminates this Agreement without legally sufficient
cause or Broker terminates this Agreement with legally sufficient cause, Owner shall pay Broker an amount equal to the
compensation Broker would have been entitled to receive during the balance of the then-existing term of this Agreement,
taking into account any rental agreements in effect at time of such termination. Broker may deduct the full amount of
such fees from any monies coming to broker which would be due Owner.
2. **LEASES.** Owner authorizes Broker to advertise a lease period of _____ months at a monthly rental rate of
\$ _____ (_____ Dollars).
3. **SECURITY DEPOSIT.** There shall be a security deposit of \$ _____. Owner shall hold deposit unless otherwise
specified in writing.
4. **PETS.** Owner authorizes Broker to (*check one of the following*) ☐ Advertise pets are not allowed on the property. ☐ Advertise
pets are allowed on the property subject to a nonrefundable fee of \$ _____ per pet
payable pursuant to the terms of the lease agreement and owner approval. The maximum number of pets allowed is
_____ with a maximum weight of _____ pounds per pet. Owner understands that whether or not pets are
allowed, a person with a disability has the legal right to be accompanied by a service/assistance animal in the Property,
and that such person would be liable for any damage done by the service/assistance animal to the Property. Owner must
comply with all state and federal laws.
5. **BROKER'S DUTIES.** Broker services shall be limited to the marketing of the property. Unless otherwise agreed upon
in writing **BROKER SHALL NOT BE RESPONSIBLE FOR THE FOLLOWING:** negotiating a lease agreement,
advising Owner as to forms, procedures and steps which may be needed to execute a lease agreement or to manage the
Property, conducting background checks, ordering or reviewing credit reports, handling application fees, holding
security deposits, reviewing employment history, contacting references or otherwise screening or evaluating tenants, all
of which shall be the sole responsibility of the Owner.
Owner agrees that Broker is authorized to receive on behalf of Owner all notices, offers, and other documents incidental
to the offering and lease of the Property which is covered by this Agreement. Owner agrees that such receipt by Broker
may be deemed to be receipt by Owner if such documents so provide or if the law so requires. Owner agrees to keep
Broker informed of Owner's whereabouts in order for Broker to promptly forward all such notices, offers and other
information to Owner.

Owner authorizes Broker and/or his affiliated Licensees to conduct showings or "Open Houses" of the Property. Owner additionally authorizes Broker and/or his affiliated Licensees and any duly authorized key holder key entry access to the Property. Owner also authorizes Broker and/or his affiliated Licensees to place a lock box on said Property for the purpose of conducting or allowing cooperating brokers to conduct key-entry showings of this Property. Owner represents that adequate insurance will be kept in force to protect Owner in the event of any damage, losses or claims arising from entry to Property by persons through the above use of the key and agrees to hold Broker, its licensees, salespersons and employees harmless from any loss, theft, or damage incurred as a result of showings, Open Houses or other authorized entry thereof. Owner authorizes Broker to solicit an offer to lease the Property.

6. OWNER'S DUTIES AND REPRESENTATIONS. Owner represents that Owner: (a) presently has title to the Property or has full authority to enter into this Agreement; (b) warrants and covenants that on the date of this Agreement the Property is habitable, meets all governmental requirements and codes for habitation and rental; (c) will cooperate with Broker to find a tenant to lease the Property; (d) will make the Property available for showing at reasonable times as requested by Broker; (e) will provide Broker with accurate information regarding the Property (including information concerning all adverse material facts pertaining to the physical condition of the Property); (f) is responsible for all costs and expenses associated with the maintenance and operation of the Property; (g) is responsible for timely payment of all property taxes, mortgage payments, governmental or owners' association assessments associated with the Property, and any other expenses which could become a lien against the Property; (h) will promptly notify Broker in the event that Owner receives any notice(s) from the holder of any loan or from any other lien holder of any kind during the term of this Agreement regarding a default in payment threatened foreclosure or the filing of a foreclosure proceeding; (i) **MAY NOT EXPECT OR SEEK ASSISTANCE FROM ANY OTHER LICENSEE IN THE TRANSACTION FOR THE NEGOTIATION OF A LEASE, GUIDANCE ON FORMS, PROCEDURES AND STEPS WHICH MAY BE NEEDED TO EXECUTE A LEASE AGREEMENT OR MANGAGE PROPERTY;** (j) is offering Property for rent without regard to race, creed, color, religion, sex, handicap, familial status, or national origin; (k) in the event that the Property is currently leased or occupied, the Property is available to show to prospective tenants, under the current lease agreement, by Owner's Agent or Cooperating Agents. Owner shall be responsible for notifying existing tenants for all showings, subject to existing rights of tenants in possession; and (l) is responsible for compliance with state or federal law regarding usage of video or audio recording devices while marketing or showing the property. Owner should seek legal advice regarding their rights or limitations related to their actions.

7. MARKETING.

Broker may advertise the Property for lease in all media and may photograph and/or videotape the Property and use the photographs and/or videotapes in connection with Broker's marketing efforts. Owner agrees not to place any advertisements on the Property or to advertise the Property for lease in any media except with the prior written consent of Broker. Broker is also hereby authorized to place Broker's "For Lease" sign or equivalent signage on the Property. Broker is authorized to procure tenants to lease the Property in cooperation with other real estate brokers and their affiliated licensee. Broker is hereby granted the authority to advertise this listing on the Internet. Broker is additionally permitted to file this listing with any Multiple Listing Service (MLS) or similar service(s) of which Broker is a member. Owner understands and agrees that by placing the listing on the MLS or these similar services, the listing may be included in a searchable database provided by the MLS or similar service which can be viewed on other agents' websites. Owner agrees that the listing may also appear on publicly accessible websites sponsored by and/or affiliated with the MLS, the local association of Realtors®, or similar listing services and those who lawfully receive listing information from said entities. Broker may distribute leasing information (including the rent price) to prospective tenants, other real estate brokers and their affiliated licensees, and/or multiple listing services or similar services. Broker and other real estate brokers and their affiliated licensees may show the Property.

8. COMPENSATION. Broker shall be compensated on the following basis:

A. Terms. Owner agrees to pay Broker a commission of *[Check one. The sections not marked shall not be a part of this Agreement.]*:

One Time Compensation of \$ _____ which shall be **due and payable upon execution of**

☐ a lease by a tenant.

OR

☐ This Marketing Agreement.

Any ongoing compensation obligations as referenced above shall survive the termination of this Agreement.

B. Cooperating Compensation. Broker may share this commission with a cooperating broker, if any, who procures a tenant for Property by paying such cooperating broker \$ _____. Said cooperating broker is the agent or facilitator who represents the interests of and/or is working with the tenant. Cooperating brokers are expressly intended to be third-party beneficiaries under this Agreement only for the purposes of enforcing their commission rights as cooperating brokers.

C. Carry Over Clause. Should the Owner lease or contract to lease the Property within ____ days after the expiration of this Agreement to any tenant (or a related person or entity of that tenant) who has been introduced to the Property, directly or indirectly during the Agreement Term hereof, as extended, the Owner agrees to pay the compensation as set forth herein. This includes but is not limited to any introduction or exposure to Property by advertisements or postings appearing in any medium which originated as a result of listing the Property with Broker. Notwithstanding the above, in the event that the Property is leased to the prospective tenant through another licensed broker with whom the Owner has signed an exclusive leasing agreement after the date of expiration of this Agreement, then no compensation shall be owed to Broker by virtue of this Agreement. The compensation obligations set forth herein shall survive the termination of this Agreement.

D. Enforcement. Owner agrees to pay all reasonable attorney's fees together with any court costs and expenses which real estate firm incurs in enforcing any of Owner's obligations to pay compensation under this Agreement. The parties hereby agree that all remedies are fair and equitable and neither party will assert the lack of mutuality of remedies as a defense in the event of a dispute.

9. HOMEOWNER/ CONDO ASSOCIATION

Name of Association: _____

Name of Association Property Manager: _____

Property Manager address and phone number: _____

Association website address, if any: _____

10. CONDITION OF PROPERTY. Owner certifies that unless provided otherwise herein, all systems and fixtures are in working condition. Upon the execution of this Agreement, Owner will provide two sets of keys for the Property and ensure that the Property is clean and the grounds are in good condition. Owner shall maintain adequate fire and extended insurance coverage on the Property.

EXCEPTIONS:

11. AGENCY.

This document creates an agency relationship between Broker and Owner, with certain limitations as specified herein.

- a. **Appointment of Designated Agent.** Owner hereby authorizes Managing Broker to appoint the Listing Licensee as Designated Agent for the Owner, to the exclusion of any other licensees associated with Broker. A Designated Agent for the Owner can and will continue to advocate Owner's interests in a transaction even if a Designated Agent for the tenant (other than the licensee below) is also associated with Broker. The Managing Broker hereby appoints _____ to be the Designated Agent to the Owner in this transaction.
- b. **Appointment of Subsequent Designated Agent.** Owner hereby authorizes the Managing Broker, if necessary, to appoint a licensee, other than the licensee named above, as Designated Agent for the Owner, to the exclusion of any other licensees associated with Broker. This shall be accomplished through an amendment to this Agreement, if necessary.
- c. **Default to Facilitator in the event both parties are represented by the same Designated Agent.** A facilitator is a licensee not working as an agent for either party in a consumer's prospective transaction. A Facilitator may advise either or both of the parties to a transaction but cannot be considered a representative or advocate of either party. "Transaction Broker" may be used synonymously with, or in lieu of, "Facilitator" as used in any disclosures, forms or agreements. [By law, any licensee or company

who has not entered into a written agency agreement with either party in the transaction is considered a Facilitator or Transaction Broker until such time as an agency agreement is established.] ***The Designated Agent shall default to Facilitator status for all showings or transactions involving the same Designated Agent for both the Owner and a prospective tenant***, immediately notifying (verbally) the Owner and tenant of the need to default to this Facilitator status to be confirmed in writing prior to the execution of the contract. Upon any default to Facilitator status, the Designated Agent must assume a neutral position and will not be an advocate for either the Owner or any prospective tenants.

- d. **Resumption of Agency Status.** In the event that the Designated Agent defaults to a Facilitator status, this Facilitator status will only be temporary. The Facilitator status will only last until any transaction or contemplated transaction in which the parties are all assisted by the same Facilitator is resolved (either because the transaction is completed or the transaction or contemplated transaction between these parties is terminated or not accepted and no further negotiations occur between the parties). At that time, the agent will immediately revert to Designated Agency status for the Owner.

B. Duties owed to all Parties to a Transaction.

Pursuant to the Tennessee Real Estate Broker License Act, every Real Estate Licensee owes the following duties to every Buyer and Seller, Tenant and Landlord (collectively “Buyers” and “Sellers”) unless otherwise provided by law:

1. To diligently exercise reasonable skill and care in providing services to all parties to the transaction.
2. To disclose to each party to the transaction any Adverse Facts of which licensee has actual notice or knowledge.
3. To maintain for each party in a transaction the confidentiality of any information obtained by a licensee prior to disclosure to all parties of a written agency agreement entered into by the licensee to represent either or both parties in the transaction. This duty of confidentiality extends to any information which the party would reasonably expect to be held in confidence, except for information which the party has authorized for disclosure or information required by law to be disclosed. This duty survives both the subsequent establishment of an agency relationship and the closing of the transaction.
4. To provide services to each party to the transaction with honesty and good faith.
5. To disclose to each party to the transaction timely and accurate information regarding market conditions that might affect such transaction only when such information is available through public records and when such information is requested by a party.
6. To timely account for earnest money deposits and all other property received from any party to a transaction and
7. A) To refrain from engaging in self-dealing or acting on behalf of licensee’s immediate family, or on behalf of any other individual, organization or business entity in which licensee has a personal interest without prior disclosure of such personal interest and the timely written consent of all parties to the transaction, and
B) To refrain from recommending to any party to the transaction the use of services of another individual, organization or business entity in which the licensee has an interest or from whom the licensee may receive a referral fee or other compensation for the referral, other than referrals to other licensees to provide real estate services, without timely disclosure to the party who receives the referral, the licensee’s interest in such referral or the fact that a referral fee may be received.

C. Duties owed to Client.

In addition to the above, the licensee has the following duties to his/her Client if the licensee has become an Agent or Designated Agent in a transaction, pursuant to the Tennessee Real Estate Broker License Act:

1. Obey all lawful instructions of the client when such instructions are within the scope of the agency agreement between the licensee and licensee’s client;
2. Be loyal to the interests of the client. Licensee must place the interests of the client before all others in negotiation of a transaction and in other activities, except where such loyalty/duty would violate licensee’s duties to a customer in the transaction; and
3. Unless the following duties are specifically and individually waived in writing by a client, licensee shall assist the client by:
 - A) Scheduling all Property showings on behalf of the client;
 - B) Receiving all offers and counter offers and forwarding them promptly to the client;
 - C) Answering any questions that the client may have in negotiation of a successful purchase agreement within the scope of the licensee’s expertise; and

- D) Advising the client as to whatever forms, procedures and steps are needed after execution of the purchase agreement for a successful closing of the transaction.

Upon waiver of any of the above duties contained in subparagraph 11.C.3., a consumer must be advised in writing by such consumer's agent that the consumer may not expect or seek assistance from any other licensees in the transaction for the performance of the above duties.

12. LIMITS ON BROKER'S DUTIES AND RESPONSIBILITIES AND DISCLAIMER. It is understood and agreed that the real estate firms and real estate licensee(s) representing or assisting Owner or the tenant are not parties to any lease agreement between Owner and the tenant and do not have or assume liability for the performance or nonperformance of Owner or tenant.

Owner acknowledges and agrees that Broker: (a) may show other properties to prospective tenants who are interested in Owner's Property; (b) is not an expert with regard to matters that could be revealed through a survey, title search, or inspection of the Property; for the condition of Property, any portion thereof, or any item therein; for any geological issues present on the Property; for the necessity, or cost of repairs; for hazardous or toxic materials; for the availability and cost of utilities, septic or community amenities; for conditions existing off the Property that may affect the Property; for uses and zoning of the Property, whether permitted or proposed; for applicable boundaries of school districts or other school information; for proposed or pending condemnation actions involving the Property; for the appraised or future value of the Property; for termites and wood destroying organisms; for building products and construction techniques; for the tax or legal consequences of a contemplated transaction; or for matters relating to financing (Owner acknowledges that Broker is not an expert with respect to the above matters and is hereby advised to seek independent expert advice on any of these matters of concern to Owner. Owner further acknowledges that he has not relied upon any advice, representations or statements of Brokers (including their firms and affiliated licensees) and waives and shall not assert any claims against Brokers (including their firms and affiliated licensees) involving same); (c) shall owe no duties to Owner nor have any authority to act on behalf of Owner other than what is set forth in this Agreement and those duties contained in the Tennessee Real Estate Broker License Act of 1973 and the Tennessee Real Estate Commission Rules, as amended; (d) may make all disclosures required by law and the Realtors® Code of Ethics; and (e) may disclose all known adverse facts about the Property to others.

Owner agrees to hold Broker (including firm and affiliated licensees) harmless from any and all claims, causes of action, or damages (and shall indemnify Broker (including firm and affiliated licensees) therefrom) arising out of or relating to: (a) Owner providing Broker incomplete and/or inaccurate information; (b) the handling of deposit money by anyone other than Broker (if such deposit money is entrusted to such person by Owner); or (c) any injury to persons on the Property and/or loss of or damage to the Property or anything contained therein.

13. INDEMNITY. Owner agrees to hold Broker harmless from all damage suits in connection with the leasing of the Property and from liability from injury suffered by an employee or other person whomsoever, and to carry, at his own expense, necessary public liability and worker's compensation insurance adequate to protect the interest of the parties hereto, which policies shall be so written as to protect Broker in the same manner and to the same extent they protect the Owner, and will name Broker as coinsured. Broker shall not be liable for any error of judgment or any mistake, in fact or in law, or for anything which it may do or refrain from doing hereinafter, except in cases of willful misconduct or gross negligence. Notwithstanding any other provisions to the contrary, Broker shall under no circumstances have any liability greater than the compensation actually paid to Broker hereunder including commissions, excluding any commission amount paid to a cooperating real estate broker, if any.

14. HOLD HARMLESS.

Owner agrees to carefully review the information on the Multiple Listing Profile Sheet. Owner also agrees to complete the Lead-Based Paint Disclosure if required by law and said information has not otherwise been disclosed in writing. Owner has not advised Broker and/or his affiliated Licensees (hereinafter "Agents") of any defects in the Property or the improvements located thereon, except as shall be noted on the Multiple Listing Profile Sheet. Owner is not aware of any other defect or environmental factor which would affect the value of or structural integrity of improvements on the Property or the health of future occupants. Owner agrees that Owner shall be solely responsible for any misrepresentations or mistakes on the listing data wherein Owner has supplied such information on the attached Multiple Listing Profile Sheet and/or the Lead-Based Paint Disclosure (if required by law). Owner further agrees to hold Agents and firm harmless and indemnify them from any claim, demand, action, liability or proceedings resulting from any omission, alleged omission or misrepresentation by Owner on said forms and/or for any material fact that is known or should be known by Owner concerning the Property and that is not disclosed to Agents and to provide for defense costs including reasonable attorney's fee for Agents and firm in such an event. Owner is not aware of any other defect, environmental factors or adverse facts (as defined in Tenn. Code Ann § 62-13-102) concerning the Property.

A. Binding Effect, Entire Agreement, Modification, and Assignment. This Agreement shall be for the benefit of, and be binding upon, the parties hereto, their heirs, successors, legal representatives and permitted assigns. This Agreement may only be assigned with the written consent of both parties. This Agreement constitutes the sole and entire agreement between the parties hereto and no modification of this Agreement shall be binding unless signed by all parties or assigns to this Agreement. No representation, promise, or inducement not included in this Agreement shall be binding upon any party hereto. Any assignee shall fulfill all the terms and conditions of this Agreement.

B. Governing Law and Venue. This Agreement is intended as a contract for the lease listing of real property and shall be interpreted in accordance with the laws and in the courts of the State of Tennessee.

C. Time of Essence. Time is of the essence of this Agreement.

D. Terminology. As the context may require in this Agreement: (1) the singular shall mean the plural and vice versa; (2) all pronouns shall mean and include the person, entity, firm, or corporation to which they relate; (3) the masculine shall mean the feminine and vice versa; and (4) the term day(s) used throughout this Agreement shall be deemed to be calendar day(s) ending at 11:59 p.m. local time unless otherwise specified in this Agreement. Local time shall be determined by the location of Property.

E. Responsibility to Cooperate. All parties agree to timely take such actions and produce, execute, and/or deliver such information and documentation as is reasonably necessary to carry out the responsibilities and obligations of this Agreement.

G. Severability. If any portion or provision of this Agreement is held or adjudicated to be invalid or unenforceable for any reason, each such portion or provision shall be severed from the remaining portions or provisions of this Agreement, and the remaining portions or provisions shall be unaffected and remain in full force and effect.

H. Fair Housing. Broker and his affiliated Licensees shall provide services without regard to race, creed, color, religion, sex, handicap, familial status, national origin, sexual orientation or gender identity. A request to observe discriminatory practices in the sale, lease, exchange, or option of property will not be granted.

DRAFT

This form is copyrighted and may only be used in real estate transactions in which _____ is involved as a TAR authorized user. Unauthorized use of the form may result in legal sanctions being brought against the user and should be reported to the Tennessee Association of Realtors® at 615- 321-1477.

BY SIGNING THIS AGREEMENT, OWNER ACKNOWLEDGES THAT: (1) OWNER HAS READ ALL PROVISIONS MADE HEREIN; (2) OWNER UNDERSTANDS ALL SUCH PROVISIONS AND DISCLOSURES AND HAS ENTERED INTO THIS AGREEMENT VOLUNTARILY; AND (3) OWNER IS NOT SUBJECT TO A CURRENT RIGHT TO MARKET FOR LEASE AGREEMENT WITH ANY OTHER BROKER.

LEGAL DOCUMENTS: This is an important legal document creating valuable rights and obligations. If you have questions about it, you should review it with your attorney. Neither the Broker nor any Agent or Facilitator is authorized or qualified to give you any advice about the advisability or legal effect of its provisions.

NOTE: Any provisions of this Agreement which are preceded by a box "☐" must be marked to be a part of this Agreement. By affixing your signature below, you also acknowledge that you have reviewed each page and have received a copy of this Agreement.

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

BY: Broker or Licensee Authorized by Broker

BROKER/FIRM

_____ at _____ o'clock ☐ am/ ☐ pm

Date

Address

Print/Type Name

Phone:

Email:

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

OWNER

OWNER

By: _____

By: _____

Title: _____

Title: _____

Entity: _____

Entity: _____

_____ at _____ o'clock ☐ am/ ☐ pm

_____ at _____ o'clock ☐ am/ ☐ pm

Date

Date

Address

Address

Phone: _____ (H) _____ (Cell)

Phone: _____ (H) _____ (Cell)

_____ (W) Email: _____

_____ (W) Email: _____

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TENNESSEE RESIDENTIAL PROPERTY CONDITION DISCLOSURE

- 1 PROPERTY ADDRESS _____ CITY _____
- 2 SELLER'S NAME(S) _____ PROPERTY AGE _____
- 3 DATE SELLER ACQUIRED THE PROPERTY _____ DO YOU OCCUPY THE PROPERTY? _____
- 4 IF NOT OWNER-OCCUPIED, HOW LONG HAS IT BEEN SINCE THE SELLER OCCUPIED THE PROPERTY? _____
- 5 (Check the one that applies) The property is a ☐ site-built home ☐ non-site-built home
- 6 The Tennessee Residential Property Disclosure Act requires sellers of residential real property with one to four dwelling units
7 to furnish to a buyer one of the following: (1) a residential property disclosure statement (the "Disclosure"), or (2) a residential
8 property disclaimer statement (permitted only where the buyer waives the required Disclosure). Some property transfers may
9 be exempt from this requirement (See Tenn. Code Ann. § 66-5-209). The following is a summary of the buyers' and sellers'
10 rights and obligations under the Act. A complete copy of the Act may be found at <http://www.lexisnexis.com/hottopics/tncode/>
11 (See Tenn. Code Ann. § 66-5-201, et seq.)
- 12 1. Sellers must disclose all known material defects and must answer the questions on the Disclosure form in good faith to the
13 best of the seller's knowledge as of the Disclosure date.
 - 14 2. Sellers must give the buyers the Disclosure form before the acceptance of a purchase contract.
 - 15 3. Sellers must inform the buyers, at or before closing, of any inaccuracies or material changes in the condition that have
16 occurred since the time of the initial Disclosure, or certify that there are no changes.
 - 17 4. Sellers may give the buyers a report or opinion prepared by a professional inspector or other expert(s) or certain information
18 provided by a public agency, in lieu of responding to some or all of the questions on the form (See Tenn. Code Ann. § 66-
19 5-204).
 - 20 5. Sellers are not required to have a home inspection or other investigation in order to complete the Disclosure form.
 - 21 6. Sellers are not required to repair any items listed on the Disclosure form or on any past or future inspection report unless
22 agreed to in the purchase contract.
 - 23 7. Sellers involved in the first sale of a dwelling must disclose the amount of any impact fees or adequate facility taxes paid.
 - 24 8. Sellers are not required to disclose if any occupant was HIV-positive, or had any other disease not likely to be transmitted
25 by occupying a home, or whether the home had been the site of a homicide, suicide or felony, or act or occurrence which
26 had no effect on the physical structure of the property.
 - 27 9. Sellers may provide an "as is", "no representations or warranties" disclaimer statement in lieu of the Disclosure form only
28 if the buyer waives the right to the required disclosure, otherwise the sellers must provide the completed Disclosure form
29 (See Tenn. Code Ann. § 66-5-202).
 - 30 10. Sellers may be exempt from having to complete the Disclosure form in certain limited circumstances (e.g. public auctions,
31 court orders, some foreclosures and bankruptcies, new construction with written warranty or owner has not resided on the
32 property at any time within the prior 3 years). (See Tenn. Code Ann. § 66-5-209).
 - 33 11. Buyers are advised to include home, wood infestation, well, water sources, septic system, lead-based paint, radon, mold,
34 and other appropriate inspection contingencies in the contract, as the Disclosure form is not a warranty of any kind by the
35 seller, and is not a substitute for any warranties or inspections the buyer may desire to purchase.
 - 36 12. Any repair of disclosed defects must be negotiated and addressed in the Purchase and Sale Agreement; otherwise, seller is
37 not required to repair any such items.
 - 38 13. Buyers may, but do not have to, waive their right to receive the Disclosure form from the sellers if the sellers provide a
39 disclaimer statement with no representations or warranties (See Tenn. Code Ann. § 66-5-202).
 - 40 14. Remedies for misrepresentations or nondisclosure in a Property Condition Disclosure statement may be available to buyer
41 and are set out fully in Tenn. Code Ann. § 66-5-208. Buyer should consult with an attorney regarding any such matters.

15. Representations in the Disclosure form are those of the sellers only, and not of any real estate licensee, although licensees are required to disclose to all parties adverse facts of which the licensee has actual knowledge or notice.
16. Pursuant to Tenn. Code Ann. § 47-18-104(b), sellers of newly constructed residences on a septic system are prohibited from knowingly advertising or marketing a home as having more bedrooms than are permitted by the subsurface sewage disposal system permit.
17. Sellers must disclose the presence of any known exterior injection well, the presence of any known sinkhole(s), the results of any known percolation test or soil absorption rate performed on the property that is determined or accepted by the Department of Environment and Conservation, and whether the property is located within a Planned Unit Development as defined by Tenn. Code Ann. § 66-5-213 and, if requested, provide buyers with a copy of the development's restrictive covenants, homeowner bylaws and master deed. Sellers must also disclose if they have knowledge that the residence has ever been moved from an existing foundation to another foundation.

The Buyers and Sellers involved in the current or prospective real estate transaction for the property listed above acknowledge that they were informed of their rights and obligations regarding Residential Property Disclosures, and that this information was provided by the real estate licensee(s) prior to the completion or reviewing of a Tennessee Residential Property Condition Disclosure, a Tennessee Residential Property Condition Disclaimer Statement, or a Tennessee Residential Property Condition Exemption Notification. Buyers and Sellers also acknowledge that they were advised to seek the advice of an attorney on any legal questions they may have regarding this information or prior to taking any legal actions.

The Tennessee Residential Property Disclosure Act states that anyone transferring title to residential real property must provide information about the condition of the property. This completed form constitutes that disclosure by the Seller. The information contained in the disclosure is the representation of the owner and not the representation of the real estate licensee or sales person, if any. This is not a warranty or a substitute for any professional inspections or warranties that the purchasers may wish to obtain.

Buyers and Sellers should be aware that any sales agreement executed between the parties will supersede this form as to the terms of sale, property included in the sale and any obligations on the part of the seller to repair items identified below and/or the obligation of the buyer to accept such items "as is."

INSTRUCTIONS TO THE SELLER

Complete this form yourself and answer each question to the best of your knowledge. If an answer is an estimate, clearly label it as such. The Seller hereby authorizes any agent(s) representing any party in this transaction to provide a copy of this statement to any person or entity in connection with any actual or anticipated sale of the subject property.

A. THE SUBJECT PROPERTY INCLUDES THE ITEMS CHECKED BELOW:

- | | | |
|-----------------------------------------------------|----------------------------------------------------------|--------------------------------------------------------------------------------------------------------|
| <input type="checkbox"/> Range | <input type="checkbox"/> Wall/Window Air Conditioning | <input type="checkbox"/> Garage Door Opener(s) (Number of openers_____) |
| <input type="checkbox"/> Window Screens | <input type="checkbox"/> Oven | <input type="checkbox"/> Fireplace(s) (Number) _____ |
| <input type="checkbox"/> Intercom | <input type="checkbox"/> Microwave | <input type="checkbox"/> Gas Starter for Fireplace |
| <input type="checkbox"/> Garbage Disposal | <input type="checkbox"/> Gas Fireplace Logs | <input type="checkbox"/> TV Antenna/Satellite Dish |
| <input type="checkbox"/> Trash Compactor | <input type="checkbox"/> Smoke Detector/Fire Alarm | <input type="checkbox"/> Central Vacuum System and attachments |
| <input type="checkbox"/> Spa/Whirlpool Tub | <input type="checkbox"/> Burglar Alarm | <input type="checkbox"/> Current Termite contract |
| <input type="checkbox"/> Water Softener | <input type="checkbox"/> Patio/Decking/Gazebo | <input type="checkbox"/> Hot Tub |
| <input type="checkbox"/> 220 Volt Wiring | <input type="checkbox"/> Installed Outdoor Cooking Grill | <input type="checkbox"/> Washer/Dryer Hookups |
| <input type="checkbox"/> Sauna | <input type="checkbox"/> Irrigation System | <input type="checkbox"/> Pool |
| <input type="checkbox"/> Dishwasher | <input type="checkbox"/> A key to all exterior doors | <input type="checkbox"/> Access to Public Streets |
| <input type="checkbox"/> Sump Pump | <input type="checkbox"/> Rain Gutters | <input type="checkbox"/> Heat Pump |
| <input type="checkbox"/> Central Heating | <input type="checkbox"/> Central Air | |
| <input type="checkbox"/> Other _____ | | <input type="checkbox"/> Other _____ |
| Water Heater: <input type="checkbox"/> Electric | <input type="checkbox"/> Gas | <input type="checkbox"/> Solar |
| Garage: <input type="checkbox"/> Attached | <input type="checkbox"/> Not Attached | <input type="checkbox"/> Carport |
| Water Supply: <input type="checkbox"/> City | <input type="checkbox"/> Well | <input type="checkbox"/> Private <input type="checkbox"/> Utility <input type="checkbox"/> Other _____ |
| Gas Supply: <input type="checkbox"/> Utility | <input type="checkbox"/> Bottled | <input type="checkbox"/> Other |
| Waste Disposal: <input type="checkbox"/> City Sewer | <input type="checkbox"/> Septic Tank | <input type="checkbox"/> Other _____ |

Roof(s): Type _____ Age (approx): _____

Other Items: _____

This form is copyrighted and may only be used in real estate transactions in which _____ is involved as a TAR authorized user. Unauthorized use of the form may result in legal sanctions being brought against the user and should be reported to the Tennessee Association of Realtors® at 615-321-1477.



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RF 201 – Tennessee Residential Property Condition Disclosure, Page 2 of 5

Version 01/01/2020

To the best of your knowledge, are any of the above NOT in operating condition? ☐ YES ☐ NO

If YES, then describe (attach additional sheets if necessary):

~~If leases are not assumable, it will be Seller's responsibility to pay balance.~~

B. ARE YOU (SELLER) AWARE OF ANY DEFECTS/MALFUNCTIONS IN ANY OF THE FOLLOWING?

	YES	NO	UNKNOWN		YES	NO	UNKNOWN
101 Interior Walls	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Roof	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
102 Ceilings	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Basement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
103 Floors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Foundation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
104 Windows	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Slab	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
105 Doors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Driveway	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
106 Insulation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Sidewalks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
107 Plumbing System	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Central Heating	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
108 Sewer/Septic	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Heat Pump	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
109 Electrical System	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Central Air Conditioning	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
110 Exterior Walls	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

If any of the above is/are marked YES, please explain:

C. ARE YOU (SELLER) AWARE OF ANY OF THE FOLLOWING:

	YES	NO	UNKNOWN
114 1. Substances, materials or products which may be environmental hazards 115 such as, but not limited to: asbestos, radon gas, lead-based paint, fuel 116 or chemical storage tanks, contaminated soil or 117 water, on the subject 118 property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
119 2. Features shared in common with adjoining land owners, such as walls, but 120 not limited to, fences, and/or driveways, with joint rights and obligations 121 for use and maintenance?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
122 3. Any authorized changes in roads, drainage or utilities affecting the 123 property, or contiguous to the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
124 4. Any changes since the most recent survey of the property was done? 125 Most recent survey of the property: _____ (Date) (check here if unknown)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
126 5. Any encroachments, easements, or similar items that may affect your 127 ownership interest in the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
128 6. Room additions, structural modifications or other alterations or 129 repairs made without necessary permits?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
130 7. Room additions, structural modifications or other alterations or 131 repairs not in compliance with building codes?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
132 8. Landfill (compacted or otherwise) on the property or any portion 133 thereof?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
134 9. Any settling from any cause, or slippage, sliding or other soil problems?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
135 10. Flooding, drainage or grading problems?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
136 11. Any requirement that flood insurance be maintained on the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	YES	NO	UNKNOWN
12. Property or structural damage from fire, earthquake, floods, or landslides? If yes, please explain (use separate sheet if necessary).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
If yes, has said damage been repaired? _____			
13. Is the property serviced by a fire department?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
If yes, in what fire department's service area is the property located? (Fire Dept. Locator can be found: https://tnmap.tn.gov/fdtn/)			
Is the property owner subject to charges or fees for fire protection, such as subscriptions, association dues or utility fees?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Any zoning violations, nonconforming uses and/or violations of "setback" requirements?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Neighborhood noise problems or other nuisances?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16. Subdivision and/or deed restrictions or obligations?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. A Condominium/Homeowners Association (HOA) which has any authority over the subject property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Name of HOA: _____	HOA Address: _____		
HOA Phone Number: _____	Monthly Dues: _____		
Special Assessments: _____	Transfer Fees: _____		
Management Company: _____	Phone: _____		
Management Co. Address: _____			
18. Any "common area" (facilities such as, but not limited to, pools, tennis courts, walkways or other areas co-owned in undivided interest with others)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. Any notices of abatement or citations against the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Any lawsuit(s) or proposed lawsuit(s) by or against the seller which affects or will affect the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Is any system, equipment or part of the property being leased? If yes, please explain, and include a written statement regarding payment information.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

22. Any exterior wall covering of the structure(s) covered with exterior insulation and finish systems (EIFS), also known as "synthetic stucco"? If yes, has there been a recent inspection to determine whether the structure has excessive moisture accumulation and/or moisture related damage? (The Tennessee Real Estate Commission urges any buyer or seller who encounters this product to have a qualified professional inspect the structure in question for the preceding concern and provide a written report of the professional's finding.) If yes, please explain. If necessary, please attach an additional sheet.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

23. Is there an exterior injection well anywhere on the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
24. Is seller aware of any percolation tests or soil absorption rates being performed on the property that are determined or accepted by the Tennessee Department of Environment and Conservation? If yes, results of test(s) and/or rate(s) are attached.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
25. Has any residence on this property ever been moved from its original foundation to another foundation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

YES NO UNKNOWN

26. Is this property in a Planned Unit Development? Planned Unit Development is defined pursuant to Tenn. Code Ann. § 66-5-213 as "an area of land, controlled by one (1) or more landowners, to be developed under unified control or unified plan of development for a number of dwelling units, commercial, educational, recreational or industrial uses, or any combination of the foregoing, the plan for which does not correspond in lot size, bulk or type of use, density, lot coverage, open space, or other restrictions to the existing land use regulations." Unknown is not a permissible answer under the statute.
27. Is a sinkhole present on the property? A sinkhole is defined pursuant to Tenn. Code Ann. § 66-5-212(c) as "a subterranean void created by the dissolution of limestone or dolostone strata resulting from groundwater erosion, causing a surface subsidence of soil, sediment, or rock and is indicated through the contour lines on the property's recorded plat map."
28. Was a permit for a subsurface sewage disposal system for the Property issued during a sewer moratorium pursuant to Tenn. Code Ann. § 68-221-409? If yes, Buyer may have a future obligation to connect to the public sewer system.

D. CERTIFICATION. I/We certify that the information herein, concerning the real property located at

is true and correct to the best of my/our knowledge as of the date signed. Should any of these conditions change prior to conveyance of title to this property, these changes will be disclosed in an addendum to this document.

Transferor (Seller) _____ Date _____ Time _____

Transferor (Seller) _____ Date _____ Time _____

Parties may wish to obtain professional advice and/or inspections of the property and to negotiate appropriate provisions in the purchase agreement regarding advice, inspections or defects.

Transferee/Buyer's Acknowledgment: I/We understand that this disclosure statement is not intended as a substitute for any inspection, and that I/we have a responsibility to pay diligent attention to and inquire about those material defects which are evident by careful observation. **I/We acknowledge receipt of a copy of this disclosure.**

Transferee (Buyer) _____ Date _____ Time _____

Transferee (Buyer) _____ Date _____ Time _____

If the property being purchased is a condominium, the transferee/buyer is hereby given notice that the transferee/buyer is entitled, upon request, to receive certain information regarding the administration of the condominium from the developer or the condominium association as applicable, pursuant to Tennessee Code Annotated §66-27-502.

NOTE: This form is provided by TAR to its members for their use in real estate transactions and is to be used as is. This form contains language that is in addition to the language mandated by the state of Tennessee pursuant to the disclosure requirements of the "Tennessee Residential Property Disclosure Act". Tennessee Code Annotated § 66-5-201, et seq. 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 TAR logo in conjunction with any form other than standardized forms created by TAR 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.

TENNESSEE RESIDENTIAL PROPERTY CONDITION EXEMPTION

- 1 Property Address: _____
- 2 **Buyer:** _____
- 3 **Seller:** _____
- 4 The Tennessee Residential Property Disclosure Act requires sellers of residential real property with one to four dwelling units
 5 to furnish to a buyer one of the following: (1) a residential property disclosure statement (the "Disclosure"), or (2) a residential
 6 property disclaimer statement (permitted only where the buyer waives the required Disclosure). Some property transfers may
 7 be exempt from this requirement (See Tenn. Code Ann. § 66-5-209). The following is a summary of the buyers' and sellers'
 8 rights and obligations under the Act. A complete copy of the Act may be found at: <http://www.tn.gov/regboards/trec/law.shtml>.
 9 (See Tenn. Code Ann. § 66-5-201, et seq.)
- 10 1. Sellers must disclose all known material defects, and must answer the questions on the Disclosure form in good faith to
 11 the best of the seller's knowledge as of the Disclosure date.
 - 12 2. Sellers must give the buyers the Disclosure form before the acceptance of a purchase contract.
 - 13 3. Sellers must inform the buyers, at or before closing, of any inaccuracies or material changes in the condition that have
 14 occurred since the time of the initial Disclosure, or certify that there are no changes.
 - 15 4. Sellers may give the buyers a report or opinion prepared by a professional inspector or other expert(s), or certain
 16 information provided by a public agency, in lieu of responding to some or all of the questions on the form (See Tenn. Code
 17 Ann. § 66-5-204).
 - 18 5. Sellers are not required to have a home inspection or other investigation in order to complete the Disclosure form.
 - 19 6. Sellers are not required to repair any items listed on the Disclosure form or on any past or future inspection report unless
 20 agreed to in the purchase contract.
 - 21 7. Sellers involved in the first sale of a dwelling must disclose the amount of any impact fees or adequate facility taxes paid.
 - 22 8. Sellers are not required to disclose if any occupant was HIV-positive, or had any other disease not likely to be transmitted
 23 by occupying a home, or whether the home had been the site of a homicide, suicide or felony, or act or occurrence which
 24 had no effect on the physical structure of the property.
 - 25 9. Sellers may provide an "as is", "no representations or warranties" disclaimer statement in lieu of the Disclosure form only
 26 if the buyer waives the right to the required disclosure, otherwise the sellers must provide the completed Disclosure form
 27 (See Tenn. Code Ann. § 66-5-202).
 - 28 10. Sellers may be exempt from having to complete the Disclosure form in certain limited circumstances (e.g. public auctions,
 29 court orders, some foreclosures and bankruptcies, new construction with written warranty, or owner has not resided on the
 30 property at any time within the prior 3 years). (See Tenn. Code Ann. § 66-5-209).
 - 31 11. Buyers are advised to include home, wood infestation, well, water sources, septic system, lead-based paint, radon, mold,
 32 and other appropriate inspection contingencies in the contract, as the Disclosure form is not a warranty of any kind by the
 33 seller, and is not a substitute for any warranties or inspections the buyer may desire to purchase.
 - 34 12. Any repair of disclosed defects must be negotiated and addressed in the Purchase and Sale Agreement; otherwise, seller is
 35 not required to repair any such items.
 - 36 13. Buyers may, but do not have to, waive their right to receive the Disclosure form from the sellers if the sellers provide a
 37 disclaimer statement with no representations or warranties. (See Tenn. Code Ann. § 66-5-202).
 - 38 14. Remedies for misrepresentations or nondisclosure in a Property Condition Disclosure statement may be available to buyer
 39 and are set out fully in Tenn. Code Ann. § 66-5-208. Buyer should consult with an attorney regarding any such matters.
 - 40 15. Representations in the Disclosure form are those of the sellers only, and not of any real estate licensee, although licensees
 41 are required to disclose to all parties adverse facts of which the licensee has actual knowledge or notice.
 - 42 16. Pursuant to Tenn. Code Ann. § 47-18-104(b), sellers of newly constructed residences on a septic system are prohibited
 43 from knowingly advertising or marketing a home as having more bedrooms than are permitted by the subsurface sewage
 44 disposal system permit.

This form is copyrighted and may only be used in real estate transactions in which _____ is involved as a TAR authorized user.
 Unauthorized use of the form may result in legal sanctions being brought against the user and should be reported to the Tennessee Association of Realtors® at 615- 321-1477.



17. Sellers must disclose the presence of any known exterior injection well, the presence of any known sinkhole(s), the results of any known percolation test or soil absorption rate performed on the property that is determined or accepted by the Department of Environment and Conservation, and whether the property is located within a Planned Unit Development as defined by Tenn. Code Ann. § 66-5-213 and, if requested, provide buyers with a copy of the development's restrictive covenants, homeowner bylaws and master deed. Sellers must also disclose if they have knowledge that the residence has ever been moved from an existing foundation to another foundation.

The Buyers and Sellers involved in the current or prospective real estate transaction for the property listed above acknowledge that they were informed of their rights and obligations regarding Residential Property Disclosures, and that this information was provided by the real estate licensee(s) prior to the completion or reviewing of a Tennessee Residential Property Condition Disclosure, a Tennessee Residential Property Condition Disclaimer Statement, or a Tennessee Residential Property Condition Exemption. Buyers and Sellers also acknowledge that they were advised to seek the advice of an attorney on any legal questions they may have regarding this information or prior to taking any legal actions.

The Tennessee Residential Property Disclosure Act states that anyone transferring title to residential real property must provide information about the condition of the property. This completed form constitutes that disclosure by the Seller. The information contained in the disclosure is the representation of the owner and not the representation of the real estate licensee or sales person, if any. This is not a warranty or a substitute for any professional inspections or warranties that the purchasers may wish to obtain.

Buyers and Sellers should be aware that any sales agreement executed between the parties will supersede this form as to the terms of sale, property included in the sale and any obligations on the part of the seller to repair items identified below and/or the obligation of the buyer to accept such items "as is."

The undersigned Seller of the property described as _____ does hereby notify Buyer that said property is being offered without a Residential Property Condition Disclosure Statement as provided by the Tennessee Residential Property Disclosure Act. This transfer is excluded under Tenn. Code Ann. § 66-5-209 for the following reason(s):

- ☐ This is a transfer pursuant to court order including, but not limited to, transfers ordered by a court in the administration of an estate, transfers pursuant to a writ of execution, transfers by foreclosure sale, transfers by a trustee in a bankruptcy, transfers by eminent domain and transfers resulting from a decree of specific performance.
- ☐ This is a transfer to a beneficiary of a deed of trust by a trustor or successor in interest who is in default; transfers by a trustee under a deed of trust pursuant to a foreclosure sale, or transfers by a beneficiary under a deed of trust who has acquired the real property at a sale conducted pursuant to a foreclosure sale under a deed of trust or has acquired the real property by a deed in lieu of foreclosure.
- ☐ This is a transfer by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship or trust.
- ☐ This is a transfer from one (1) or more co-owners solely to one (1) or more co-owners. This provision is intended to apply and only does apply in situations where ownership is by a tenancy by the entirety, a joint tenancy or a tenancy in common and the transfer will be made from one (1) or more of the owners to another owner or co-owners holding property either as a joint tenancy, tenancy in common or tenancy by the entirety.
- ☐ This is a transfer made by virtue of the record owner's failure to pay federal, state or local taxes.
- ☐ This is a transfer between spouses resulting from a decree of divorce or a property settlement stipulation.
- ☐ This is a transfer made solely to any combination of a spouse or a person or persons in the lineal line of consanguinity of one (1) or more of the transferors.
- ☐ This is a transfer to or from any governmental entity of public or quasi-public housing authority or agency.
- ☐ This is a transfer involving the first sale of a dwelling provided that the builder offers a written warranty.
- ☐ This is a transfer of any property sold at public auction.
- ☐ This is a transfer of any property where the owner has not resided on the property at any time within three (3) years prior to the date of transfer.
- ☐ This is a transfer from a debtor in a chapter 7 or a chapter 13 bankruptcy to a creditor or third party by a deed in lieu of foreclosure or by a quitclaim deed.

Pursuant to Tenn. Code Ann. § 66-5-212, Sellers are required to disclose, in writing, the presence of any known exterior injection well on the Property, whether the Sellers have knowledge that any single family residence on the Property has ever been moved from an existing foundation to another foundation, whether the Sellers have knowledge of any percolation tests or soil absorption rates performed on the Property that are determined or accepted by the Tennessee Department of Environment and Conservation and the results of said tests and/or rates, and the presence of any known sinkholes. Sellers, pursuant to Tenn.

Code Ann. § 66-5-213, are also required to disclose in writing if the Property is located in a Planned Unit Development and upon request, provide buyers with a copy of the development's restrictive covenants, homeowner bylaws and master deed.

CHECK ALL THAT APPLY:

~~YES NO UNKNOWN~~

- ~~☐ ☐ ☐ 1. Seller knows of the presence of an exterior injection well on the Property.~~
- ~~☐ ☐ ☐ 2. Seller knows that a single family residence located on Property has been moved from an existing foundation to another foundation.~~
- ~~☐ ☐ ☐ 3. Seller knows of a percolation test(s) that has been performed on the Property that is determined or accepted by the Tennessee Department of Environment and Conservation. If yes, results of test(s) are attached.~~
- ~~☐ ☐ ☐ 4. Seller knows of soil absorption rate(s) that has been performed on the property that is determined or accepted by the Tennessee Department of Environment and Conservation. If yes, results of rate(s) are attached.~~
- ~~☐ ☐ ☐ 5. Seller knows of a sinkhole(s) present on the Property. A sinkhole is defined pursuant to Tenn. Code Ann. § 66-5-212(e) as "a subterranean void created by the dissolution of limestone or dolostone strata resulting from groundwater erosion, causing a surface subsidence of soil, sediment, or rock and is indicated through the contour lines on the Property's recorded plat map."~~
- ~~☐ ☐ ☐ 6. This Property is located in a Planned Unit Development. Planned Unit Development is defined pursuant to Tenn. Code Ann. § 66-5-213 as "an area of land, controlled by one (1) or more landowners, to be developed under unified control or unified plan of development for a number of dwelling units, commercial, educational, recreational or industrial uses, or any combination of the foregoing, the plan for which does not correspond in lot size, bulk or type of use, density, lot coverage, open space, or other restrictions to the existing land use regulations." Upon request, Seller shall provide to buyers copies of the development's restrictive covenants, homeowner bylaws and master deed. Unknown is not an appropriate response under the statute.~~
- ~~☐ ☐ ☐ 7. A permit for a subsurface sewage disposal system for the Property was issued during a sewer moratorium pursuant to Tenn. Code Ann. § 68-221-409. If yes, Buyer may have a future obligation to connect to the public sewer system.~~

ARE YOU (SELLER) AWARE OF ANY OF THE FOLLOWING:

YES NO UNKNOWN

1. Is there an exterior injection well anywhere on the property? ☐ ☐ ☐
2. Is seller aware of any percolation tests or soil absorption rates being performed on the property that are determined or accepted by the Tennessee Department of Environment and Conservation? If yes, results of test(s) and/or rate(s) are attached. ☐ ☐ ☐
3. Has any residence on this property ever been moved from its original foundation to another foundation? ☐ ☐ ☐
4. Is this property in a Planned Unit Development? Planned Unit Development is defined pursuant to Tenn. Code Ann. § 66-5-213 as "an area of land, controlled by one (1) or more landowners, to be developed under unified control or unified plan of development for a number of dwelling units, commercial, educational, recreational or industrial uses, or any combination of the foregoing, the plan for which does not correspond in lot size, bulk or type of use, density, lot coverage, open space, or other restrictions to the existing land use regulations." Unknown is not a permissible answer under the statute. ☐ ☐ ☐
5. Is a sinkhole present on the property? A sinkhole is defined pursuant to Tenn. Code Ann. § 66-5-212(c) as "a subterranean void created by the dissolution of limestone or dolostone strata resulting from groundwater erosion, causing a surface subsidence of soil, sediment, or rock and is indicated through the contour lines on the property's recorded plat map." ☐ ☐ ☐
6. Was a permit for a subsurface sewage disposal system for the Property issued during a sewer moratorium pursuant to Tenn. Code Ann. § 68-221-409? If yes, Buyer may have a future obligation to connect to the public sewer system. ☐ ☐ ☐

Buyer is advised that no representation or warranties, express or implied, as to the condition of the property and its improvements, are being offered by Seller except in the case where transfer involves the first sale of a dwelling in which builder offers a written warranty and those required by Seller pursuant to Tenn. Code Ann. §§ 66-5-212 and 66-5-213. Furthermore, the Buyer should make or have made on the Buyer's behalf a thorough and diligent inspection of the property.

If the property being purchased is a condominium, the transferee/buyer is hereby given notice that the transferee/buyer is entitled, upon request, to receive certain information regarding the administration of the condominium from the developer or the condominium association, as applicable, pursuant to Tennessee Code Annotated § 66-27-502.

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

SELLER

_____ at _____ o'clock ☐ am/ ☐ pm

Date

SELLER

_____ at _____ o'clock ☐ am/ ☐ pm

Date

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

BUYER

_____ at _____ o'clock ☐ am/ ☐ pm

Date

BUYER

_____ at _____ o'clock ☐ am/ ☐ pm

Date

NOTE: This form is provided by TAR 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 TAR logo in conjunction with any form other than standardized forms created by TAR 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.

TENNESSEE RESIDENTIAL PROPERTY CONDITION DISCLAIMER STATEMENT

1 Property Address: _____
 2 **Buyer:** _____
 3 Seller: _____

4 The Tennessee Residential Property Disclosure Act (Tenn. Code Ann. § 66-5-201, et seq.) requires sellers of residential real
 5 property with one to four dwelling units to furnish to a buyer one of the following: (1) a residential property disclosure statement
 6 (the "Disclosure"), or (2) a residential property disclaimer statement (permitted only where the buyer waives the required
 7 Disclosure). Some property transfers may be exempt from this requirement (See Tenn. Code Ann. § 66-5-209). The following
 8 is a summary of the buyers' and sellers' rights and obligations under the Act. A complete copy of the Act may be found at:
 9 <http://www.lexisnexis.com/hottopics/tncode/>. (See Tenn. Code Ann. § 66-5-201, et seq.)

- 10 1. Sellers must disclose all known material defects and must answer the questions on the Disclosure form in good faith to the
 11 best of the seller's knowledge as of the Disclosure date.
- 12 2. Sellers must give the buyers the Disclosure form before the acceptance of a purchase contract.
- 13 3. Sellers must inform the buyers, at or before closing, of any inaccuracies or material changes in the condition that have
 14 occurred since the time of the initial Disclosure, or certify that there are no changes.
- 15 4. Sellers may give the buyers a report or opinion prepared by a professional inspector or other expert(s), or certain
 16 information provided by a public agency, in lieu of responding to some or all of the questions on the form (See Tenn. Code
 17 Ann. § 66-5-204).
- 18 5. Sellers are not required to have a home inspection or other investigation in order to complete the Disclosure form.
- 19 6. Sellers are not required to repair any items listed on the Disclosure form or on any past or future inspection report unless
 20 agreed to in the purchase contract.
- 21 7. Sellers involved in the first sale of a dwelling must disclose the amount of any impact fees or adequate facility taxes paid.
- 22 8. Sellers are not required to disclose if any occupant was HIV-positive, or had any other disease not likely to be transmitted
 23 by occupying a home, or whether the home had been the site of a homicide, suicide or felony, or act or occurrence which
 24 had no effect on the physical structure of the property.
- 25 9. Sellers may provide an "as is", "no representations or warranties" disclaimer statement in lieu of the Disclosure form only
 26 if the buyer waives the right to the required disclosure, otherwise the sellers must provide the completed Disclosure form
 27 (See Tenn. Code Ann. § 66-5-202).
- 28 10. Sellers may be exempt from having to complete the Disclosure form in certain limited circumstances (e.g. public auctions,
 29 court orders, some foreclosures and bankruptcies, new construction with written warranty, or owner has not resided on the
 30 property at any time within the prior three (3) years). (See Tenn. Code Ann. § 66-5-209).
- 31 11. Buyers are advised to include home, wood infestation, well, water sources, septic system, lead-based paint, radon, mold,
 32 and other appropriate inspection contingencies in the contract, as the Disclosure form is not a warranty of any kind by the
 33 seller, and is not a substitute for any warranties or inspections the buyer may desire to purchase.
- 34 12. Any repair of disclosed defects must be negotiated and addressed in the Purchase and Sale Agreement; otherwise, seller is
 35 not required to repair any such items.
- 36 13. Buyers may, but do not have to, waive their right to receive the Disclosure form from the sellers if the sellers provide a
 37 disclaimer statement with no representations or warranties (See Tenn. Code Ann. § 66-5-202).
- 38 14. Remedies for misrepresentations or nondisclosure in a Property Condition Disclosure statement may be available to buyer
 39 and are set out fully in Tenn. Code Ann. § 66-5-208. Buyer should consult with an attorney regarding any such matters.
- 40 15. Representations in the Disclosure form are those of the sellers only, and not of any real estate licensee, although licensees
 41 are required to disclose to all parties adverse facts of which the licensee has actual knowledge or notice.

16. Pursuant to Tenn. Code Ann. § 47-18-104(b), sellers of newly constructed residences on a septic system are prohibited from knowingly advertising or marketing a home as having more bedrooms than are permitted by the subsurface sewage disposal system permit.
17. Sellers must disclose the presence of any known exterior injection well, the presence of any known sinkhole(s), the results of any known percolation test or soil absorption rate performed on the property that is determined or accepted by the Department of Environment and Conservation, and whether the property is located within a Planned Unit Development as defined by Tenn. Code Ann. § 66-5-213 and, if requested, provide buyers with a copy of the development's restrictive covenants, homeowner bylaws and master deed. Sellers must also disclose if they have knowledge that the residence has ever been moved from an existing foundation to another foundation.

The Buyers and Sellers involved in the current or prospective real estate transaction for the property listed above acknowledge that they were informed of their rights and obligations regarding Residential Property Disclosures, and that this information was provided by the real estate licensee(s) prior to the completion or reviewing of a Tennessee Residential Property Condition Disclosure, Tennessee Residential Property Condition Disclaimer Statement or a Tennessee Residential Property Condition Exemption Notification. Buyers and Sellers also acknowledge that they were advised to seek the advice of an attorney on any legal questions they may have regarding this information or prior to taking any legal actions.

The Tennessee Residential Property Disclosure Act states that anyone transferring title to residential real property must provide information about the condition of the property. This completed form constitutes that disclosure by the Seller. The information contained in the disclosure is the representation of the owner and not the representation of the real estate licensee or sales person, if any. This is not a warranty or a substitute for any professional inspections or warranties that the purchasers may wish to obtain.

Pursuant to Tenn. Code Ann. § 66-5-212, Sellers are required to disclose, in writing, the presence of any known exterior injection well on the Property, whether the Sellers have knowledge that any single family residence on the Property has ever been moved from an existing foundation to another foundation, and whether the Sellers have knowledge of any percolation tests or soil absorption rates performed on the Property that are determined or accepted by the Tennessee Department of Environment and Conservation and the results of said tests and/or rates, and the presence of any known sinkholes. Sellers, pursuant to Tenn. Code Ann. § 66-5-213, are also required to disclose in writing if the Property is located in a Planned Unit Development and upon request, provide buyers with a copy of the development's restrictive covenants, homeowner bylaws and master deed.

CHECK ALL THAT APPLY:

~~YES~~ ~~NO~~ ~~UNKNOWN~~

- ☐ ☐ ☐ 1. ~~Seller knows of the presence of an exterior injection well on the Property.~~
- ☐ ☐ ☐ 2. ~~Seller knows that a single family residence located on Property has been moved from an existing foundation to another foundation.~~
- ☐ ☐ ☐ 3. ~~Seller knows of a percolation test(s) that has been performed on the Property that is determined or accepted by the Tennessee Department of Environment and Conservation. If yes, results of test(s) are attached.~~
- ☐ ☐ ☐ 4. ~~Seller knows of soil absorption rate(s) that has been performed on the property that is determined or accepted by the Tennessee Department of Environment and Conservation. If yes, results of rate(s) are attached.~~
- ☐ ☐ ☐ 5. ~~Seller knows of a sinkhole(s) present on the Property. A sinkhole is defined pursuant to Tenn. Code Ann. § 66-5-212(e) as "a subterranean void created by the dissolution of limestone or dolostone strata resulting from groundwater erosion, causing a surface subsidence of soil, sediment, or rock and is indicated through the contour lines on the Property's recorded plat map."~~
- ☐ ☐ ☐ 6. ~~This Property is located in a Planned Unit Development. Planned Unit Development is defined pursuant to Tenn. Code Ann. § 66-5-213 as "an area of land, controlled by one (1) or more landowners, to be developed under unified control or unified plan of development for a number of dwelling units, commercial, educational, recreational or industrial uses, or~~

~~any combination of the foregoing, the plan for which does not correspond in lot size, bulk or type of use, density, lot coverage, open space, or other restrictions to the existing land use regulations." Upon request, Seller shall provide to buyers copies of the development's restrictive covenants, homeowner bylaws and master deed. Unknown is not an appropriate response under the statute.~~

- ~~7. A permit for a subsurface sewage disposal system for the Property was issued during a sewer moratorium pursuant to Tenn. Code Ann. § 68-221-409. If yes, Buyer may have a future obligation to connect to the public sewer system.~~

ARE YOU (SELLER) AWARE OF ANY OF THE FOLLOWING:

YES NO UNKNOWN

- | | | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|--------------------------|
| 1. Is there an exterior injection well anywhere on the property? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Is seller aware of any percolation tests or soil absorption rates being performed on the property that are determined or accepted by the Tennessee Department of Environment and Conservation? If yes, results of test(s) and/or rate(s) are attached. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Has any residence on this property ever been moved from its original foundation to another foundation? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Is this property in a Planned Unit Development? Planned Unit Development is defined pursuant to Tenn. Code Ann. § 66-5-213 as "an area of land, controlled by one (1) or more landowners, to be developed under unified control or unified plan of development for a number of dwelling units, commercial, educational, recreational or industrial uses, or any combination of the foregoing, the plan for which does not correspond in lot size, bulk or type of use, density, lot coverage, open space, or other restrictions to the existing land use regulations." Unknown is not a permissible answer under the statute. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. Is a sinkhole present on the property? A sinkhole is defined pursuant to Tenn. Code Ann. § 66-5-212(c) as "a subterranean void created by the dissolution of limestone or dolostone strata resulting from groundwater erosion, causing a surface subsidence of soil, sediment, or rock and is indicated through the contour lines on the property's recorded plat map." | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. Was a permit for a subsurface sewage disposal system for the Property issued during a sewer moratorium pursuant to Tenn. Code Ann. § 68-221-409? If yes, Buyer may have a future obligation to connect to the public sewer system. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Buyers and Sellers should be aware that any sales agreement executed between the parties will supersede this form as to the terms of sale, property included in the sale and any obligations on the part of the seller to repair items identified below and/or the obligation of the buyer to accept such items "as is."

RESIDENTIAL PROPERTY DISCLAIMER STATEMENT

NOTE TO SELLER(S): Sign this statement only if you elect to sell the property without representations and warranties as to its condition, except as otherwise provided in the Purchase Contract; otherwise, complete and sign the RESIDENTIAL PROPERTY CONDITION DISCLOSURE form.

Property Address/Legal Description: _____

The undersigned Seller(s) of the real property described above makes no representations or warranties as to the condition of the real property or any improvements thereon other than those required by Seller pursuant to Tenn. Code Ann. §§ 66-5-212 and 66-5-213. Buyer(s) will be receiving the real property "as is", that is, with all defects which may exist, if any, except as otherwise provided in the real estate Purchase Contract.

SELLER(S) ACKNOWLEDGEMENT

The Seller(s) acknowledge having carefully examined this statement and further acknowledge that they have been informed of their rights and obligations under the Tennessee Residential Property Disclosure Act.

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

BUYER(S) ACKNOWLEDGEMENT

A disclaimer statement may only be permitted where the purchaser waives the required disclosure under Tenn. Code Ann. § 66-5-202. Buyers acknowledge that by signing below they are waiving their statutory right to the Sellers Property Condition Disclosure. The Buyer(s) acknowledges receipt of this disclaimer statement and further acknowledges that they have been informed of their rights and obligations under the Tennessee Residential Property Disclosure Act.

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

If the property being purchased is a condominium, the transferee/buyer is hereby given notice that the transferee/buyer is entitled, upon request, to receive certain information regarding the administration of the condominium from the developer or the condominium association, as applicable, pursuant to Tennessee Code Annotated § 66-27-502.

NOTE: This form is provided by TAR 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 TAR logo in conjunction with any form other than standardized forms created by TAR 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.

TENNESSEE RESIDENTIAL PROPERTY DISCLOSURE

(For Exempt Properties and Residential Property ~~Residential~~ Disclaimers)

Regarding: ("Property") _____

PROPERTY ADDRESS

Pursuant to Tenn. Code Ann. § 66-5-212, Sellers are required to disclose, in writing, the presence of any known exterior injection well on the Property, whether the Sellers have knowledge that any single family residence on the Property has ever been moved from an existing foundation to another foundation, the presence of any known sinkhole, and whether the Sellers have knowledge of any percolation tests or soil absorption rates performed on the Property that are determined or accepted by the Tennessee Department of Environment and Conservation and the results of said tests and/or rates. Sellers, pursuant to Tenn. Code Ann. § 66-5-213, are also required to disclose in writing if the Property is located in a Planned Unit Development as defined therein and upon request, provide buyers with a copy of the development's restrictive covenants, homeowner bylaws and master deed.

~~ARE YOU (SELLER) AWARE OF ANY OF THE FOLLOWING?:~~

~~YES NO UNKNOWN~~

- ~~☐ ☐ ☐ 1. An exterior injection well is located on the Property.~~
- ~~☐ ☐ ☐ 2. A single family residence located on Property has been moved from an existing foundation to another foundation.~~
- ~~☐ ☐ ☐ 3. A percolation test(s) has been performed on the Property that is determined or accepted by the Tennessee Department of Environment and Conservation. If yes, results of test(s) are attached.~~
- ~~☐ ☐ ☐ 4. A soil absorption rate(s) has been performed on the Property that is determined or accepted by the Tennessee Department of Environment and Conservation. If yes, results of rate(s) are attached.~~
- ~~☐ ☐ ☐ 5. This Property is located in a Planned Unit Development. Planned Unit Development is defined pursuant to Tenn. Code Ann. § 66-5-213 as "an area of land, controlled by one (1) or more landowners, to be developed under unified control or unified plan of development for a number of dwelling units, commercial, educational, recreational or industrial uses, or any combination of the foregoing, the plan for which does not correspond in lot size, bulk or type of use, density, lot coverage, open space, or other restrictions to the existing land use regulations." Upon request, Seller shall provide to Buyer copies of the development's restrictive covenants, homeowner bylaws and master deed. Unknown is not an appropriate response under the statute.~~
- ~~☐ ☐ ☐ 6. Seller knows of the presence of a sinkhole on the property. A sinkhole is defined pursuant to Tenn. Code Ann. § 66-5-212(c) as "a subterranean void created by the dissolution of limestone or dolostone strata resulting from groundwater erosion, causing a surface subsidence of soil, sediment, or rock and is indicated through the contour lines on the property's recorded plat map."~~
- ~~☐ ☐ ☐ 7. A permit for a subsurface sewage disposal system for the Property was issued during a sewer moratorium pursuant to Tenn. Code Ann. § 68-221-409. If yes, Buyer may have a future obligation to connect to the public sewer system.~~

ARE YOU (SELLER) AWARE OF ANY OF THE FOLLOWING:

YES NO UNKNOWN

1. Is there an exterior injection well anywhere on the property? ☐ ☐ ☐
2. Is seller aware of any percolation tests or soil absorption rates being performed on the property that are determined or accepted by the Tennessee Department of Environment and Conservation? If yes, results of test(s) and/or rate(s) are attached. ☐ ☐ ☐
3. Has any residence on this property ever been moved from its original foundation to another foundation? ☐ ☐ ☐
4. Is this property in a Planned Unit Development? Planned Unit Development is defined pursuant to Tenn. Code Ann. § 66-5-213 as "an area of land, controlled by one (1) or more landowners, to be developed under unified control or unified plan of development for a number of dwelling units, commercial, educational, recreational or industrial uses, or any combination of the foregoing, the plan for which does not correspond in lot size, bulk or type of

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use, density, lot coverage, open space, or other restrictions to the existing land use regulations." Unknown is not a permissible answer under the statute.

5. Is a sinkhole present on the property? A sinkhole is defined pursuant to Tenn. Code Ann. § 66-5-212(c) as "a subterranean void created by the dissolution of limestone or dolostone strata resulting from groundwater erosion, causing a surface subsidence of soil, sediment, or rock and is indicated through the contour lines on the property's recorded plat map." ☐ ☐ ☐
6. Was a permit for a subsurface sewage disposal system for the Property issued during a sewer moratorium pursuant to Tenn. Code Ann. § 68-221-409? If yes, Buyer may have a future obligation to connect to the public sewer system. ☐ ☐

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

SELLER

_____ at _____ o'clock ☐ am/ ☐ pm

Date

SELLER

_____ at _____ o'clock ☐ am/ ☐ pm

Date

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

BUYER

_____ at _____ o'clock ☐ am/ ☐ pm

Date

BUYER

_____ at _____ o'clock ☐ am/ ☐ pm

Date

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WORKING WITH A REAL ESTATE PROFESSIONAL

Pursuant to the Tennessee Real Estate Broker License Act, every Real Estate Licensee owes the following duties to every Buyer and Seller, Tenant and Landlord (collectively “Buyers” and “Sellers”):

1. To diligently exercise reasonable skill and care in providing services to all parties to the transaction;
2. To disclose to each party to the transaction any Adverse Facts of which Licensee has actual notice or knowledge;
3. To maintain for each party in a transaction the confidentiality of any information obtained by a Licensee prior to disclosure to all parties of a written agency agreement entered into by the Licensee to represent either or both parties in the transaction. This duty of confidentiality extends to any information which the party would reasonably expect to be held in confidence, except for any information required by law to be disclosed. This duty survives both the subsequent establishment of an agency relationship and the closing of the transaction;
4. To provide services to each party to the transaction with honesty and good faith;
5. To disclose to each party to the transaction timely and accurate information regarding market conditions that might affect such transaction only when such information is available through public records and when such information is requested by a party;
6. To give timely account for earnest money deposits and all other property received from any party to a transaction; and
7. A) To refrain from engaging in self-dealing or acting on behalf of Licensee’s immediate family, or on behalf of any other individual, organization or business entity in which Licensee has a personal interest without prior disclosure of such personal interest and the timely written consent of all parties to the transaction; and
B) To refrain from recommending to any party to the transaction the use of services of another individual, organization or business entity in which the Licensee has an interest or from whom the Licensee may receive a referral fee or other compensation for the referral, other than referrals to other Licensees to provide real estate services, without timely disclosure to the party who receives the referral, the Licensee’s interest in such a referral or the fact that a referral fee may be received.

In addition to the above, the Licensee has the following duties to his/her Client if the Licensee has become an Agent or Designated Agent in a transaction:

8. Obey all lawful instructions of the client when such instructions are within the scope of the agency agreement between the Licensee and Licensee’s client;
9. Be loyal to the interests of the client. Licensee must place the interests of the client before all others in negotiation of a transaction and in other activities, except where such loyalty/duty would violate Licensee’s duties to a customer in the transaction; and
10. Unless the following duties are specifically and individually waived in writing by a client, Licensee shall assist the client by:
 - A) Scheduling all property showings on behalf of the client;
 - B) Receiving all offers and counter offers and forwarding them promptly to the client;
 - C) Answering any questions that the client may have in negotiation of a successful purchase agreement within the scope of the Licensee’s expertise; and
 - D) Advising the client as to whatever forms, procedures and steps are needed after execution of the purchase agreement for a successful closing of the transaction.

Upon waiver of any of the above duties contained in 10. above, a consumer must be advised in writing by such consumer’s agent that the consumer may not expect or seek assistance from any other licensees in the transaction for the performance of said duties.

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.

AN EXPLANATION OF TERMS

Facilitator/Transaction Broker (not an agent for either party). The Licensee is not working as an agent for either party in this consumer's prospective transaction. A Facilitator may advise either or both of the parties to a transaction but cannot be considered a representative or advocate of either party. "Transaction Broker" may be used synonymously with, or in lieu of, "Facilitator" as used in any disclosures, forms or agreements. [By law, any licensee or company who has not entered into a written agency agreement with either party in the transaction is considered a Facilitator or Transaction Broker until such time as an agency agreement is established.]

Agent for the Seller. The Licensee's company is working as an agent for the property seller and owes primary loyalty to the seller. Even if the Licensee is working with a prospective buyer to locate property for sale, rent, or lease, the Licensee and his/her company are legally bound to work in the best interests of any property owners whose property is shown to this prospective buyer. An agency relationship of this type cannot, by law, be established without a written agency agreement.

Agent for the Buyer. The Licensee's company is working as an agent for the prospective buyer, owes primary loyalty to the buyer, and will work as an advocate for the best interests of the buyer. An agency relationship of this type cannot, by law, be established without a written buyer agency agreement.

Disclosed Dual Agent (for both parties). Refers to a situation in which the Licensee has agreements to provide services as an agent to more than one party in a specific transaction and in which the interests of such parties are adverse. This agency status may only be employed upon full disclosure to each party and with each party's informed consent.

Designated Agent for the Seller. The individual Licensee that has been assigned by his/her Managing Broker and is working as an agent for the Seller or property owner in this consumer's prospective transaction, to the exclusion of all other licensees in his/her company. Even if someone else in the Licensee's company represents a possible buyer for this Seller's property, the Designated Agent for the Seller will continue to work as an advocate for the best interests of the Seller or property owner. An agency relationship of this type cannot, by law, be established without a written agency agreement.

Designated Agent for the Buyer. The individual Licensee that has been assigned by his/her Managing Broker and is working as an agent for the Buyer in this consumer's prospective transaction, to the exclusion of all other licensees in his/her company. Even if someone else in the Licensee's company represents a seller in whose property the Buyer is interested, the Designated Agent for the Buyer will continue to work as an advocate for the best interests of the Buyer. An agency relationship of this type cannot, by law, be established without a written agency agreement.

Adverse Facts. "Adverse Facts" means conditions or occurrences generally recognized by competent licensees that have a negative impact on the value of the real estate, significantly reduce the structural integrity of improvements to real property or present a significant health risk to occupants of the property.

Confidentiality. By law, every licensee is obligated to protect some information as confidential. This includes any information revealed by a consumer which may be helpful to the other party IF it was revealed by the consumer BEFORE the Licensee disclosed an agency relationship with that other party. AFTER the Licensee discloses that he/she has an agency relationship with another party, any such information which the consumer THEN reveals must be passed on by the Licensee to that other party.

☐ BUYER / ☐ SELLER

Date

☐ BUYER / ☐ SELLER

Date

Real Estate Licensee

Date

Real Estate Company

Date

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DISCLAIMER NOTICE

The Brokers and their affiliated licensees (hereinafter collectively “Licensees”) ~~are not attorneys and are not structural or environmental engineers. They~~ are engaged in bringing together buyers and sellers in real estate transactions. Licensees expressly deny any expertise with respect to advice or informed opinions regarding any of the following matters. This Disclaimer Notice is an express warning to all sellers and buyers that they should not rely on any statement, comment or opinion expressed by any Licensee when making decisions about any of the following matters, including the selection of any professional to provide services on behalf of buyers or sellers. Any professional selected by buyers or sellers should be an “independent, qualified professional”, who complies with all applicable state/local requirements, which may include licensing, insurance, and bonding requirements. It is strongly recommended that buyers include contingency clauses in their offers to purchase with respect to these or any other matters of concern and that buyers, in writing the offer, allow enough time to get an evaluation of the following matters from an independent, qualified professional. The matters listed below are not an exclusive list of actions or circumstances which are not the responsibility of the Licensees with whom you work. These items are examples and are provided only for your guidance and information.

1. **THE STRUCTURAL OR OTHER CONDITIONS OF THE PROPERTY.** Consult with professional engineers or other independent, qualified professionals to ascertain the existence of structural issues, the condition of synthetic stucco (E.I.F.S.) and/or the overall condition of the property.
2. **THE CONDITION OF ROOFING.** Consult with a bonded roofing company for any concerns about the condition of the roof.
3. **HOME INSPECTION.** We strongly recommend that you have a home inspection, which is a useful tool for determining the overall condition of a home including, but not limited to, electrical, heating, air conditioning, plumbing, water-heating systems, fireplaces, windows, doors and appliances. Contact several sources (like the Tennessee Department of Commerce & Insurance (<http://tn.gov/commerce/>), the American Society of Home Inspectors (www.ashi.com), the National Association of Certified Home Inspectors (www.nahi.org), and Home Inspectors of Tennessee Association (www.hita.us) and independently investigate the competency of an inspector, including whether he has complied with State and/or local licensing and registration requirements in your area. The home inspector may, in turn, recommend further examination by a specialist (heating-air-plumbing, etc.). **Failure to inspect typically means that you are accepting the property “as is”.**
4. **WOOD DESTROYING ORGANISMS, PESTS AND INFESTATIONS.** It is strongly recommended that you use the services of a licensed, professional pest control company to determine the presence of wood destroying organisms (termites, fungus, etc.) or other pests or infestations and to examine the property for any potential damage from such.
5. **ENVIRONMENTAL HAZARDS.** Environmental hazards, such as, but not limited to: radon gas, mold, asbestos, lead-based paint, hazardous wastes, landfills, byproducts of methamphetamine production, high-voltage electricity, noise levels, etc., require advanced techniques by environmental specialists to evaluate, remediate and/or repair. It is strongly recommended that you secure the services of knowledgeable professionals and inspectors in all areas of environmental concern.
6. **SQUARE FOOTAGE.** ~~There are many ways of measuring square footage.~~ There are multiple sources from which square footage of a property may be obtained. Information is sometimes gathered from tax or real estate records on the property. Square footage provided by builders, real estate licensees, or tax records is only an **estimate** with which to make comparisons, but **it is not guaranteed**. It is advised that you have a licensed appraiser determine actual square footage.

- 42 **7. CURRENT VALUE, INVESTMENT POTENTIAL, OR RESALE VALUE OF THE PROPERTY.** A
 43 true estimate of the value can only be obtained through the services of a licensed appraiser. No one, not even
 44 a professional appraiser, can know the future value of a property. Unexpected and unforeseeable things happen.
 45 **NOTE:** A real estate licensee's Comparative Market Analysis (CMA) or Broker's Price Opinion (BPO), etc.,
 46 while sometimes used to set an asking price or an offer price, is **not** an appraisal.
- 47 **8. BOUNDARY LINES, EASEMENTS, ENCROACHMENTS, ROAD MAINTENANCE, AND**
 48 **ACREAGE.** A survey can provide helpful information, including whether the road to the home is a public or
 49 private road. It is strongly advised that you secure the services of a licensed surveyor for a full-stake boundary
 50 survey with all boundary lines, easements, encroachments, flood zones, road information, total acreage, etc.,
 51 clearly identified. It is also advised that you **not** rely on mortgage loan inspection surveys, previous surveys,
 52 plat data, or Multiple Listing Service (MLS) data for this information, even if acceptable to your lender.
- 53 **9. ZONING, CODES, COVENANTS, RESTRICTIONS, AND RELATED ISSUES.** Zoning, codes,
 54 covenants, restrictions, home owner association by-laws, special assessments, city ordinances, governmental
 55 repair requirements and related issues need to be verified by the appropriate sources in writing. If your projected
 56 use requires a zoning or other change, it is recommended that you either wait until the change is **in effect** before
 57 committing to a property or provide for this contingency in your Purchase and Sale Agreement.
- 58 **10. UTILITY CONNECTIONS, SEPTIC SYSTEM CAPABILITY, AND RELATED SERVICES.** The
 59 availability, adequacy, connection and/or condition of waste disposal (sewer, septic system, etc.), water supply,
 60 electric, gas, cable, internet, telephone, or other utilities and related services to the property need to be verified
 61 by the appropriate sources in writing (including but not limited to fire protection). You should have a
 62 professional check access and/or connection to public sewer and/or public water source and/or the condition of
 63 any septic system(s) and/or wells. To confirm that any septic systems are properly permitted for the actual
 64 number of bedrooms, it is recommended that sellers and/or buyers request a copy of the information contained
 65 in the file for the property maintained by the appropriate governmental permitting authority. If the file for this
 66 property cannot be located or you do not understand the information contained in the file, you should seek
 67 professional advice regarding this matter. For unimproved land, septic system capability can only be
 68 determined by using the services of a professional soil scientist and verifying with the appropriate governmental
 69 authorities that a septic system of the desired type, size, location, and cost can be permitted and installed to
 70 accommodate the size home that you wish to build.
- 71 **11. FLOODING, DRAINAGE, FLOOD INSURANCE, AND RELATED ITEMS.** It is recommended that you
 72 have a civil or geotechnical engineer or other independent expert determine the risks of flooding, drainage or
 73 run-off problems, erosion, land shifting, unstable colluvial soil, sinkholes and landfills. The risk of flooding
 74 may increase and drainage or storm run-off pathways may change. Be sure to consult with the proper
 75 governmental authorities, elevation surveyors, and flood insurance professionals regarding flood and elevation
 76 certificates, flood zones, and flood insurance requirements, recommendations and costs.
- 77 **12. CONDEMNATION.** It is recommended that you investigate whether there are any pending or proposed
 78 condemnation proceedings or similar matters concerning any portion of the property with the State, County and
 79 city/town governments in which the property is located. Condemnation proceedings could result in all or a
 80 portion of the property being taken by the government with compensation being paid to the landowner.
- 81 **13. SCHOOL DISTRICTS AND OTHER SCHOOL INFORMATION.** It is advised that you independently
 82 confirm school zoning with the appropriate school authorities, as school districts are subject to change. Other
 83 school information (rankings, curriculums, student-teacher ratios, etc.) should be confirmed by appropriate
 84 sources in writing.
- 85 **14. INFORMATION ABOUT CRIMES, METHAMPHETAMINE PROPERTIES, OR SEX OFFENDERS.**
 86 You should consult with local, state and federal law enforcement agencies for information or statistics regarding
 87 criminal activity at or near the property, the presence of methamphetamine manufacturing, or for the location
 88 of sex offenders in a given area.

15. LEGAL AND TAX ADVICE. You should seek the advice of an attorney and/or certified tax specialist on any legal or tax questions concerning any offers, contracts, issues relating to title or ownership of the property, or any other matters of concern, including those itemized in this Disclaimer Notice. Real estate licensees are **not** legal or tax experts, and therefore cannot advise you in these areas.

16. RECOMMENDED INSPECTORS, SERVICE PROVIDERS, OR VENDORS. The furnishing of any inspector, service provider or vendor named by the real estate licensee is done only as a convenience and a courtesy, and does not in any way constitute any warranty, representation, or endorsement. Buyers and sellers have the option to select any inspectors, service providers or vendors of the buyer's or seller's choice. You are advised to contact several sources and independently investigate the competency of any inspector, contractor, or other professional expert, service provider or vendor and to determine compliance with any licensing, registration, insurance and bonding requirements in your area.

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.

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.

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. The Buyer/Seller understands that it has been strongly recommended that they secure the services of appropriately credentialed experts and professionals of the buyer's or seller's choice for the advice and counsel about these and similar concerns.

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

CLIENT/CUSTOMER

CLIENT/CUSTOMER

_____ at _____ o'clock ☐ am/ ☐ pm

_____ at _____ o'clock ☐ am/ ☐ pm

Date

Date

NOTE: This form is provided by TAR 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 TAR logo in conjunction with any form other than standardized forms created by TAR 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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PURCHASE AND SALE AGREEMENT

- 1. Purchase and Sale.** For and in consideration of the mutual covenants herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned buyer

_____ (“Buyer”) agrees to buy and the undersigned seller _____ (“Seller”) agrees to sell all that tract or parcel of land, with such improvements as are located thereon, described as follows:

All that tract of land known as: _____
 (Address) _____ (City), Tennessee, _____ (Zip), as recorded in _____ County Register of Deeds Office, _____ deed book(s), _____ page(s), and/or _____ instrument number and as further described as:

_____ together with all fixtures, landscaping, improvements, and appurtenances, all being hereinafter collectively referred to as the “Property.”

- 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.

- B. Other items that REMAIN with the Property at no additional cost to Buyer:**

- C. Items that WILL NOT REMAIN with the Property:**

- D. LEASED ITEMS:** Leased items that remain with the Property: (e.g., security systems, water softener systems, fuel tank, etc.): _____.

Buyer shall assume any and all lease payments as of Closing. If leases are not assumable, the balance shall be paid in full by Seller at or before Closing.

- ☐ Buyer does not wish to assume a leased item. **(THIS BOX MUST BE CHECKED IN ORDER FOR IT TO BE A PART OF THIS AGREEMENT.)**

Buyer does not wish to assume Seller’s current lease of _____; therefore, Seller shall have said lease cancelled and leased items removed from Property prior to Closing.

- E. FUEL:** Fuel, if any, will be adjusted and charged to Buyer and credited to Seller at Closing at current market prices.

- 2. Purchase Price, Method of Payment and Closing Expenses.** Buyer warrants that, except as may be otherwise provided herein, Buyer will at Closing have sufficient cash to complete the purchase of the Property under the terms of this Purchase and Sale Agreement (hereinafter “Agreement”). The purchase price to be paid is: \$ _____, _____ U.S. Dollars, (“Purchase Price”) which shall be disbursed to Seller or Seller’s Closing Agency by one of the following methods:

- i. a Federal Reserve Bank wire transfer;
- ii. a Cashier’s Check issued by a financial institution as defined in 12 CFR § 229.2(i); OR
- iii. other such form as is approved in writing by Seller.

- A. Financial Contingency – Loan(s) To Be Obtained.** This Agreement is conditioned upon Buyer’s ability to obtain

a loan(s) in the principal amount up to _____% of the Purchase Price listed above to be secured by a deed of trust on the Property. "Ability to obtain" as used herein means that Buyer is qualified to receive the loan described herein based upon Lender's customary and standard underwriting criteria. In consideration of Buyer, having acted in good faith and in accordance with the terms below, being unable to obtain financing by the Closing Date, the sufficiency of such consideration being hereby acknowledged, Buyer may terminate this Agreement by providing written notice via the Notification form or equivalent written notice. Seller shall have the right to request any supporting documentation regarding loan denial. Upon termination, Buyer is entitled to a refund of the Earnest Money/Trust Money. Lender is defined herein as the financial institution funding the loan.

The loan shall be of the type selected below (**Select the appropriate boxes. Unselected items will not be part of this Agreement**):

- | | |
|---------------------------------------------------|----------------------------------------------------|
| <input type="checkbox"/> Conventional Loan | <input type="checkbox"/> FHA Loan; attach addendum |
| <input type="checkbox"/> VA Loan; attach addendum | <input type="checkbox"/> Rural Development/USDA |
| <input type="checkbox"/> THDA | <input type="checkbox"/> Other _____ |

Buyer may apply for a loan with different terms and conditions and also Close the transaction provided all other terms and conditions of this Agreement are fulfilled, and the new loan does not increase any costs charged to Seller. Buyer shall be obligated to Close this transaction if Buyer has the ability to obtain a loan with terms as described herein and/or any other loan for which Buyer has applied and been approved.

Loan Obligations: The Buyer agrees and/or certifies as follows:

- (1) Within three (3) days after the Binding Agreement Date, Buyer shall make application for the loan and shall pay for credit report. Buyer shall immediately notify Seller or Seller's representative of having applied for the loan and provide Lender's name and contact information, and that Buyer has instructed Lender to order credit report. Such certifications shall be made via the Notification form or equivalent written notice;
- (2) Within fourteen (14) days after the Binding Agreement Date, Buyer shall warrant and represent to Seller via the Notification form or equivalent written notice that:
 - a. Buyer has secured evidence of hazard insurance which will be effective at Closing and Buyer shall notify Seller of the name of the hazard insurance company;
 - b. Buyer has notified Lender of an Intent to Proceed and has available funds to Close per the signed Loan Estimate; and
 - c. Buyer has requested that the appraisal be ordered and affirms that the appraisal fee has been paid.
- (3) Buyer shall pursue qualification for and approval of the loan diligently and in good faith;
- (4) Buyer shall continually and immediately provide requested documentation to Lender and/or loan originator;
- (5) Unless otherwise stated in this Agreement, Buyer represents that this loan is not contingent upon the lease or sale of any other real property and the same shall not be used as the basis for loan denial; and
- (6) Buyer shall not intentionally make any material changes in Buyer's financial condition which would adversely affect Buyer's ability to obtain the Primary Loan or any other loan referenced herein.

Should Buyer fail to timely comply with section 2.A.(1) and/or 2.A.(2) above **and provide notice as required**, 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 two (2) days after such demand for compliance, Buyer shall be considered in default and Seller's obligation to sell is terminated.

- ☐ **B. Financing Contingency Waived (THIS BOX MUST BE CHECKED TO BE PART OF THIS AGREEMENT.)** (e.g. "All Cash", etc.): Buyer's obligation to close shall not be subject to any financial contingency. Buyer reserves the right to obtain a loan. Buyer will furnish proof of available funds to close in the following manner: _____ (e.g. bank statement, Lender's commitment letter) within five (5) days after Binding Agreement Date. Should Buyer fail to do so, Seller may make written demand for compliance via the Notification form or equivalent written notice. If Buyer does not furnish Seller with the requested notice within two (2) days after such demand for compliance, Buyer shall be considered in default and Seller's obligation to sell is terminated. Failure to Close due to lack of funds shall be considered default by Buyer.

In the event this Agreement is contingent upon an appraisal (See Section 2.C. below), Buyer must order the appraisal and provide Seller with the name and telephone number of the appraisal company and proof that appraisal was ordered within five (5) days of the Binding Agreement Date. Should Buyer fail to do so, Seller may make written demand for compliance via the Notification form or equivalent written notice. If Buyer does not furnish Seller with the requested notice within two (2) days after such demand for compliance, Buyer shall be considered in default and Seller's obligation to sell is terminated.

C. Appraisal (Select either 1 or 2 below. The sections not checked are not a part of this Agreement).

- ☐ 1. This Agreement **IS NOT** contingent upon the appraised value either equaling or exceeding the agreed upon Purchase Price.
- ☐ 2. This Agreement **IS CONTINGENT** upon the appraised value either equaling or exceeding the agreed upon Purchase Price. If the appraised value is equal to or exceeds Purchase Price, this contingency is satisfied. In consideration of Buyer having conducted an appraisal, the sufficiency of such consideration being hereby acknowledged, if the appraised value of the Property does not equal or exceed the Purchase Price, Buyer shall promptly notify the Seller via the ~~notification~~ Notification form or equivalent written ~~equivalent~~ notice. Buyer shall then have three (3) days to either:
1. waive the appraisal contingency via the ~~notification~~ Notification form or equivalent written notice
 - OR
 2. terminate the agreement by giving notice to seller via the ~~notification~~ Notification form or equivalent written notice. Upon timely termination, Buyer is entitled to a refund of the Earnest money.

In the event Buyer fails to either waive the appraisal contingency or terminate the agreement as set forth above, this contingency shall be deemed satisfied. Thereafter, failure to appraise shall not be used as the basis for loan denial or termination of contract. Seller shall have the right to request any supporting documentation showing appraised value did not equal or exceed the agreed upon purchase price.

D. Closing Expenses.

1. **Seller Expenses.** Seller shall pay all existing loans and/or liens affecting the Property, including all penalties, release preparation costs, and applicable recording costs; any accrued and/or outstanding association dues or fees; fee (if any) to obtain lien payoff/estoppel letters/statement of accounts from any and all associations, property management companies, mortgage holders or other liens affecting the Property; Seller's closing fee, document preparation fee and/or attorney's fees; fee for preparation of deed; notary fee on deed; and financial institution (Bank, Credit Union, etc.) wire transfer fee or commercial courier service fee related to the disbursement of any lien payoff(s). Seller additionally agrees to permit any withholdings and/or to pay any additional sum due as is required under the Foreign Investment in Real Property Tax Act. Failure to do so will constitute a default by Seller.

In the event Seller is subject to Tax Withholding as required by the Foreign Investment in Real Property Tax Act, (hereinafter "FIRPTA"), Seller additionally agrees that such Tax Withholding must be collected from Seller by Buyer's Closing Agent at the time of Closing. In the event Seller is not subject to FIRPTA, Seller shall be required as a condition of Closing to sign appropriate affidavits certifying that Seller is not subject to FIRPTA. *It is Seller's responsibility to seek independent tax advice or counsel prior to the Closing Date regarding such tax matters.*

2. **Buyer Expenses.** Buyer shall pay all transfer taxes and recording fees on deed of conveyance and deed of trust; Buyer's closing fee, document preparation fee and/or attorney's fees; preparation of note, deed of trust, and other loan documents; mortgage loan inspection or boundary line survey; credit report; required premiums for private mortgage, hazard and flood insurance; required reserved deposits for insurance premiums and taxes; prepaid interest; re-inspection fees pursuant to appraisal; insured Closing Protection Letter; association fees as stated within section 4.F.; and any costs incident to obtaining and closing a loan, including but not limited to: appraisal, origination, discount points, application, commitment, underwriting, document review, courier, assignment, photo, tax service, notary fees, and any wire fee or other charge imposed for the disbursement of the Seller's proceeds according to the terms of this Agreement.
3. **Title Expenses.** Cost of title search, mortgagee's policy and owner's policy (rates to be as filed with the Tennessee Department of Commerce and Insurance) shall be paid as follows:

Simultaneous issue rates shall apply.

Not all of the above items (Seller Expenses, Buyer Expenses and Title Expenses) are applicable to every transaction and may be modified as follows:

Closing Agency for Buyer & Contact Information : _____

Closing Agency for Seller & Contact Information : _____

3. **Earnest Money/Trust Money.** Buyer has paid or will pay within _____ days after the Binding Agreement Date to _____ (name of Holder) ("Holder") located at _____ (address of Holder), a Earnest Money/Trust Money deposit of \$_____ by check (OR _____) ("Earnest Money/Trust Money").

A. Failure to Receive Earnest Money/Trust Money. In the event Earnest Money/Trust Money (if applicable) is not timely received by Holder or Earnest Money/Trust Money check or other instrument is not honored for any reason by the bank upon which it is drawn, Holder shall promptly notify Buyer and Seller of the Buyer's failure to deposit the agreed upon Earnest Money/Trust Money. Buyer shall then have one (1) day to deliver Earnest Money/Trust Money in immediately available funds to Holder. In the event Buyer does not deliver such funds, Buyer is 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 the Earnest Money/Trust Money in immediately available funds to Holder 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.

B. Handling of Earnest Money/Trust Money upon Receipt by Holder. Earnest Money/Trust Money (if applicable) is to be deposited promptly after the Binding Agreement Date or the agreed upon delivery date in this Earnest Money/Trust Money section or as specified in the Special Stipulations section contained herein. Holder shall disburse Earnest Money/Trust Money only as follows:

- (a) at Closing to be applied as a credit toward Buyer's Purchase Price;
- (b) upon a written agreement signed by all parties having an interest in the funds;
- (c) upon order of a court or arbitrator having jurisdiction over any dispute involving the Earnest Money/Trust Money;
- (d) upon a reasonable interpretation of the Agreement; or
- (e) upon the filing of an interpleader action with payment to be made to the clerk of the court having jurisdiction over the matter.

Holder shall be reimbursed for, and may deduct from any funds interpleaded, its costs and expenses, including reasonable attorney's fees. The prevailing party in the interpleader action shall be entitled to collect from the other party the costs and expenses reimbursed to Holder. No party shall seek damages from Holder (nor shall Holder be liable for the same) for any matter arising out of or related to the performance of Holder's duties under this Earnest Money/Trust Money section. Earnest Money/Trust Money shall not be disbursed prior to fourteen (14) days after deposit unless written evidence of clearance by bank is provided.

4. Closing, Prorations, Special Assessments and Warranties Transfer.

A. Closing Date. This transaction shall be closed ("Closed") (evidenced by delivery of warranty deed and payment of Purchase Price, the "Closing"), and this Agreement shall expire, at 11:59 p.m. local time on the _____ day of _____, ("Closing Date"), or on such earlier date as may be agreed to by the parties in writing. Such expiration does not extinguish a party's right to pursue remedies in the event of default. Any extension of this date must be agreed to by the parties in writing via the Closing Date/Possession Date Amendment or equivalent written agreement.

1. Possession. Possession of the Property is to be given (**Select the appropriate boxes below. Unselected items will not be part of this Agreement**):

- ☐ at Closing as evidenced by delivery of warranty deed and payment of Purchase Price;

OR

- ☐ as agreed in the attached and incorporated Temporary Occupancy Agreement;

B. Prorations. Real estate taxes, rents, dues, maintenance fees, and association fees on said Property for the calendar year in which the sale is Closed shall be prorated as of the Closing Date. In the event of a change or reassessment of taxes for the calendar year after Closing, the parties agree to pay their recalculated share. Real estate taxes, rents, dues, maintenance fees, and association fees for prior years and roll back taxes, if any, will be paid by Seller.

C. Greenbelt. If property is currently classified by the property tax assessor as "Greenbelt" (minimum of 15 acres or otherwise qualifies), does the Buyer intend to keep the property in the Greenbelt? (**Select the appropriate boxes below. Unselected items will not be part of this Agreement**):

- ☐ Buyer intends to maintain the property's Greenbelt classification and acknowledges that it is Buyer's responsibility to make timely and proper application to insure such status. Buyer's failure to timely and properly make application will result in the assessment of rollback taxes for which Buyer shall be obligated to pay. Buyer

should consult the tax assessor for the county where the property is located prior to making this offer to verify that their intended use will qualify for greenbelt classification.

- ☐ Buyer does not intend to maintain the property's Greenbelt status and Rollback taxes shall be payable by the Seller at time of closing.

D. Special Assessments. Special assessments approved or levied prior to the Closing Date shall be paid by the Seller at or prior to Closing unless otherwise agreed as follows:

E. Warranties Transfer. Seller, at the option of Buyer and at Buyer's cost, agrees to transfer Seller's interest in any manufacturer's warranties, service contracts, termite bond or treatment guarantee and/or similar warranties which by their terms may be transferable to Buyer.

F. Association Fees. Buyer shall be responsible for all homeowner or condominium association transfer fees, related administration fees (not including statement of accounts), capital expenditures/contributions incurred due to the transfer of Property and/or like expenses which are required by the association, property management company and/or the bylaws, declarations or covenants for the Property (unless otherwise specifically addressed herein and/or unless specifically chargeable to Seller under applicable bylaws, declarations, and/or neighborhood covenants).

5. Title and Conveyance.

A. Seller warrants that at the time of Closing, Seller will convey or cause to be conveyed to Buyer or Buyer's assign(s) good and marketable title to said Property by general warranty deed, subject only to:

- (1) zoning;
- (2) setback requirements and general utility, sewer, and drainage easements of record on the Binding Agreement Date upon which the improvements do not encroach;
- (3) subdivision and/or condominium declarations, covenants, restrictions, and easements of record on the Binding Agreement Date; and
- (4) leases and other encumbrances specified in this Agreement.

If title examination, closing or loan survey pursuant to Tenn. Code Ann. § 62-18-126, boundary line survey, or other information discloses material defects, Buyer may, at Buyer's discretion:

- (1) accept the Property with the defects **OR**
- (2) require Seller to remedy such defects prior to the Closing Date. Buyer shall provide Seller with written notice of such defects via the Notification form or equivalent written notice. If defects are not remedied prior to Closing Date, Buyer and Seller may elect to extend the Closing Date by mutual written agreement evidenced by the Closing Date/Possession Amendment form or other written equivalent. If defects are not remedied by the Closing Date or any mutually agreed upon extension thereof, this Agreement shall terminate, and Buyer shall be entitled to refund of Earnest Money/Trust Money.

Good and marketable title as used herein shall mean title which a title insurance company licensed to do business in Tennessee will insure at its regular rates, subject only to standard exceptions. The title search or abstract used for the purpose of evidencing good and marketable title must be acceptable to the title insurance agent and the issuing title insurance company. Seller agrees to execute such appropriate affidavits and instruments as may be required by the issuing title insurance company.

B. Deed. Name(s) on Deed to be: _____

It is the Buyer's responsibility to consult the closing agency or attorney prior to Closing as to the manner in which Buyer holds title.

C. Association Lien Payoff. In the event the Property is subject to mandatory association assessments or other fees, which may impose a lien, Seller shall cause to be delivered to Buyer or Buyer's Closing Agent not later than seven (7) days before Closing a lien payoff, estoppel letter or a statement of account reflecting that the account relating to the Property is current or setting forth the sum due to bring the account current.

6. Lead-Based Paint Disclosure (Select the appropriate box.)

- ☐ does not apply. ☐ does apply (Property built prior to 1978 – see attached Lead-Based Paint Disclosure)

7. Inspections.

A. Buyer's Right to Make Inspection(s). All inspections/reports, including but not limited to the home inspection report, those required/recommended in the home inspection report, Wood Destroying Insect Infestation Inspection Report, septic inspection and well water test, are to be made at Buyer's expense, unless otherwise stipulated in this Agreement. The parties hereto agree that in the event Buyer shall elect to contract with a third-party inspector to obtain a "Home Inspection" as defined by Tennessee law, said inspection shall be conducted by a

licensed Home Inspector. However, nothing in this section shall preclude Buyer from conducting any inspections on his/her own behalf, nor shall it preclude Buyer from retaining a qualified (and if required by law, licensed) professional to conduct inspections of particular systems or issues within such professional's expertise or licensure, including but not limited to inspection of the heating/cooling systems, electrical systems, foundation, etc., so long as said professional is not in violation of Tenn. Code Ann. § 62-6-301, et seq. as may be amended. **Seller shall cause all utility services and any pool, spa, and similar items to be operational so that Buyer may complete all inspections and tests under this Agreement.** Buyer agrees to indemnify Seller from the acts of himself, his inspectors and/or representatives in exercising his rights under this Purchase and Sale Agreement. Buyer's obligations to indemnify Seller shall also survive the termination of this Agreement by either party, which shall remain enforceable. **Buyer waives any objections to matters of purely cosmetic nature (e.g. decorative, color or finish items) disclosed by inspection. Buyer has no right to require repairs or alterations purely to meet current building codes, unless required to do so by governmental authorities.**

B. Initial Inspections. Buyer and/or his inspectors/representatives shall have the right and responsibility to enter the Property during normal business hours, for the purpose of making inspections and/or tests of the Property. Buyer and/or his inspectors/representatives shall have the right to perform a visual analysis of the condition of the Property, any reasonably accessible installed components, the operation of the Property's systems, including any controls normally operated by Seller including the following components: heating systems, cooling systems, electrical systems, plumbing systems, structural components, foundations, roof coverings, exterior and interior components, any other site aspects that affect the Property, and environmental issues (e.g. radon, mold, asbestos, etc.).

C. Wood Destroying Insect Infestation Inspection Report. If desired by Buyer or required by Buyer's Lender, it shall be Buyer's responsibility to obtain *at Buyer's expense* a Wood Destroying Insect Infestation Inspection Report (the "Report"), which shall be made by a Tennessee licensed and chartered pest control operator.

The foregoing expense may be subject to governmental guidelines relating to VA Loans (See VA/FHA Loan Addendum if applicable).

The inspection shall include each dwelling, garage, and other permanent structure on the Property excluding _____ for evidence of active infestation and/or damage.

Buyer shall cause such Report to be delivered to Seller simultaneously with any repairs requested by the Buyer or the end of the Inspection Period, whichever is earlier. If the Report indicates evidence of active infestation, Seller agrees to treat infestation at Seller's expense and provide documentation of the treatment to Buyer prior to Closing. Requests for repair of damage, if any, should be addressed in the Buyer's request for repairs pursuant to Subsection **8 7.D.**, Buyer's Inspection and Resolution below.

D. Buyer's Inspection and Resolution. Within _____ days after the Binding Agreement Date ("Inspection Period"), Buyer shall cause to be conducted any inspection provided for herein, including but not limited to the Wood Destroying Insect Infestation Inspection Report **AND** shall provide written notice of such to Seller as described below. ***In the event Buyer fails to timely make such inspections and respond within said timeframe as described herein, the Buyer shall have forfeited any rights provided under this Section 7, and in such case shall accept the Property in its current condition, normal wear and tear excepted.***

In said notice Buyer shall either:

(1) In consideration of Buyer having conducted Buyer's good faith inspections as provided for herein, the sufficiency of such consideration being hereby acknowledged, Buyer shall furnish Seller with a list of written specified objections and immediately terminate this Agreement via the Notification form or equivalent written notice. All Earnest Money/Trust Money shall be returned to Buyer upon termination.

OR

(2) accept the Property in its present "AS IS" condition with any and all faults and no warranties expressed or implied via the Notification form or equivalent written notice. Seller has no obligation to make repairs.

OR

(3) furnish Seller a written list of items which Buyer requires to be repaired and/or replaced with like quality or 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. The parties agree to negotiate repairs in good faith during the Resolution**

Period. In the event Seller and Buyer do not reach a mutual written resolution during such Resolution Period or a mutually agreeable written extension thereof as evidenced in an Amendment to this Agreement signed by both parties within said period of time, this Agreement is hereby terminated. If terminated, Buyer is entitled to a refund of the Earnest Money/Trust Money.

☐ **E. Waiver of All Inspections. THIS BOX MUST BE CHECKED TO BE PART OF THIS AGREEMENT.**

Buyer, having been advised of the benefits of inspections, waives any and all Inspection Rights under this Section 7 (including but not limited to the Wood Destroying Insect Infestation Inspection Report).

8. Final Inspection. Buyer and/or his inspectors/representatives shall have the right to conduct a final inspection of Property on the Closing Date or within ____ day(s) prior to the Closing Date only to confirm Property is in the same or better condition as it was on the Binding Agreement Date, normal wear and tear excepted, and to determine that all repairs/replacements agreed to during the Resolution Period, if any, have been completed. Property shall remain in such condition until Closing at Seller's expense. Closing of this sale constitutes acceptance of Property in its condition as of the time of Closing, unless otherwise noted in writing.

9. Buyer's Additional Due Diligence Options. If any of the matters below are of concern to Buyer, Buyer should address the concern by specific contingency in the Special Stipulations Section of this Agreement.

A. Survey and Flood Certification. Survey Work and Flood Certifications are the best means of identifying boundary lines and/or encroachments and easements or flood zone classifications. Buyer may obtain a Mortgage Inspection or Boundary Line Survey and Flood Zone Certifications.

B. Insurability. Many different issues can affect the insurability and the rates of insurance for property. These include factors such as changes in the Flood Zone Certifications, changes to the earthquake zones maps, the insurability of the buyer, and previous claims made on the Property. It is the right and responsibility of Buyer to determine the insurability, coverage and the cost of insuring the Property. It is also the responsibility of Buyer to determine whether any exclusions will apply to the insurability of said Property.

C. Water Supply. The system may or may not meet state and local requirements. It is the right and responsibility of Buyer to determine the compliance of the system with state and local requirements. [For additional information on this subject, request the "Water Supply and Waste Disposal Notification" form.]

D. Waste Disposal. The system may or may not meet state and local requirements. It is the right and responsibility of Buyer to determine the compliance of the system with state and local requirements. In addition, Buyer may, for a fee, obtain a septic system inspection letter from the Tennessee Department of Environment and Conservation, Division of Ground Water Protection. [For additional information on this subject, request the "Water Supply and Waste Disposal Notification" form.]

E. Title Exceptions. At Closing, the general warranty deed will be subject to subdivision and/or condominium declarations, covenants, restrictions and easements of record, which may impose obligations and may limit the use of the Property by Buyer.

10. Disclaimer. It is understood and agreed that the real estate firms and real estate licensee(s) representing or assisting Seller and/or Buyer and their brokers (collectively referred to as "Brokers") are not parties to this Agreement and do not have or assume liability for the performance or nonperformance of Seller or Buyer. Buyer and Seller agree that Brokers shall not be responsible for any of the following, including but not limited to, those matters which could have been revealed through a survey, flood certification, title search or inspection of the Property; the insurability of the Property or cost to insure the Property; for the condition of the Property, any portion thereof, or any item therein; for any geological issues present on the Property; for any issues arising out of the failure to physically inspect Property prior to entering into this Agreement and/or Closing; for the necessity or cost of any repairs to the Property; for hazardous or toxic materials; for the tax or legal consequences of this transaction; for the availability, capability, and/or cost of utility, sewer, septic, or community amenities; for any proposed or pending condemnation actions involving Property; for applicable boundaries of school districts or other school information; for the appraised or future value of the Property; for square footage or acreage of the Property; for any condition(s) existing off the Property which may affect the Property; for the terms, conditions, and availability of financing; and/or for the uses and zoning of the Property whether permitted or proposed. Buyer and Seller acknowledge that Brokers are not experts with respect to the above matters and that they have not relied upon any advice, representations or statements of Brokers (including their firms and affiliated licensees) and waive and shall not assert any claims against Brokers (including their firms and affiliated licensees) involving same. Buyer and Seller understand that it has been strongly recommended that if any of these or any other matters concerning the Property are of concern to them, that they secure the services of appropriately credentialed experts and professionals of Buyer's or Seller's choice for the independent expert advice and counsel relative thereto. [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.

11. Brokerage. As specified by separate agreement, Seller agrees to pay Listing Broker at Closing the agreed upon compensation. The Listing Broker will direct the closing agency to pay the Selling Broker, from the compensation received, an amount in accordance with the terms and provisions specified by separate agreement. The parties agree and acknowledge that the Brokers involved in this transaction may receive compensation from more than one party. All parties to this Agreement agree and acknowledge that any real estate firm involved in this transaction shall be deemed a third party beneficiary only for the purposes of enforcing their commission rights, and as such, shall have the right to maintain an action on this Agreement for any and all compensations due and any reasonable attorney's fees and court costs.

12. Default. Should Buyer default hereunder, the Earnest Money/Trust Money shall be forfeited as damages to Seller and shall be applied as a credit against Seller's damages. Seller may elect to sue, in contract or tort, for additional damages or specific performance of the Agreement, or both. Should Seller default, Buyer's Earnest Money/Trust Money shall be refunded to Buyer. In addition, Buyer may elect to sue, in contract or tort, for damages or specific performance of this Agreement, or both. In the event that any party hereto shall file suit for breach or enforcement of this Agreement (including suits filed after Closing which are based on or related to the Agreement), the prevailing party shall be entitled to recover all costs of such enforcement, including reasonable attorney's fees. In the event that any party exercises its right to terminate due to the default of the other pursuant to the terms of this Agreement, the terminating party retains the right to pursue any and all legal rights and remedies against the defaulting party following termination. The parties hereby agree that all remedies are fair and equitable and neither party will assert the lack of mutuality of remedies, rights and/or obligations as a defense in the event of a dispute.

13. Home Protection Plan. This is not a substitution for Home Inspection. Exclusions to coverage may apply. (Select the appropriate box below. Items not selected are not part of this Agreement).

- ☐ **Home Protection Plan.** _____ to pay \$_____ for the purchase of a limited home protection plan to be funded at Closing. Plan Provider: _____
Ordered by: _____ (Real Estate Company)
- ☐ **Home Protection Plan waived.**

14. Other Provisions.

A. Binding Effect, Entire Agreement, Modification, Assignment, and Binding Agreement Date. This Agreement shall be for the benefit of, and be binding upon, the parties hereto, their heirs, successors, legal representatives and assigns. This Agreement constitutes the sole and entire agreement between the parties hereto and no modification of this Agreement shall be binding unless signed by all parties or assigns to this Agreement. No representation, promise, or inducement not included in this Agreement shall be binding upon any party hereto. It is hereby agreed by both Buyer and Seller that any real estate agent working with or representing either party shall not have the authority to bind the Buyer, Seller or any assignee to any contractual agreement unless specifically authorized in writing within this Agreement. Any assignee shall fulfill all the terms and conditions of this Agreement. The parties hereby authorize either licensee to insert the time and date of receipt of the notice of acceptance of the final offer. The foregoing time and date will be referred to for convenience as the Binding Agreement Date for purposes of establishing performance deadlines.

B. Survival Clause. Any provision contained herein, which by its nature and effect is required to be performed after Closing, shall survive the Closing and delivery of the deed and shall remain binding upon the parties to this Agreement and shall be fully enforceable thereafter.

C. Governing Law and Venue. This Agreement is intended as a contract for the purchase and sale of real property and shall be governed by and interpreted in accordance with the laws and in the courts of the State of Tennessee.

D. Time of Essence. Time is of the essence in this Agreement.

E. Terminology. As the context may require in this Agreement: (1) the singular shall mean the plural and vice versa; (2) all pronouns shall mean and include the person, entity, firm or corporation to which they relate; (3) the masculine shall mean the feminine and vice versa; and (4) the term day(s) used throughout this Agreement shall be deemed to be calendar day(s) ending at 11:59 p.m. local time unless otherwise specified in this Agreement. Local time shall be determined by the location of Property. **In the event a performance deadline**, other than the Closing Date (as defined in Section 4 herein), Date of Possession (as defined in Section 4 herein), Completion of Repair Deadline (as defined in the Repair/Replacement Amendment), and Offer Expiration Date (as defined in Section 20 19 herein), occurs on a Saturday, Sunday or legal holiday, the performance deadline shall extend to the next following business day. Holidays

as used herein are those days deemed federal holidays pursuant to 5 U.S.C. § 6103. In calculating any time period under this Agreement, the commencement shall be the day following the initial date (e.g. Binding Agreement Date).

F. Responsibility to Cooperate. Buyer and Seller agree to timely take such actions and produce, execute, and/or deliver such information and documentation as is reasonably necessary to carry out the responsibilities and obligations of this Agreement. Except as to matters which are occasioned by clerical errors or omissions or erroneous information, the approval of the closing documents by the parties shall constitute their approval of any differences between this Agreement and the Closing. Buyer and Seller agree that if requested after Closing, they will correct any documents and pay any amounts due where such corrections or payments are appropriate by reason of mistake, clerical errors or omissions, or the result of erroneous information.

G. Notices. Except as otherwise provided herein, all notices and demands required or permitted hereunder shall be in writing and delivered either (1) in person; (2) by a prepaid overnight delivery service; (3) by facsimile transmission (FAX); (4) by the United States Postal Service, postage prepaid, registered or certified, return receipt requested; or (5) Email. **NOTICE** shall be deemed to have been given as of the date and time it is actually received. Receipt of notice by the real estate licensee or their Broker assisting a party as a client or customer shall be deemed to be notice to that party for all purposes under this Agreement as may be amended, unless otherwise provided in writing.

H. Risk of Loss. The risk of hazard or casualty loss or damage to Property shall be borne by the Seller until transfer of title. If casualty loss prior to Closing exceeds 10% of the Purchase Price, Seller or Buyer may elect to terminate this Agreement with a refund of Earnest Money/Trust Money to Buyer.

I. Equal Housing. This Property is being sold without regard to race, color, creed, sex, religion, handicap, familial status, or national origin.

J. Severability. If any portion or provision of this Agreement is held or adjudicated to be invalid or unenforceable for any reason, each such portion or provision shall be severed from the remaining portions or provisions of this Agreement, and the remaining portions or provisions shall be unaffected and remain in full force and effect. In the event that the contract fails due to the severed provisions, then the offending language shall be amended to be in conformity with state and federal law.

K. Alternative Dispute Resolution. In the event the parties elect to utilize Alternative Dispute Resolution, incorporate "Resolution of Disputes by Mediation Addendum/Amendment" (RF629).

L. Contract Construction. This Agreement or any uncertainty or ambiguity herein shall not be construed against any party but shall be construed as if all parties to this Agreement jointly prepared this Agreement.

M. Section Headings. The Section Headings as used herein are for reference only and shall not be deemed to vary the content of this Agreement or limit the scope of any Section.

15. Seller's Additional Obligations. In addition to any other disclosure required by law, the Seller shall, prior to entering into a contract with a Buyer, disclose in writing including acknowledgement of receipt: (a) the presence of any known exterior injection well or sinkhole (as defined in TCA § 66-5-212) on the property; (b) the results of any known percolation test or soil absorption rate performed on the property that is determined or accepted by the Department of Environment and Conservation ~~and~~; (c) if the property is located in a Planned Unit Development (PUD); ~~and~~ (d) if the property is located in a PUD, make available to the Buyer a copy of the development's restrictive covenants, homeowner bylaws and master deed upon request; ~~(e) Seller shall also disclose in the same manner whether~~ any single-family residence located on the Property has been moved from an existing foundation to another foundation where such information is known to the Seller; ~~and (f) if a permit for a subsurface sewage disposal system for the Property was issued during a sewer moratorium pursuant to TCA § 68-221-409.~~ If so, Buyer may have a future obligation to connect to the public sewer system.

16. Method of Execution. The parties agree that signatures and initials transmitted by facsimile, other photocopy transmittal, or by transmittal of digital signature as defined by the applicable State or Federal law will be acceptable and may be treated as originals and that the final Purchase and Sale Agreement containing all signatures and initials may be executed partially by original signature and partially on facsimile, other photocopy documents, or by digital signature as defined by the applicable State or Federal law.

17. Exhibits and Addenda. All exhibits and/or addenda attached hereto, listed below, or referenced herein are made a part of this Agreement:

18. Special Stipulations. The following Special Stipulations, if conflicting with any preceding section, shall control:

19. Time Limit of Offer. This Offer may be withdrawn at any time before acceptance with Notice. Offer terminates if not countered or accepted by _____ o'clock ☐ a.m./ ☐ p.m.; on the _____ day of _____, _____.

LEGAL DOCUMENTS: This is an important legal document creating valuable rights and obligations. If you have any questions about it, you should review it with your attorney. Neither the Broker nor any Agent or Facilitator is authorized or qualified to give you any advice about the advisability or legal effect of its provisions.

NOTE: Any provisions of this Agreement which are preceded by a box "☐" must be marked to be a part of this Agreement. By affixing your signature below, you also acknowledge that you have reviewed each page and have received a copy of this Agreement.

WIRE FRAUD WARNING: Never trust wiring instructions sent via email. Cyber criminals are hacking email accounts and sending emails with fake wiring instructions. These emails are convincing and sophisticated. Always independently confirm wiring instructions in person or via a telephone call to a trusted and verified phone number. Never wire money without double-checking that the wiring instructions are correct. **NEVER ACCEPT WIRING INSTRUCTIONS FROM YOUR AGENT OR BROKER.** _____ Buyer Initials _____ Buyer Initials

Buyer hereby makes this offer.

BUYER

BUYER

_____ at _____ o'clock ☐ am/ ☐ pm

Offer Date

_____ at _____ o'clock ☐ am/ ☐ pm

Offer Date

Seller hereby:

☐ **ACCEPTS** – accepts this offer.

☐ **COUNTERS** – accepts this offer subject to the attached Counter Offer(s).

☐ **REJECTS** this offer and makes no counter offer.

SELLER

SELLER

_____ at _____ o'clock ☐ am/ ☐ pm

Date

_____ at _____ o'clock ☐ am/ ☐ pm

Date

511 **Acknowledgement of Receipt.** _____ hereby acknowledges receipt of the final accepted offer
 512 on _____ at _____ o'clock ☐ am/ ☐ pm, and this shall be referred to as the Binding Agreement Date for
 513 purposes of establishing performance deadlines as set forth in the Agreement.
 514

For Information Purposes Only:

Listing Company: _____	Selling Company: _____
Listing Firm Address: _____	Selling Firm Address: _____
Firm License No.: _____	Firm License No.: _____
Firm Telephone No.: _____	Firm Telephone No.: _____
Listing Licensee: _____	Selling Licensee: _____
Licensee License Number: _____	Licensee License Number: _____
Licensee Email: _____	Licensee Email: _____
Licensee Cellphone No.: _____	Licensee Cellphone No.: _____
Home Owner's / Condominium Association ("HOA/COA") / Property Management Company: _____	

HOA / COA Phone: _____	HOA/COA Email: _____
Property Management Company: _____	_____
Phone: _____	Email: _____

NOTE: This form is provided by TAR 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 TAR logo in conjunction with any form other than standardized forms created by TAR 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.

NEW CONSTRUCTION PURCHASE AND SALE AGREEMENT

1. Purchase and Sale. For and in consideration of the mutual covenants herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned buyer

_____ (“Buyer”) agrees to buy and the undersigned seller _____ (“Seller”) agrees to sell all that tract or parcel of land, with such improvements as are located thereon, described as follows:

All that tract of land lying and being Lot # _____ of _____ subdivision and being known as: _____

(Address) _____ (City), Tennessee, _____ (Zip), as recorded in _____ County Register of Deeds Office, _____ deed book(s), _____ page(s), and/or _____ instrument number and as further described as:

Seller shall cause to be constructed a residential building with certain site improvements to the Property, herein referred to as “Improvements,” in accordance with the terms of this Agreement, in substantial conformity with the proposed plans and specifications evidenced by the following attached Addendums (**Select the appropriate boxes. Unselected items will not be part of this Agreement**):

☐ Plan and Specifications (see attached),

☐ Pre Construction Specifications (see attached),

☐ New Construction Allowance Addendum (see attached),

☐ Other _____

hereinafter collectively referred to as the “Property.”

Seller is a Tennessee Licensed Contractor with business name _____ whose license number is: _____; OR

Seller has engaged a Tennessee Licensed Contractor as builder with business name:

_____, Tennessee Contractor’s license # _____.

2. Purchase Price, Method of Payment and Closing Expenses. Buyer warrants that, except as may be otherwise provided herein, Buyer will at Closing have sufficient cash to complete the purchase of the Property under the terms of this New Construction Purchase and Sale Agreement (hereinafter “Purchase and Sale Agreement” or “Agreement”). The purchase price to be paid is:

\$ _____, _____ U.S.

Dollars, (“Purchase Price”) which shall be disbursed to Seller or Seller’s Closing Agency by one of the following methods:

i. a Federal Reserve Bank wire transfer;

ii. a Cashier’s Check issued by a financial institution as defined in 12 CFR § 229.2(i); OR

iii. such other form as is approved in writing by Seller.

A. APPRAISAL (Select either A or B below. The sections not checked are not a part of this Agreement.)

☐ **1.** This Agreement **IS NOT** contingent upon the appraised value either equaling or exceeding the agreed upon Purchase Price.

☐ **2.** This Agreement **IS CONTINGENT** upon the appraised value either equaling or exceeding the agreed upon Purchase Price. If the appraised value is equal to or exceeds Purchase Price, this contingency is satisfied. In consideration of Buyer having conducted an appraisal, the sufficiency of such consideration being hereby acknowledged, if the appraised value of the Property does not equal or exceed the Purchase Price, Buyer shall promptly notify the Seller via the ~~notification~~ Notification form or ~~equivalent~~ written ~~equivalent~~ notice. Buyer shall then have 3 days to either:

This form is copyrighted and may only be used in real estate transactions in which _____ is involved as a TAR authorized user. Unauthorized use of the form may result in legal sanctions being brought against the user and should be reported to the Tennessee Association of Realtors® at 615- 321-1477.

1. waive the appraisal contingency via the ~~notification~~ Notification form or equivalent written notice
OR
2. terminate the agreement by giving notice to seller via the ~~notification~~ Notification form or equivalent written notice. Upon timely termination, Buyer is entitled to a refund of the Earnest money.

In the event Buyer fails to either waive the appraisal contingency or terminate the agreement as set forth above, this contingency is deemed satisfied. Thereafter, failure to appraise shall not be used as the basis for loan denial or termination of contract. Seller shall have the right to request any supporting documentation showing appraised value did not equal or exceed the agreed upon purchase price. **The Buyer is not entitled to a refund of any money deposited for Change Orders and /or Upgrades.** In the event the Property does not appraise due to Change Orders and upgrade items, Buyer shall be responsible for additional funds to Close.

B. Closing Expenses

1. **Seller Expenses.** Seller shall pay all existing loans and/or liens affecting the Property, including all penalties, release preparation costs, and applicable recording costs; any accrued and/or outstanding association dues or fees; fee (if any) to obtain lien payoff/estoppel letters/statement of accounts from any and all associations, property management companies, mortgage holders or other liens affecting the Property; Seller's closing fee, document preparation fee and/or attorney's fees; fee for preparation of deed; notary fee on deed; and financial institution (Bank, Credit Union, etc.) wire transfer fee or commercial courier service fee related to the disbursement of any lien payoff(s). Seller additionally agrees to permit any withholdings and/or to pay any additional sum due as is required under the Foreign Investment in Real Property Tax Act. Failure to do so will constitute a default by Seller.

In the event Seller is subject to Tax Withholding as required by the Foreign Investment in Real Property Tax Act, (hereinafter "FIRPTA"), Seller additionally agrees that such Tax Withholding must be collected from Seller by Buyer's Closing Agent at the time of Closing. In the event Seller is not subject to FIRPTA, Seller shall be required as a condition of Closing to sign appropriate affidavits certifying that Seller is not subject to FIRPTA. *It is Seller's responsibility to seek independent tax advice or counsel prior to the Closing Date regarding such tax matters.*

2. **Buyer Expenses.** Buyer shall pay all transfer taxes and recording fees on deed of conveyance and deed of trust; Buyer's closing fee, document preparation fee and/or attorney's fees; preparation of note, deed of trust, and other loan documents; mortgage loan inspection or boundary line survey; credit report; required premiums for private mortgage, hazard and flood insurance; required reserved deposits for insurance premiums and taxes; prepaid interest; re-inspection fees pursuant to appraisal; and any costs incident to obtaining and closing a loan, including but not limited to: appraisal, origination, discount points, application, commitment, underwriting, document review, courier, assignment, photo, tax service, notary fees, and any wire fee or other charge imposed for the disbursement of the Seller's proceeds according to the terms of this Agreement.
3. **Title Expenses.** Cost of title search, mortgagee's policy and owner's policy (rates to be as filed with the Tennessee Department of Commerce and Insurance) shall be paid as follows:

Simultaneous issue rates shall apply.

Not all of the above items (Seller Expenses, Buyer Expenses and Title Expenses) are applicable to every transaction and may be modified as follows:

Closing Agency for Buyer & Contact Information : _____

Closing Agency for Seller & Contact Information : _____

- C. **Financial Contingency – Loan(s) To Be Obtained:** This Agreement is conditioned upon Buyer's ability to obtain a loan(s) in the principal amount up to ____% of the Purchase Price listed above to be secured by a deed of trust on the Property. "Ability to obtain" as used herein means that Buyer is qualified to receive the loan described herein based upon Lender's customary and standard underwriting criteria. In consideration of Buyer, having acted in good faith and in accordance with the terms below, being unable to obtain financing by the Closing Date, the sufficiency of such consideration being hereby acknowledged, Buyer may terminate this Agreement by providing written notice - via the Notification form or equivalent written notice. Seller shall have the right to request any supporting documentation

regarding loan denial. Upon termination, Buyer is entitled to a refund of the Earnest Money/Trust Money. Lender is defined herein as the financial institution funding the loan.

The loan shall be of the type selected below (**Select the appropriate boxes. Unselected items will not be part of this Agreement**):

- ☐ Conventional Loan ☐ FHA Loan; attach addendum
☐ VA Loan; attach addendum ☐ Other _____

Buyer may apply for a loan with different terms and conditions and also Close the transaction provided all other terms and conditions of this Agreement are fulfilled, and the new loan does not increase any costs charged to Seller. Buyer shall be obligated to Close this transaction if Buyer has the ability to obtain a loan with terms as described herein and/or any other loan for which Buyer has applied and been approved.

Loan Obligations: *The Buyer agrees and/or certifies as follows:*

- (1) Within three (3) days after the Binding Agreement Date, Buyer shall make application for the loan and shall pay for credit report. Buyer shall immediately notify Seller or Seller's representative of having applied for the loan and provide Lender's name and contact information and that Buyer has instructed Lender to order credit report. Such certifications shall be made via the Notification form or equivalent written notice;
- (2) Buyer shall pursue qualification for and approval of the loan diligently and in good faith;
- (3) Buyer shall continually and immediately provide requested documentation to Lender and/or loan originator;
- (4) Unless otherwise stated in this Agreement, Buyer represents that this loan is not contingent upon the lease or sale of any other real property and the same shall not be used as the basis for loan denial; and
- (5) Buyer shall not intentionally make any material changes in Buyer's financial condition which would adversely affect Buyer's ability to obtain the Primary Loan or any other loan referenced herein.

Should Buyer fail to timely comply with section 2.C.(1) above and provide notice as required, 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 two (2) days after such demand for compliance, Buyer shall be considered in default and Seller's obligation to sell is terminated.

THIS BOX MUST BE CHECKED IN ORDER FOR IT TO BE A PART OF THIS AGREEMENT.

- ☐ **Financing Contingency Waived** (e.g. "All Cash", etc.): Buyer's obligation to close shall not be subject to any financial contingency. Buyer reserves the right to obtain a loan. Buyer will furnish proof of available funds to close in the following manner: _____ (e.g. bank statement, Lender's commitment letter) within five (5) days after Binding Agreement Date. Should Buyer fail to do so, Seller may make written demand for compliance via the Notification form or equivalent written notice. If Buyer does not furnish Seller with the requested notice within two (2) days after such demand for compliance, Buyer shall be considered in default and Seller's obligation to sell is terminated. Failure to close due to lack of funds shall be considered default by Buyer.

In the event that this Agreement is contingent upon an appraisal, Buyer must order the appraisal and provide Seller with the name and telephone number of the appraisal company and proof that appraisal was ordered within five (5) days of the Binding Agreement Date. Should Buyer fail to do so, Seller may make written demand for compliance via the Notification form or equivalent written notice. If Buyer does not furnish Seller with the requested notice within two (2) days after such demand for compliance, Buyer shall be considered in default and Seller's obligation to sell is terminated.

- 3. Earnest Money/Trust Money.** Buyer has paid or will pay within _____ days after the Binding Agreement Date to _____ ("Holder") located at _____ (address of Holder) a deposit of \$ _____ by check (OR _____) ("Earnest Money/Trust Money"). **In the event that the Seller is the Holder of the Earnest Money/Trust Money, Buyer acknowledges that said funds may be used for the construction of Property.**

- A. Failure to Receive Earnest Money/Trust Money.** In the event Earnest Money/Trust Money (if applicable) is not timely received by Holder or Earnest Money/Trust Money check or other instrument is not honored for any reason by the bank upon which it is drawn, Holder shall promptly notify Buyer and Seller of Buyer's failure to deposit the agreed upon Earnest Money/Trust Money. Buyer shall have then one (1) day to deliver Earnest Money/Trust Money

in immediately available funds to Holder. In the event Buyer does not deliver such funds, Buyer is 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 the Earnest Money/Trust Money in immediately available funds to Holder 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.

B. Handling of Earnest Money/Trust Money upon Receipt by Holder. Earnest Money/Trust Money (if applicable) is to be deposited promptly after the Binding Agreement Date or the agreed upon delivery date in this Earnest Money/Trust Money section or as specified in the Special Stipulations section contained herein. Holder shall disburse Earnest Money/Trust Money only as follows unless used by Seller in construction if Earnest Money/Trust Money is held by Seller:

- (a) at Closing to be applied as a credit toward Buyer's Purchase Price;
- (b) upon a written agreement signed by all parties having an interest in the funds;
- (c) upon order of a court or arbitrator having jurisdiction over any dispute involving the Earnest Money/Trust Money;
- (d) upon a reasonable interpretation of the Agreement; or
- (e) upon the filing of an interpleader action with payment to be made to the clerk of the court having jurisdiction over the matter.

Holder shall be reimbursed for, and may deduct from any funds interpleaded, its costs and expenses, including reasonable attorney's fees. The prevailing party in the interpleader action shall be entitled to collect from the other party the costs and expenses reimbursed to Holder. No party shall seek damages from Holder (nor shall Holder be liable for the same) for any matter arising out of or related to the performance of Holder's duties under this Earnest Money/Trust Money section. Earnest Money/Trust Money shall not be disbursed prior to fourteen (14) days after deposit unless written evidence of clearance by bank is provided.

4. Closing, Prorations, Special Assessments and Warranties Transfer.

A. Closing Date. Unless otherwise provided herein, the consummation of the purchase and sale of the Property shall occur upon "Completion" of the Improvements as provided herein, which is to be on _____, (the "Closing" or "Closing Date", which shall be evidenced by delivery of warranty deed and payment of Purchase Price).

B. Possession. Possession of the Property is to be given with delivery of warranty deed and payment of Purchase Price.

C. Household Goods. The movement of any household goods or other materials by Buyer into the Property will not be permitted until the Property has been completed and the total Purchase Price has been paid.

D. Prorations. Real estate taxes, rents, dues, maintenance fees, and association fees on said Property for the calendar year in which the sale is Closed shall be prorated as of the Closing Date. In the event of a change or reassessment of taxes for the calendar year after Closing, the parties agree to pay their recalculated share. Real estate taxes, rents, dues, maintenance fees, and association fees for prior years and roll back taxes, if any, will be paid by Seller.

E. Special Assessments. Special assessments approved or levied prior to the Closing Date shall be paid by the Seller at or prior to Closing unless otherwise agreed as follows:

F. Association Fees. Buyer shall be responsible for all homeowner or condominium association transfer fees, related administration fees (not including statement of accounts), capital expenditures/contributions incurred due to the transfer of the Property and/or like expenses which are required by the association, property management company and/or the bylaws, declarations or covenants for the Property (unless otherwise specifically addressed herein and/or unless specifically chargeable to Seller under applicable bylaws, declarations, and/or neighborhood covenants).

G. Closing Certifications. Buyer and Seller shall execute and deliver such certifications, affidavits, and statements as are required at Closing to meet the requirements of the Lender and of federal and state law.

H. Warranties Transfer. Seller agrees to transfer Seller's interest in any manufacturer's warranties, service contracts, termite bond or treatment guarantee and/or similar warranties which by their terms may be transferable to Buyer.

5. Title and Conveyance.

A. Seller warrants that at the time of Closing, Seller will convey or cause to be conveyed to Buyer or Buyer's assign(s) good and marketable title to said Property by general warranty deed, subject only to:

- (1) Zoning;
- (2) Setback requirements and general utility, sewer, and drainage easements of record on the Binding Agreement Date upon which the improvements do not encroach;
- (3) Subdivision and/or condominium declarations, covenants, restrictions, and easements of record on the Binding Agreement Date; and
- (4) Leases and other encumbrances specified in this Agreement.

If title examination, closing or loan survey pursuant to Tenn. Code Ann. § 62-18-126, boundary line survey, or other information discloses material defects, Buyer may, at Buyer's discretion:

- (1) accept the Property with the defects **OR**
- (2) require Seller to remedy such defects prior to the Closing Date. Buyer shall provide Seller with written notice of such defects via the Notification form or equivalent written notice. If defects are not remedied prior to Closing Date, Buyer and Seller may elect to extend the Closing Date by mutual written agreement evidenced by the Closing Date/Possession Amendment form or other written equivalent. If defects are not remedied by the Closing Date or any mutually agreed upon extension thereof, this Agreement shall terminate, and Buyer shall be entitled to refund of Earnest Money/Trust Money.

Good and marketable title as used herein shall mean title which a title insurance company licensed to do business in Tennessee will insure at its regular rates, subject only to standard exceptions. The title search or abstract used for the purpose of evidencing good and marketable title must be acceptable to the title insurance agent and the issuing title insurance company. Seller agrees to execute such appropriate affidavits and instruments as may be required by the issuing title insurance company.

B. **Deed.** Name(s) on Deed to be: _____

It is the Buyer's responsibility to consult the closing agency or attorney prior to Closing as to the manner in which Buyer holds title.

6. **Limitations.** The home shall be constructed in accordance with good building practices and substantial accordance with the plans and specifications selected and approved by the Buyer. Seller expressly reserves the right to make such changes or substitutions in the construction of the home:

- (a) as may be required, authorized, or approved by governmental agencies having jurisdiction therefore, without the Buyer's consent;
- (b) as Seller may deem appropriate so long as materials of equal or better quality are used, without the Buyer's consent; and/or
- (c) as may be otherwise reasonably required as long as changes which affect the aesthetics or livability of the home shall be subject to Buyer's written approval.

7. **Contractors and/or Suppliers.** All work and materials to be performed or supplied under this Agreement shall be performed and supplied by Seller's own contractors, subcontractors, employees, agents, materialmen and suppliers. Buyer shall not have the right to have any work performed or supplies delivered to the Property at Buyer's own direction prior to Closing without written approval and consent of Seller. Seller agrees to transfer to Buyer, at Closing, subject to Buyer's acceptance thereof, Seller's interest in any manufacturer's warranties, service contracts, and/or other similar warranties which by their terms may be transferable to Buyer.

8. **Decorative Selections.** If there are decorative selections yet to be selected in the completion of the residence, Buyer shall have the option to make those selections from available stock at Seller's normal sources of supply. Buyer understands that it is Buyer's responsibility to make all selections on or before _____ and further understands that if the selections have not been made by said date, that Seller may give Buyer notice of such missing selections and the choices made by Seller. Seller choices are hereby deemed agreed to and acceptable to Buyer after three (3) days of given notice.

9. **Nonrefundable Deposits.** Buyer agrees that any request for changes or alterations ("Change Orders") to the residence will be set forth in writing and delivered to Seller. Any requested Change Order must be in writing and signed by Buyer and Seller in order to be binding. No subcontractor, workman or materialman has authority to agree on behalf of Seller to any Change Order. Buyer agrees that all Change Order requests must be presented to Seller so as to allow Seller adequate lead

time to schedule the Change Orders into the normal building sequence. Seller has the right to refuse to make changes/alterations that are requested. Buyer agrees to pay Seller in advance of the performance of work necessitated by agreed Change Orders which will include the cost for both labor and materials and further understands that there will be no refunds, under any circumstances, of payments made by Buyer for Change Orders. Buyer further acknowledges that any work done on the home pursuant to Change Orders or additions may not increase the appraised value of the Property. Seller shall not be responsible if increases in the price of the Property due to Change Orders or additions are not reflected in the appraised value of (and resulting available loan for) the Property. In the event the Property does not appraise due to Change Orders and upgrade items, Buyer shall be responsible for additional funds to Close.

10. Delays. Seller shall have no liability for any delays in construction caused by local governmental authorities, zoning, strikes, acts of God or nature, or delays directly caused by Buyer's Change Orders and/or selection of materials. In the event of such delays, the Closing Date may be extended by the number of days resulting from such delays, not to exceed _____ calendar days; Seller shall notify Buyer of any such delays [via the Notification Form or equivalent written notice](#). Inclement weather or other delays shall not extend the performance date unless they prevent the completion of work which would otherwise have been actually performed.

11. Association Fees. *[Select A, B, or C below. The section not marked is not a part of this Agreement.]*

- ☐ **A. Mandatory.** Seller represents that there is a required association fee in the approximate amount of \$_____ per year, prorated at Closing, with an initiation fee of \$_____.
- ☐ **B. Not Mandatory.** Seller represents that there is not a required association fee.
- ☐ **C. No Association.** Seller represents that there is no association.

12. Visits to the Property. Buyer agrees to limit inspections of the Property to a reasonable length of time during business hours. Buyer further agrees not to issue instructions or otherwise interfere with workers or in any way hinder their work, unless it has been requested that Buyer be there to assist in some phase of the construction (i.e., to check colors, equipment, cabinets, etc.). Buyer agrees to deal only with the designated representative of the company assigned by Seller to the Property and to limit communications with the representative to normal business hours.

13. Inspection by Buyer. (Buyer to select ONE of the following inspection methods. The method NOT selected will NOT be part of this Agreement):

☐ **1. Punch List Inspection.**

At a point in time when Seller deems the Improvements upon the Property to be complete, Seller shall give Buyer notice of such. Buyer and/or Buyer's designated inspector/representative, shall at a mutually agreeable time, completely inspect the improvements ("Improvements") with Seller. Following the inspection, Buyer shall submit a written report listing matters which Buyer reasonably deems to be incomplete, defective, [or in need of cosmetic repair](#) herein named the **"Punch List"**. Subject to Seller's acceptance, Seller shall diligently attempt to complete or repair such matters within _____ days after the receipt of Punch List, in a reasonably satisfactory manner under customary building practices in the community for like and similar Improvements. Seller agrees to use his best efforts to timely complete such Punch List items. In the event Seller does not agree with Buyer's Punch List items, the parties agree to attempt to resolve such disagreement through mediation by a neutral third party. Upon completion of the Punch List, a re-inspection shall be scheduled by Buyer and/or Buyer's inspector/representative. At the time of re-inspection the Improvements shall be professionally cleaned and ready for Buyer's occupancy. Buyer shall have the right to conduct a final walk-through of the Property, prior to Closing for the purpose of verifying the condition and completion of any repairs or corrections noted on Punch List and to ensure Property is in compliance with any and all terms of this Agreement. **See New Construction Inspection / Punch List Amendment.**

OR

☐ **2. Traditional Inspection**

At a point in time when Seller deems the Improvements upon the Property to be complete, Seller shall give Buyer notice of such. Buyer and/or Buyer's designated inspector/representative shall at a mutually agreeable time, completely inspect the improvements ("Improvements") with Seller. The parties hereto agree that in the event Buyer shall elect to contract with a third-party inspector to obtain a "Home Inspection" as defined by Tennessee law, said inspection shall be conducted by a licensed Home Inspector. However, nothing in this section shall preclude Buyer from conducting any inspections on his/her own behalf, nor shall it preclude Buyer from retaining a qualified (and if required by law, licensed) professional to conduct inspections of particular systems or issues within such professional's expertise or licensure, including but not limited to inspection of the heating/cooling systems, electrical systems, foundation, etc., so long as said professional is not in violation of Tenn. Code Ann. §

62-6-301, et seq. as may be amended. **Seller shall cause all utility services and any pool, spa, and similar items to be operational so that Buyer may complete all inspections and tests under this Agreement.** Buyer agrees to indemnify Seller from the acts of himself, his inspectors and/or representatives in exercising his rights under this Purchase and Sale Agreement. Buyer's obligations to indemnify Seller shall also survive the termination of this Agreement by either party, which shall remain enforceable.

A. Initial Inspections. Buyer and/or his inspectors/representatives shall have the right and responsibility to enter the Property during normal business hours, for the purpose of making inspections and/or tests of the Property. Buyer and/or his inspectors/representatives shall have the right to perform a visual analysis of the condition of the Property, any reasonably accessible installed components, the operation of the Property's systems, including any controls normally operated by Seller including the following components: heating systems, cooling systems, electrical systems, plumbing systems, structural components, foundations, roof coverings, exterior and interior components, any other site aspects that affect the Property, and environmental issues. (e.g. radon, mold, asbestos, etc.).

B. Buyer's Inspection and Resolution. Within _____ days after Seller's Notification that the Improvements are Complete, Buyer shall cause to be conducted any inspection provided for herein **AND** shall provide written notice of such to Seller as described below. *In the event Buyer fails to timely make such inspections and respond within said timeframe as described herein, the Buyer shall have forfeited any rights provided under this Section 13, and in such case shall accept the Property in its current condition, normal wear and tear excepted.*

In said notice Buyer shall either:

(1) In consideration of Buyer having conducted Buyer's good faith inspections as provided for herein, the sufficiency of such consideration being hereby acknowledged, Buyer shall furnish Seller with a list of written specified objections and immediately terminate this Agreement via the Notification form or equivalent written notice. All Earnest Money/Trust Money shall be returned to Buyer upon termination.

OR

(2) accept the Property in its present "AS IS" condition with any and all faults and no warranties expressed or implied via the Notification form or equivalent written notice. Seller has no obligation to make repairs.

OR

(3) furnish Seller a written list of items which Buyer requires to be repaired and/or replaced with like quality or value in a professional and workmanlike manner. 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 New Construction Inspection / Punch List Amendment or written equivalent(s). *The receipt by Seller of the above stated written list or New Construction Inspection/Punch List. Amendment marks the end of the Inspection Period and beginning of the Resolution Period. The parties agree to negotiate repairs in good faith during the Resolution Period.* In the event Seller and Buyer do not reach a mutual written resolution during such Resolution Period or a mutually agreeable written extension thereof as evidenced in an Amendment to this Agreement signed by both parties within said period of time, this Agreement is hereby terminated. If terminated, Buyer is entitled to a refund of the Earnest Money/Trust Money.

14. Final Walk Through. Seller and Buyer shall jointly conduct a final walk-through inspection within _____ days before Closing.

15. Completion. Seller will provide Buyer with a copy of the final Use and Occupancy Letter from the appropriate Codes Authority. The construction shall be deemed to be completed at such time as such inspections and approvals have been supplied and Buyer has inspected and confirmed that the contract is substantially completed. "Substantial Completion" shall mean that all matters of substance except minor touch-up matters have been completed. The construction shall be completed in accordance with all applicable governmental regulations, ordinances and codes, and shall be in compliance with all applicable restrictions, covenants and conditions, including, without limitation, any public or private architectural controls and restrictions. If the reasonable cost of completion of the Punch List items exceeds \$_____, the job shall not be deemed to be substantially complete and Buyer shall have the optional right, as a pre-Closing condition, to require that a Notice of Completion be filed at the time and in the manner provided by Tennessee law and the statutory procedure followed.

16. Soil Treatment Bond. At Closing, Seller shall provide Buyer a current Soil Treatment Certificate/Bond. If any additional inspections and/or reports are requested by Buyer or Lender, any costs for such inspections and/or reports shall be paid by Buyer.

The foregoing expense may be subject to governmental guidelines relating to VA Loans (See VA/FHA Loan Addendum if applicable).

17. Buyer's Additional Contingencies. *As additional contingencies to Buyer's obligations to finalize the purchase of the Property at Closing, the following shall first occur (Select the appropriate boxes. Unselected items will not be part of this Agreement):*

- ☐ Buyer's review and acceptance of the "As Built Land Survey" without encroachment or set back violations which shall be ordered by _____ and paid for by _____;
- ☐ Buyer's review and acceptance of all restrictions, covenants, easements, other title matters of record and homeowner association rules, if any, within _____ days after the Binding Agreement Date;
- ☐ Buyer's review and acceptance of the "Water Supply" and "Sanitary Waste Disposal" systems inclusive of all appropriate documentation in the event such is not connected to public systems; and
- ☐ Buyer's determination that the Property is not in a federal government designated "Flood Zone" that would require mandated flood insurance pursuant to mortgage lending guidelines.

In the event the above stated contingencies or other mutually agreed upon matters provided for herein do not occur to the satisfaction of Buyer or if the title matters are unacceptable to Buyer, at Buyer's sole option, Buyer shall have the right to terminate this Agreement within the designated time period, if applicable, with a full refund of Earnest Money/Trust Money. It is acknowledged that payments to Seller for "Change Orders" which include any upgraded items shall be non-refundable and retained by Seller.

18. Insurability. Many different issues can affect the insurability and the rates of insurance for property. These include factors such as changes in the Flood Zone Certifications, changes to the earthquake zones maps, the insurability of the buyer, and previous claims made on the Property. It is the right and responsibility of Buyer to determine the insurability, coverage and the cost of insuring the Property. It is also the responsibility of Buyer to determine whether any exclusions will apply to the insurability of said Property.

19. Seller's Additional Obligations. In addition to any other disclosure required by law, the Seller shall, prior to entering into a contract with a Buyer, disclose in writing including acknowledgement of receipt: (a) the presence of any known exterior injection well or sinkhole (as defined in TCA § 66-5-212) on the property; (b) the results of any known percolation test or soil absorption rate performed on the property that is determined or accepted by the Department of Environment and Conservation ~~and~~; (c) if the property is located in a Planned Unit Development (PUD) ~~and~~; (d) if the property is located in a PUD, make available to the Buyer a copy of the development's restrictive covenants, homeowner bylaws and master deed upon request; ~~;~~ (e) ~~Seller shall also disclose in the same manner whether~~ any single-family residence located on the Property has been moved from an existing foundation to another foundation where such information is known to the Seller; ~~;~~ and (f) if a permit for a subsurface sewage disposal system for the Property was issued during a sewer moratorium pursuant to TCA § 68-221-409. If so, Buyer may have a future obligation to connect to the public sewer system.

20. New Construction Warranty. Seller shall cause the construction of the Improvements to be completed in a good and workmanlike manner, free of defects in materials and workmanship for a period of One (1) year from the date of Closing. Seller shall provide within three (3) days after the Binding Agreement Date a copy of their Limited Warranty specifying the terms, conditions and limitations of Seller's obligations relating to any discovered defects to the Property arising during the warranty period. Buyer shall have three (3) days after receipt to review and accept as to form and content of such Limited Warranty. If such form is unacceptable, Buyer shall have three (3) days after receipt to terminate this Agreement. If the Agreement is not terminated by Buyer within such time period, said Limited Warranty form shall be automatically incorporated into this Agreement and shall control over any conflicting provisions contained in this Agreement. At Closing, Seller shall deliver such fully executed and dated Limited Warranty, which shall survive the Closing. During such warranty period, it shall be Buyers' obligation to deliver to Seller written notice of any claimed defects within a reasonable time after discovery but not later than Ten (10) days following the expiration of such Limited Warranty period. Seller shall also transfer at Closing all warranties and guarantees of manufacturers covering any of the Property which are, by their nature, transferable to Buyer.

21. Extended Warranty. Extended Warranties are provided by third parties and are in addition to any other warranty offered by the Seller. **(THIS BOX MUST BE CHECKED IN ORDER FOR IT TO BE A PART OF THIS AGREEMENT).**

- ☐ **EXTENDED WARRANTY:** _____ to pay \$_____ for the purchase of an extended warranty to be funded at Closing.

Extended Warranty Company: _____

Ordered by: _____

22. Disclaimer. It is understood and agreed that the real estate firms and real estate licensee(s) representing or assisting Seller and/or Buyer, their brokers, and the real estate firms (collectively referred to as "Brokers") are not parties to this Agreement and do not have or assume liability for the performance or nonperformance of Seller or Buyer. Buyer and Seller agree that Brokers shall not be responsible for any of the following, including but not limited to, those matters which could have been revealed through a survey, flood certification, title search or inspection of the Property; for the condition of the Property, any portion thereof, or any item therein; for building products and construction techniques; for any geological issues present on the Property; for any issues arising out of Buyer's failure to physically inspect the Property prior to entering into this Agreement and/or Closing; for the necessity or cost of any repairs to the Property; for hazardous or toxic materials; for the tax or legal consequences of this transaction; for the availability, capability, and/or cost of utilities, sewer, septic, or community amenities; for proposed or pending condemnation actions involving the Property; for the applicable boundaries of school districts or other school information; for the appraised or future value of the Property; for square footage or acreage of the Property; for any condition(s) existing off the Property which may affect the Property; for the terms, conditions and availability of financing; and for the uses and zoning of the Property whether permitted or proposed. Buyer and Seller acknowledge that Brokers are not experts with respect to the above matters and that they have not relied upon any advice, representations or statements of Brokers (including their firms and affiliated licensees) and waive and shall not assert any claims against Brokers (including their firms and affiliated licensees) involving same. Buyer and Seller understand that it has been strongly recommended that if any of these or any other matters concerning the Property are of concern to them, that they secure the services of appropriately credentialed experts and professionals of Buyer's or Seller's choice for the independent expert advice and counsel relative thereto. 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.

23. Brokerage. As specified by separate agreement, Seller agrees to pay Listing Broker at Closing the agreed upon compensation. The Listing Broker will direct the closing agency to pay the Selling Broker, from the compensation received, an amount in accordance with the terms and provisions specified by separate agreement. The parties agree and acknowledge that the Brokers involved in this transaction may receive compensation from more than one party. All parties to this Agreement agree and acknowledge that any real estate firm involved in this transaction shall be deemed a third party beneficiary only for the purposes of enforcing their commission rights, and as such shall have the right to maintain an action on this Agreement for any and all compensations due and any reasonable attorney's fees and court costs.

24. Default. Should Buyer default hereunder, the Earnest Money/Trust Money shall be forfeited as damages to Seller and shall be applied as a credit against Seller's damages. Seller may elect to sue, in contract or tort, for additional damages or specific performance of the Agreement, or both. Should Seller default, Buyer's Earnest Money/Trust Money shall be refunded to Buyer. In addition, Buyer may elect to sue, in contract or tort, for damages or specific performance of this Agreement, or both. In the event that any party hereto shall file suit for breach or enforcement of this Agreement (including suits filed after Closing which are based on or related to the Agreement), the prevailing party shall be entitled to recover all costs of such enforcement, including reasonable attorney's fees. In the event that any party exercises its right to terminate due to the default of the other pursuant to the terms of this Agreement, the terminating party retains the right to pursue any and all legal rights and remedies against the defaulting party following termination. The parties hereby agree that all remedies are fair and equitable and neither party will assert the lack of mutuality of remedies, rights and/or obligations as a defense in the event of a dispute.

25. Other Provisions.

A. Binding Effect, Entire Agreement, Modification, Assignment, and Binding Agreement Date. This Agreement shall be for the benefit of, and be binding upon, the parties hereto, their heirs, successors, legal representatives and assigns. This Agreement constitutes the sole and entire agreement between the parties hereto and no modification of this Agreement shall be binding unless signed by all parties or assigns to this Agreement. No representation, promise, or inducement not included in this Agreement shall be binding upon any party hereto. It is hereby agreed by both Buyer and Seller that any real estate agent working with or representing either party shall not have the authority to bind the Buyer, Seller, or any assignee to any contractual agreement unless specifically authorized in writing within this Agreement. Any assignee shall fulfill all the terms and conditions of this Agreement. The parties hereby authorize either licensee to insert the time and date of receipt of the notice of acceptance of the final offer. The foregoing time and date will be referred to for convenience as the Binding Agreement Date for purposes of establishing performance deadlines.

B. Survival Clause. Any provision contained herein, which by its nature and effect is required to be performed after Closing, shall survive the Closing and delivery of the deed and shall remain binding upon the parties to this Agreement and shall be fully enforceable thereafter.

- C. Governing Law and Venue.** This Agreement is intended as a contract for the purchase and sale of real property and shall be interpreted in accordance with the laws and in the courts of the State of Tennessee.
- D. Time of Essence.** Time is of the essence in this Agreement.
- E. Terminology.** As the context may require in this Agreement: (1) the singular shall mean the plural and vice versa; (2) all pronouns shall mean and include the person, entity, firm or corporation to which they relate; (3) the masculine shall mean the feminine and vice versa; and (4) the term day(s) used throughout this Agreement shall be deemed to be calendar day(s) ending at 11:59 p.m. local time unless otherwise specified in this Agreement. Local time shall be determined by the location of the Property. **In the event a performance deadline**, other than the Closing Date (as defined in section 4 herein), Date of Possession (as defined in section 4 herein), and Offer Expiration Date (as defined in section 31 herein), occurs on a Saturday, Sunday or legal holiday, the performance deadline shall extend to the next following business day. Holidays as used herein are those days deemed federal holidays pursuant to 5 U.S.C. § 6103. In calculating any time period under this Agreement, the commencement day shall be the day following the initial date (e.g. Binding Agreement Date).
- F. Responsibility to Cooperate.** Buyer and Seller agree to timely take such actions and produce, execute, and/or deliver such information and documentation as is reasonably necessary to carry out the responsibilities and obligations of this Agreement. Except as to matters which are occasioned by clerical errors or omissions or erroneous information, the approval of the Closing documents by the parties shall constitute their approval of any differences between this Agreement and the Closing. Buyer and Seller agree that if requested after Closing, they will correct any documents and pay any amounts due where such corrections or payments are appropriate by reason of mistake, clerical errors or omissions, or the result of erroneous information.
- G. Notices.** Except as otherwise provided herein, all notices and demands required or permitted hereunder shall be in writing and delivered either (1) in person, (2) by a prepaid overnight delivery service, (3) by facsimile transmission (FAX), (4) by the United States Postal Service, postage prepaid, registered or certified, return receipt requested or (5) Email. **NOTICE** shall be deemed to have been given as of the date and time it is actually received. Receipt of notice by the real estate licensee or their Broker assisting a party as a client or customer shall be deemed to be notice to that party for all purposes under this Agreement as may be amended, unless otherwise provided in writing.
- H. Risk of Loss.** The risk of hazard or casualty loss or damage to Property shall be borne by Seller until transfer of title. If casualty loss prior to Closing exceeds 10% of the Purchase Price, Seller or Buyer may elect to terminate this Agreement with a refund of Earnest Money/Trust Money to Buyer.
- I. Equal Housing.** This Property is being sold without regard to race, creed, color, sex, religion, handicap, familial status, or national origin.
- J. Severability.** If any portion or provision of this Agreement is held or adjudicated to be invalid or unenforceable for any reason, each such portion or provision shall be severed from the remaining portions or provisions of this Agreement, and the remaining portions or provisions shall be unaffected and remain in full force and effect. In the event that the contract fails due to the severed provisions, then the offending language shall be amended to be in conformity with state and federal law.
- K. Alternative Dispute Resolution.** In the event the parties elect to utilize Alternative Dispute Resolution, incorporate "Resolution of Disputes by Mediation Addendum/Amendment" (RF629).
- L. Contract Construction.** This Agreement or any uncertainty or ambiguity herein shall not be construed against any party but shall be construed as if all parties to this Agreement jointly prepared this Agreement.
- M. Section Headings.** The Section Headings as used herein are for reference only and shall not be deemed to vary the content of this Agreement or limit the scope of any Section.

26. Exhibits and Addenda. All exhibits and/or addenda attached hereto, listed below, or referenced herein are made a part of this Agreement: _____

27. Special Stipulations. The following Special Stipulations, if conflicting with any preceding section, shall control:

28. Method of Execution. The parties agree that signatures and initials transmitted by facsimile, other photocopy transmittal, or by transmittal of digital signature as defined by the applicable State or Federal law will be acceptable and may be treated as originals and that the final Purchase and Sale Agreement containing all signatures and initials may be executed partially by original signature and partially on facsimile, other photocopy documents, or by digital signature as defined by the applicable State or Federal law.

29. Time Limit of Offer. This Offer may be withdrawn at any time before acceptance with Notice. Offer terminates if not countered or accepted by _____ o'clock ☐ a.m./ ☐ p.m. on the _____ day of _____, _____.

LEGAL DOCUMENTS: This is an important legal document creating valuable rights and obligations. If you have any questions about it, you should review it with your attorney. Neither the Broker nor any Agent or Facilitator is authorized or qualified to give you any advice about the advisability or legal effect of its provisions.

NOTE: Any provisions of this Agreement which are preceded by a box "☐" must be marked to be a part of this Agreement. By affixing your signature below, you also acknowledge that you have reviewed each page and have received a copy of this Agreement.

WIRE FRAUD WARNING Never trust wiring instructions sent via email. Cyber criminals are hacking email accounts and sending emails with fake wiring instructions. These emails are convincing and sophisticated. Always independently confirm wiring instructions in person or via a telephone call to a trusted and verified phone number. Never wire money without double-checking that the wiring instructions are correct. **NEVER ACCEPT WIRING INSTRUCTIONS FROM YOUR AGENT OR BROKER.** _____ Buyer Initials _____ Buyer Initials

Buyer hereby makes this offer.

BUYER

BUYER

_____ at _____ o'clock ☐ am/ ☐ pm

_____ at _____ o'clock ☐ am/ ☐ pm

Offer Date

Offer Date

Seller hereby:

☐ **ACCEPTS** – accepts this offer.

☐ **COUNTERS** – accepts this offer subject to the attached Counter Offer(s).

☐ **REJECTS** this offer and makes no counter offer.

SELLER

SELLER

_____ at _____ o'clock ☐ am/ ☐ pm

_____ at _____ o'clock ☐ am/ ☐ pm

Date

Date

Acknowledgement of Receipt. _____ hereby acknowledges receipt of the final accepted offer on _____ at _____ o'clock ☐ am/ ☐ pm, and this shall be referred to as the Binding Agreement Date for purposes of establishing performance deadlines as set forth in the Agreement.

For Information Purposes Only:

Listing Company: _____

Selling Company: _____

Listing Firm Address: _____

Selling Firm Address: _____

Firm License No.: _____

Firm License No.: _____

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Version 01/01/2020

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Firm Telephone No.: _____
 Listing Licensee: _____
 Licensee License Number: _____
 Licensee Email: _____
 Licensee Cellphone No.: _____
 Home Owner's / Condominium Association ("HOA/COA") /

Firm Telephone No.: _____
 Selling Licensee: _____
 Licensee License Number: _____
 Licensee Email: _____
 Licensee Cellphone No.: _____
 Property Management Company:

HOA / COA Phone: _____
 Property Management Company: _____
 Phone: _____

HOA/COA Email: _____
 Email: _____

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LOT/LAND PURCHASE AND SALE AGREEMENT

- 1. Purchase and Sale.** For and in consideration of the mutual covenants herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned buyer

_____ (“Buyer”) agrees to buy and the undersigned seller _____ (“Seller”) agrees to sell all that tract or parcel of land, with such improvements as are located thereon, described as follows:

All that tract of land known as: _____
 (Address) _____ (City), Tennessee, _____ (Zip), as recorded in _____ County Register of Deeds Office, _____ deed book(s), _____ page(s), and/or _____ instrument number and as further described as:

_____ together with all fixtures, landscaping, improvements, and appurtenances, all being hereinafter collectively referred to as the “Property.”

- ☐ **This box must be checked to be part of this Agreement.** The full and legal description of said Property is as described in the attached “Legal Description Exhibit.”

A. LEASED ITEMS. Leased items that remain with the Property (e.g. billboards, irrigation systems, fuel tank, etc.) _____ Buyer shall assume any and all lease payments as of Closing. If leases are not assumable, the balance shall be paid in full by Seller at or before Closing.

- ☐ Buyer does not wish to assume a leased item. **(THIS BOX MUST BE CHECKED IN ORDER FOR IT TO BE A PART OF THIS AGREEMENT.)**

Buyer does not wish to assume Seller's current lease of _____; therefore, Seller shall have said lease cancelled and leased items removed from Property prior to Closing.

B. FUEL. Fuel, if any, will be adjusted and charged to Buyer and credited to Seller at Closing at current market prices.

- 2. Purchase Price, Method of Payment and Closing Expenses.** Buyer warrants that, except as may be otherwise provided herein, Buyer will at Closing have sufficient cash to complete the purchase of the Property under the terms of this Lot/Land Purchase and Sale Agreement (hereinafter “Purchase and Sale Agreement” or “Agreement”). The purchase price to be paid is: \$ _____,

_____ U.S. Dollars, (“Purchase Price”) which shall be disbursed to Seller or Seller’s Closing Agency by one of the following methods:

- i. a Federal Reserve Bank wire transfer;
- ii. a Cashier’s Check issued by a financial institution as defined in 12 CFR § 229.2(i); OR
- iii. other such form as is approved in writing by Seller.

This price is based (Select one. The sections not checked are not a part of this Agreement.):

- ☐ for entire Property as a tract, and not by the acre **OR**
- ☐ per acre with the Purchase Price to be determined by the actual amount of acreage of the Property, \$ _____ per acre based on a current or mutually acceptable survey **OR**
- ☐ for entire Property as a tract but with the Purchase Price to be adjusted upward or downward at \$ _____ per acre in the event the actual amount of acreage of the Property based on a current or mutually acceptable survey should vary more or less than _____ acre(s) from the _____ estimated acreage.

A. Appraisal (Select either 1 or 2 below. The sections not checked are not a part of this Agreement.):

- ☐ **1.** This Agreement **IS NOT** contingent upon the appraised value either equaling or exceeding the agreed upon Purchase Price.
- ☐ **2.** This Agreement **IS CONTINGENT** upon the appraised value either equaling or exceeding the agreed upon Purchase Price If appraised value is equal to or exceeds the Purchase Price, this contingency is satisfied.
- In consideration of Buyer having conducted an appraisal, the sufficiency of such consideration being hereby

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acknowledged, if the appraised value of the Property does not equal or exceed the Purchase Price, Buyer shall promptly notify the Seller via the ~~notification~~ Notification form or equivalent written ~~equivalent~~ notice. Buyer shall then have 3 days to either:

1. waive the appraisal contingency via the ~~notification~~ Notification form or equivalent written notice
- OR
2. terminate the agreement by giving notice to seller via the ~~notification~~ Notification form or equivalent written notice. Upon timely termination, Buyer is entitled to a refund of the Earnest money.

In the event Buyer fails to either waive the appraisal contingency or terminate the agreement as set forth above, this contingency is deemed satisfied. Thereafter, failure to appraise shall not be used as the basis for loan denial or termination of contract. Seller shall have the right to request any supporting documentation showing appraised value did not equal or exceed the agreed upon purchase price.

B. Closing Expenses.

1. **Seller Expenses.** Seller shall pay all existing loans affecting the Property, including all penalties, release preparation costs, and applicable recording costs; any accrued and/or outstanding association dues or fees; fee (if any) to obtain lien payoff/estoppel letters/statement of accounts from any and all associations, property management companies, mortgage holders or other liens affecting the Property; Seller's Closing fee, document preparation fee and/or attorney's fees; fee for preparation of deed; notary fee on deed; and financial institution (Bank, Credit Union, etc.) wire transfer fee or commercial courier service fee related to the disbursement of any lien payoff(s). Seller additionally agrees to permit any withholdings and/or to pay any additional sum due as is required under the Foreign Investment in Real Property Tax Act. Failure to do so will constitute a default by Seller.

In the event Seller is subject to Tax Withholding as required by the Foreign Investment in Real Property Tax Act, (hereinafter "FIRPTA"), Seller additionally agrees that such Tax Withholding must be collected from Seller by Buyer's Closing Agent at the time of Closing. In the event Seller is not subject to FIRPTA, Seller shall be required as a condition of Closing to sign appropriate affidavits certifying that Seller is not subject to FIRPTA. *It is Seller's responsibility to seek independent tax advice or counsel prior to the Closing Date regarding such tax matters.*

2. **Buyer Expenses.** Buyer shall pay all transfer taxes and recording fees on deed of conveyance and deed of trust; Buyer's Closing fee, document preparation fee and/or attorney's fees; preparation of note, deed of trust, and other loan documents; mortgage loan inspection or boundary line survey; credit report; required premiums for private mortgage, hazard and flood insurance; required reserved deposits for insurance premiums and taxes; prepaid interest; re-inspection fees pursuant to appraisal; and any costs incident to obtaining and closing a loan, including but not limited to: appraisal, origination, discount points, application, commitment, underwriting, document review, courier, assignment, photo, tax service notary fees, and any wire fee or other charge imposed for the disbursement of the Seller's proceeds according to the terms of this Agreement.
3. **Title Expenses.** Cost of title search, mortgagee's policy and owner's policy (rates to be as filed with the Tennessee Department of Commerce and Insurance) shall be paid as follows:

Simultaneous issue rates shall apply.

Not all of the above items (Seller Expenses, Buyer Expenses and Title Expenses) are applicable to every Transaction and may be modified as follows:

Closing Agency for Buyer & Contact Information: _____

Closing Agency for Seller & Contact Information: _____

- C. **Financial Contingency – Loan(s) To Be Obtained:** This Agreement is conditioned upon Buyer's ability to obtain a loan(s) in the principal amount up to _____% of the Purchase Price listed above to be secured by a deed of trust on the Property. "Ability to obtain" as used herein means that Buyer is qualified to receive the loan described herein based upon Lender's customary and standard underwriting criteria. In consideration of Buyer, having acted in good faith and in accordance with the terms below, being unable to obtain financing by the Closing Date, the sufficiency of such consideration being hereby acknowledged, Buyer may terminate this Agreement by providing

written notice via the Notification form or equivalent written notice. Seller shall have the right to request any supporting documentation regarding loan denial. Upon termination, Buyer is entitled to a refund of the Earnest Money/Trust Money. Lender is defined herein as the financial institution funding the loan.

The loan shall be of the type selected below (**Select the appropriate boxes. Unselected items will not be part of this Agreement**):

☐ Conventional Loan ☐ Rural Development/USDA

☐ Other _____

Buyer may apply for a loan with different terms and conditions and also Close the transaction provided all other terms and conditions of this Agreement are fulfilled and the new loan does not increase any costs charged to Seller. Buyer shall be obligated to Close this transaction if Buyer has the ability to obtain a loan with terms as described herein and/or any other loan for which Buyer has applied and been approved.

Loan Obligations: The Buyer agrees and/or certifies as follows:

- (1) Within three (3) days after the Binding Agreement Date, Buyer shall make application for the loan and shall pay for credit report. Buyer shall immediately notify Seller or Seller's representative of having applied for the loan and provide Lender's name and contact information, and that Buyer has instructed Lender to order credit report. Such certifications shall be made via the Notification form or equivalent written notice;
- (2) Within fourteen (14) days after the Binding Agreement Date, Buyer shall warrant and represent to Seller via the Notification form or equivalent written notice that:
 - a. Buyer has notified Lender of an Intent to Proceed and has available funds to Close per the signed Loan Estimate; and
 - b. Buyer has requested that the appraisal be ordered and affirms that the appraisal fee has been paid.
- (3) Buyer shall pursue qualification for and approval of the loan diligently and in good faith;
- (4) Buyer shall continually and immediately provide requested documentation to Lender and/or loan originator;
- (5) Unless otherwise stated in this Agreement, Buyer represents that this loan is not contingent upon the lease or sale of any other real property and the same shall not be used as the basis for loan denial; and
- (6) Buyer shall not intentionally make any material changes in Buyer's financial condition which would adversely affect Buyer's ability to obtain the Primary Loan or any other loan referenced herein.

Should Buyer fail to timely comply with 2.C.(1) and/or 2.C.(2) above and provide notice as required, 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 two (2) days after such demand for compliance, Buyer shall be considered in default and Seller's obligation to sell is terminated.

THIS BOX MUST BE CHECKED IN ORDER FOR IT TO BE A PART OF THIS AGREEMENT.

☐ **Financing Contingency Waived** (e.g. "All Cash", etc.):

Buyer's obligation to Close shall not be subject to any financial contingency. Buyer reserves the right to obtain a loan. Buyer will furnish proof of available funds to close in the following manner: _____ (e.g. bank statement, Lender's commitment letter) within five (5) days after Binding Agreement Date. Should Buyer fail to do so, Seller may make written demand for compliance via the Notification form or equivalent written notice. If Buyer does not furnish Seller with the requested notice within two (2) days after such demand for compliance, Buyer shall be considered in default and Seller's obligation to sell is terminated. Failure to Close due to lack of funds shall be considered default by Buyer.

In the event that this Agreement is contingent upon an appraisal, Buyer must order the appraisal and provide Seller with the name and telephone number of the appraisal company and proof that appraisal was ordered within five (5) days of the Binding Agreement Date. Should Buyer fail to do so, Seller may make written demand for compliance via the Notification form or equivalent written notice. If Buyer does not furnish Seller with the requested notice within two (2) days after such demand for compliance, Buyer shall be considered in default and Seller's obligation is terminated.

- 3. Earnest Money/Trust Money.** Buyer has paid or will pay within _____ days after the Binding Agreement Date to _____ (name of Holder) ("Holder") located at _____ (address of Holder), an Earnest Money/Trust Money deposit of \$ _____ by check (OR _____) ("Earnest Money/Trust Money").

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A. Failure to Receive Earnest Money/Trust Money. In the event Earnest Money/Trust Money (if applicable) is not timely received by Holder or Earnest Money/Trust Money check or other instrument is not honored, for any reason by the bank upon which it is drawn, Holder shall promptly notify Buyer and Seller of the Buyer's failure to deposit the agreed upon Earnest Money/Trust Money. Buyer shall then have one (1) day to deliver Earnest Money/Trust Money in immediately available funds to Holder. In the event Buyer does not deliver such funds, Buyer is 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 the Earnest Money/Trust Money in immediately available funds in the form of a wire transfer or cashier's check to Holder 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.

B. Handling of Earnest Money/Trust Money upon Receipt by Holder. Earnest Money/Trust Money (if applicable) is to be deposited promptly after the Binding Agreement Date or the agreed upon delivery date in this Earnest Money/Trust Money section or as specified in the Special Stipulations section contained herein. Holder shall disburse Earnest Money/Trust Money only as follows:

- (a) at Closing to be applied as a credit toward Buyer's Purchase Price;
- (b) upon a written agreement signed by all parties having an interest in the funds;
- (c) upon order of a court or arbitrator having jurisdiction over any dispute involving the Earnest Money/Trust Money;
- (d) upon a reasonable interpretation of the Agreement; or
- (e) upon the filing of an interpleader action with payment to be made to the clerk of the court having jurisdiction over the matter.

Holder shall be reimbursed for, and may deduct from any funds interpleaded, its costs and expenses, including reasonable attorney's fees. The prevailing party in the interpleader action shall be entitled to collect from the other party the costs and expenses reimbursed to Holder. No party shall seek damages from Holder (nor shall Holder be liable for the same) for any matter arising out of or related to the performance of Holder's duties under this Earnest Money/Trust Money section. Earnest Money/Trust Money shall not be disbursed prior to fourteen (14) days after deposit unless written evidence of clearance by bank is provided.

4. Closing, Prorations, Special Assessments and Association Fees.

A. Closing Date. This transaction shall be closed ("Closed") (evidenced by delivery of warranty deed and payment of Purchase Price, the "Closing"), and this Agreement shall expire at 11:59 p.m. local time on the _____ day of _____, _____ ("Closing Date"), or on such earlier date as may be agreed to by the parties in writing. Such expiration does not extinguish a party's right to pursue remedies in the event of default. Any extension of this date must be agreed to by the parties in writing via the Closing Date/Possession Date Amendment or equivalent written agreement.

1. Possession. Possession of the Property is to be given (**Select the appropriate boxes below. Unselected items will not be part of this Agreement:**

- ☐ at closing as evidenced by delivery of warranty deed and payment of Purchase Price;

OR

- ☐ as agreed in the attached and incorporated Temporary Occupancy Agreement;

B. Prorations. Real estate taxes, rents, dues, maintenance fees, and association fees on said Property for the calendar year in which the sale is Closed shall be prorated as of the Closing Date. In the event of a change or reassessment of taxes for the calendar year after Closing, the parties agree to pay their recalculated share. Real estate taxes, rents, dues, maintenance fees, and association fees for prior years and roll back taxes, if any, will be paid by Seller.

C. Greenbelt. If property is currently classified by the property tax assessor as "Greenbelt" (minimum of 15 acres or otherwise qualifies), does the Buyer intend to keep the property in the Greenbelt? (**Select the appropriate boxes below. Unselected items will not be part of this Agreement:**

- ☐ Buyer intends to maintain the property's Greenbelt classification and acknowledges that it is Buyer's responsibility to make timely and proper application to insure such status. Buyer's failure to timely and properly make application will result in the assessment of rollback taxes for which Buyer shall be obligated to pay. Buyer should consult the tax assessor for the county where the property is located prior to making this offer to verify that their intended use will qualify for greenbelt classification.

- ☐ Buyer does not intend to maintain the property's Greenbelt status and Rollback taxes shall be payable by the Seller at time of closing.

D. Special Assessments. Special Assessments approved or levied prior to the Closing Date shall be paid by Seller at or prior to Closing unless otherwise agreed as follows:

E. Association Fees. Buyer shall be responsible for all homeowner or condominium association transfer fees, related administration fees (not including statement of accounts), capital expenditures/contributions incurred due to the transfer of the Property and/or like expenses which are required by the association, property management company and/or the bylaws, declarations or covenants for the Property (unless otherwise specifically addressed herein and/or unless specifically chargeable to Seller under applicable bylaws, declarations, and/or neighborhood covenants).

5. Title and Conveyance.

A. Seller warrants that at the time of Closing, Seller will convey or cause to be conveyed to Buyer or Buyer's assign(s) good and marketable title to said Property by general warranty deed, subject only to:

- (1) Zoning;
- (2) Setback requirements and general utility, sewer, and drainage easements of record on the Binding Agreement Date upon which the improvements do not encroach;
- (3) Subdivision and/or condominium declarations, covenants, restrictions, and easements of record on the Binding Agreement Date; and
- (4) Leases and other encumbrances specified in this Agreement.

If title examination, closing or loan survey pursuant to Tenn. Code Ann. § 62-18-126, boundary line survey, or other information discloses material defects, Buyer may, at Buyer's discretion:

- (1) accept the Property with the defects **OR**
- (2) require Seller to remedy such defects prior to the Closing Date. Buyer shall provide Seller with written notice of such defects via the Notification form or equivalent written notice. If defects are not remedied prior to the Closing Date, Buyer may elect to extend the Closing Date by mutual written agreement evidenced by the Closing Date/Possession Amendment form or other written equivalent. If defects are not remedied by the Closing Date or any mutually agreed upon extension thereof, this Agreement shall terminate, and Buyer shall be entitled to a refund of Earnest Money/Trust Money.

Good and marketable title as used herein shall mean title which a title insurance company licensed to do business in Tennessee will insure at its regular rates, subject only to standard exceptions. The title search or abstract used for the purpose of evidencing good and marketable title must be acceptable to the title insurance agent and the issuing title insurance company. Seller agrees to execute such appropriate affidavits and instruments as may be required by the issuing title insurance company.

B. Deed. Name(s) on Deed to be: _____

It is the Buyer's responsibility to consult the closing agency or attorney prior to Closing as to the manner in which Buyer holds title.

6. Inspections and other requirements made a part of this Agreement.

ALL INSPECTIONS ARE TO BE MADE AT BUYER'S EXPENSE. Buyer, its inspectors and/or representatives shall have the right and responsibility to enter the Property during normal business hours for the purpose of making inspections and/or tests. Buyer agrees to indemnify Seller for the acts of themselves, their inspectors and/or representatives in exercising their rights under this section. Buyer's obligations to indemnify Seller shall also survive the termination of this Agreement by either party, which shall remain enforceable. Buyer shall make such inspections as indicated in this section and either accept the Property in its present condition by written notice to Seller or terminate the Agreement as provided for in each section marked below.

[Select any or all of the following stipulations. Unselected items are not a part of this Agreement.]

- ☐ **A. Feasibility Study.** Buyer shall have the right to review all aspects of the Property, including but not limited to, all governmental, zoning, soil and utility service matters related thereto. In consideration of Buyer having conducted Buyer's good faith review as provided for herein, the sufficiency of such consideration being hereby acknowledged, Buyer shall provide written notification to Seller and/or Seller's Broker within _____ days after Binding Agreement Date that Buyer is not satisfied with the results of such review, and this Agreement shall automatically terminate and Broker shall promptly refund the Earnest Money/Trust Money to Buyer. If Buyer fails to provide notice, then this contingency shall be deemed to have been waived by Buyer. Seller acknowledges and agrees that Buyer

and/or his agents and employees may have free access during normal business hours to visit the Property for the purpose of (1) inspection thereof and (2) conducting such soil and other tests thereon as are deemed reasonably necessary by Buyer. Buyer hereby agrees to indemnify and hold Seller, Broker, and Broker's Affiliated Licensees harmless from and against any and all loss, injury, cost, or expense associated with Buyer's inspection of and entry upon Property.

- **B. Building Permit.** This Agreement is contingent upon Buyer's ability to acquire all required licenses and permits from the appropriate governmental authority to make specific improvements on the Property. In consideration of Buyer, having acted in good faith, being unable to acquire all required licenses and permits from the appropriate governmental authority to make specific improvements to the Property, the sufficiency of such consideration hereby being acknowledged, Buyer may terminate this agreement by providing written notification to Seller and/or Seller's Broker within _____ days after the Binding Agreement Date. Upon termination, holder shall promptly refund the Earnest Money/Trust Money to Buyer. If Buyer fails to provide said notice, then this contingency shall be deemed to have been waived by Buyer.
- **C. Permit for Sanitary Septic Disposal System.** This Agreement is contingent upon the Buyer's ability to obtain a permit for a sanitary septic disposal system from the respective Tennessee Ground Water Protection Office for the county in which the Property is located (generally, located at the local Health Department) to be placed on the Property in a location consistent with Buyer's planned improvements. In consideration of Buyer, having acted in good faith, being unable to meet this condition, the sufficiency of such consideration being hereby acknowledged, Buyer must notify Seller and/or Seller's Broker in writing within _____ days after the Binding Agreement Date. With proper notice, the Agreement is voidable by Buyer and Earnest Money/Trust Money refunded. If Buyer fails to provide said notice, this contingency shall be deemed to have been waived by Buyer.
- **D. Rezoning.** This Agreement is contingent upon the Property being rezoned to _____. (Buyer or Seller) shall be responsible for pursuing such rezoning, and paying all associated cost. All rezoning applications shall be submitted to Seller for Seller's approval prior to filing, which approval shall not be unreasonably withheld. All parties agree to cooperate, to sign the necessary documentation and to support the rezoning application. In consideration of Buyer having acted in good faith, Buyer may provide notification to Seller and/or Seller's Broker within 48 hours after the above date that the Property cannot be so zoned, the sufficiency of such consideration being hereby acknowledged, and this Agreement shall automatically terminate. Upon termination, holder shall promptly refund the Earnest Money/Trust Money to Buyer. If Buyer fails to provide said notice, then this contingency shall be deemed to have been waived by Buyer.
- **E. Well Test.** This Agreement is contingent upon the well water serving the Property passing testing for suitability for drinking as performed by a testing laboratory selected by Buyer, or required by Buyer's Lender, prior to Closing. Buyer shall be responsible for ordering, supervising and paying for any such well water sample test. This Agreement shall also be contingent upon said well providing an adequate quantity of water to serve Buyer's intended purpose for the Property. In consideration of Buyer, having conducted a well test as provided for herein, the sufficiency of such consideration being hereby acknowledged, Buyer may provide written notification to Seller and/or Seller's Broker within _____ days after the Binding Agreement Date that test results are unacceptable, and in such event this Agreement shall automatically terminate, and Holder shall promptly refund the Earnest Money/Trust Money to Buyer. If Buyer fails to provide said notice, then this contingency shall be deemed to have been waived by Buyer.
- **F. Other Inspections.** See Special Stipulations for additional inspections required by Buyer.
- **G. No Inspection Contingencies.** Buyer accepts the Property in its present condition. All parties acknowledge and agree that the Property is being sold "AS IS" with any and all faults.

7. Final Inspection. Buyer and/or his inspectors/representatives shall have the right to conduct a final inspection of Property on the Closing Date or within ____ day(s) prior to Closing Date only to confirm Property is in the same or better condition as it was on the Binding Agreement Date, normal wear and tear excepted, and to determine that all repairs/replacements have been completed. Property shall remain in such condition until the Closing Date at Seller's expense. Closing of this sale constitutes acceptance of Property in its condition as of the time of Closing, unless otherwise noted in writing.

8. Buyer's Additional Due Diligence Options. If any of the matters below are of concern to Buyer, Buyer should address the concern by specific contingency in the Special Stipulations section of this Agreement.

- A. Survey and Flood Certification.** Survey Work and Flood Certifications are the best means of identifying boundary lines and/or encroachments and easements or flood zone classifications. Buyer may obtain a survey, closing loan survey or Boundary Line Survey and Flood Zone Certifications.

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- B. Insurability.** Many different issues can affect the insurability and the rates of insurance for property. These include factors such as changes in the Flood Zone Certifications, changes to the earthquake zones maps, the insurability of the buyer, and previous claims made on the Property. It is the right and responsibility of Buyer to determine the insurability, coverage and the cost of insuring the Property. It is also the responsibility of Buyer to determine whether any exclusions will apply to the insurability of said Property.
- C. Water Supply.** The system may or may not meet state and local requirements. It is the right and responsibility of Buyer to determine the compliance of the system with state and local requirements. [For additional information on this subject, request the "Water Supply and Waste Disposal Notification" form.]
- D. Waste Disposal.** The system may or may not meet state and local requirements. It is the right and responsibility of Buyer to determine the compliance of the system with state and local requirements. In addition, Buyer may, for a fee, obtain a septic system inspection letter from the Tennessee Department of Environment and Conservation, Division of Ground Water Protection. [For additional information on this subject, request the "Water Supply and Waste Disposal Notification" form.]
- E. Title Exceptions.** At Closing, the general warranty deed will be subject to subdivision and/or condominium declarations, covenants, restrictions and easements of record, which may impose obligations and may limit the use of the Property by Buyer, including the property being part of a Planned Unit Development (PUD). There may also be fees and assessments connected with these exceptions.
- F. Toxic/Foreign Substances.** Testing (including but not limited to a Phase 1 study) may be performed to determine the presence of radon or other potentially toxic substances. Buyer may wish to inquire or have the property inspected for underground tanks, tires, appliances, garbage, foreign and/or unnatural materials, asbestos, polychlorinated biphenyl (PCB's), ureaformaldehyde, methane gas, radioactive material, or methamphetamine production.
- G. Land Issues.** Buyer may be interested in learning more about the presence of any fill, mine shaft, well, diseased or dead trees or private or non-dedicated roadways on the Property as well as any sliding, settling, earth movement, upheaval or earth stability problems detected through inspections or evaluations previously performed on property or to be performed.
- H. Rights and Licenses.** Certain Property may contain mineral, oil and timber rights which may or may not transfer with the Property. It is possible licenses or usage permits were granted for crops, mineral, water, grazing, timber, hunting or fishing, including a Crop Rotation Program. Buyers should consult their closing agency for questions regarding any leases which may be in the chain of title.
- 9. Disclaimer.** It is understood and agreed that the real estate firms and real estate licensee(s) representing or assisting Seller and/or Buyer and their brokers (collectively referred to as "Brokers") are not parties to this Agreement and do not have or assume liability for the performance or nonperformance of Seller or Buyer. Buyer and Seller agree that Brokers shall not be responsible for any of the following, including but not limited to, those matters which could have been revealed through a survey, flood certification, title search or inspection of the Property; the insurability of the Property or cost to insure the Property; for the condition of the Property, any portion thereof, or any item therein; for building products and construction techniques; for any geological issues present on the Property; for any issues arising out of the failure to physically inspect the Property prior to entering into this Agreement and/or Closing; for the necessity or cost of any repairs to the Property; for hazardous or toxic materials; for the tax or legal consequences of this transaction; for the availability, capability, and/or cost of utility, sewer, septic, or community amenities; for any proposed or pending condemnation actions involving the Property; for acreage or square footage; for applicable boundaries of school districts or other school information; for the appraised or future value of the Property; for any condition(s) existing off the Property which may affect the Property; for the terms, conditions, and availability of financing; and for the uses and zoning of the Property whether permitted or proposed. Buyer and Seller acknowledge that Brokers are not experts with respect to the above matters and that they have not relied upon any advice, representations or statements of Brokers (including their firms and affiliated licensees) and waive and shall not assert any claims against Brokers (including their firms and affiliated licensees) involving same. Buyer and Seller understand that it has been strongly recommended that if any of these or any other matters concerning the Property are of concern to them, that they secure the services of appropriately credentialed experts and professionals of Buyer's or Seller's choice for the independent expert advice and counsel relative thereto. [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.](#)
- 10. Brokerage.** As specified by separate agreement, Seller agrees to pay Listing Broker at Closing the agreed upon compensation. The Listing Broker will direct the closing agency to pay the Selling Broker, from the compensation received, an amount in accordance with the terms and provisions specified by separate agreement. The parties agree and

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acknowledge that the Brokers involved in this transaction may receive compensation from more than one party. All parties to this Agreement agree and acknowledge that any real estate firm involved in this transaction shall be deemed a third party beneficiary only for the purposes of enforcing their commission rights, and as such shall have the right to maintain an action on this Agreement for any and all compensations due and any reasonable attorney's fees and court costs.

- 11. Default.** Should Buyer default hereunder, the Earnest Money/Trust Money shall be forfeited as damages to Seller and shall be applied as a credit against Seller's damages. Seller may elect to sue, in contract or tort, for additional damages or specific performance of the Agreement, or both. Should Seller default, Buyer's Earnest Money/Trust Money shall be refunded to Buyer. In addition, Buyer may elect to sue, in contract or tort, for damages or specific performance of this Agreement, or both. In the event that any party hereto shall file suit for breach or enforcement of this Agreement (including suits filed after Closing which are based on or related to the Agreement), the prevailing party shall be entitled to recover all costs of such enforcement, including reasonable attorney's fees. In the event that any party exercises its right to terminate due to the default of the other pursuant to the terms of this Agreement, the terminating party retains the right to pursue any and all legal rights and remedies against the defaulting party following termination. The parties hereby agree that all remedies are fair and equitable and neither party will assert the lack of mutuality of remedies, rights and/or obligations as a defense in the event of a dispute.

12. Other Provisions.

- A. Binding Effect, Entire Agreement, Modification, Assignment, and Binding Agreement Date.** This Agreement shall be for the benefit of, and be binding upon, the parties hereto, their heirs, successors, legal representatives and assigns. This Agreement constitutes the sole and entire agreement between the parties hereto and no modification of this Agreement shall be binding unless signed by all parties or assigns to this Agreement. No representation, promise, or inducement not included in this Agreement shall be binding upon any party hereto. It is hereby agreed by both Buyer and Seller that any real estate agent working with or representing either party shall not have the authority to bind the Buyer, Seller, or any assignee to any contractual agreement unless specifically authorized in writing within this Agreement. Any assignee shall fulfill all the terms and conditions of this Agreement. The parties hereby authorize either licensee to insert the time and date of receipt of the notice of acceptance of the final offer. The foregoing time and date will be referred to for convenience as the Binding Agreement Date for purposes of establishing performance deadlines.
- B. Survival Clause.** Any provision contained herein, which by its nature and effect is required to be performed after Closing shall survive the Closing and delivery of the deed, and shall remain binding upon the parties to this Agreement and shall be fully enforceable thereafter.
- C. Governing Law and Venue.** This Agreement is intended as a contract for the purchase and sale of real property and shall be interpreted in accordance with the laws and in the courts of the State of Tennessee.
- D. Time of Essence.** Time is of the essence in this Agreement.
- E. Terminology.** As the context may require in this Agreement: (1) the singular shall mean the plural and vice versa; (2) all pronouns shall mean and include the person, entity, firm or corporation to which they relate; (3) the masculine shall mean the feminine and vice versa; and (4) the term day(s) used throughout this Agreement shall be deemed to be calendar day(s) ending at 11:59 p.m. local time unless otherwise specified in this Agreement. Local time shall be determined by the location of Property. **In the event a performance deadline**, other than the Closing Date (as defined in section 4 herein), Date of Possession (as defined in section 4 herein), and Offer Expiration Date (as defined in section 16 herein), occurs on a Saturday, Sunday or legal holiday, the performance deadline shall extend to the next following business day. Holidays as used herein are those days deemed federal holidays pursuant to 5 U.S.C. § 6103. In calculating any time period under this Agreement, the commencement day shall be the day following the initial date (e.g. Binding Agreement Date).
- F. Responsibility to Cooperate.** Buyer and Seller agree to timely take such actions and produce, execute, and/or deliver such information and documentation as is reasonably necessary to carry out the responsibilities and obligations of this Agreement. Except as to matters which are occasioned by clerical errors or omissions or erroneous information, the approval of the closing documents by the parties shall constitute their approval of any differences between this Agreement and the Closing. Buyer and Seller agree that if requested after Closing, they will correct any documents and pay any amounts due where such corrections or payments are appropriate by reason of mistake, clerical errors or omissions, or the result of erroneous information.
- G. Notices.** Except as otherwise provided herein, all notices and demands required or permitted hereunder shall be in writing and delivered either (1) in person; (2) by a prepaid overnight delivery service; (3) by facsimile transmission (FAX); (4) by the United States Postal Service, postage prepaid, registered or certified, return receipt requested; or (5) Email. **NOTICE** shall be deemed to have been given as of the date and time it is actually received. Receipt of notice

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by the real estate licensee or the Broker assisting a party as a client or customer shall be deemed to be notice to that party for all purposes under this Agreement as may be amended, unless otherwise provided in writing.

H. Risk of Loss. The risk of hazard or casualty loss or damage to the Property shall be borne by Seller until transfer of title. If casualty loss prior to Closing exceeds 10% of the Purchase Price, Seller or Buyer may elect to terminate this Agreement with a refund of Earnest Money/Trust Money to Buyer.

I. Equal Housing. This Property is being sold without regard to race, creed, color, sex, religion, handicap, familial status, or national origin.

J. Severability. If any portion or provision of this Agreement is held or adjudicated to be invalid or unenforceable for any reason, each such portion or provision shall be severed from the remaining portions or provisions of this Agreement, and the remaining portions or provisions shall be unaffected and remain in full force and effect. In the event that the contract fails due to the severed provisions, then the offending language shall be amended to be in conformity with state and federal law.

K. Alternative Dispute Resolution. In the event the parties elect to utilize Alternative Dispute Resolution, incorporate "Resolution of Disputes by Mediation Addendum/Amendment" (RF629).

L. Contract Construction. This Agreement or any uncertainty or ambiguity herein shall not be construed against any party but shall be construed as if all parties to this Agreement jointly prepared this Agreement.

M. Section Headings. The Section Headings as used herein are for reference only and shall not be deemed to vary the content of this Agreement or limit the scope of any Section.

13. Method of Execution. The parties agree that signatures and initials transmitted by facsimile, other photocopy transmittal, or by transmittal of digital signature as defined by the applicable State or Federal law will be acceptable and may be treated as originals and that the final Lot/Land Purchase and Sale Agreement containing all signatures and initials may be executed partially by original signature and partially on facsimile, other photocopy documents, or by digital signature as defined by the applicable State or Federal law.

14. Exhibits and Addenda. All exhibits and/or addenda attached hereto, listed below, or referenced herein are made a part of this Agreement: _____

15. Special Stipulations. The following Special Stipulations, if conflicting with any preceding section, shall control: _____

16. Time Limit of Offer. This Offer may be withdrawn at any time before acceptance with Notice. Offer terminates if not countered or accepted by _____ o'clock ☐ a.m./ ☐ p.m. on the _____ day of _____, _____.

LEGAL DOCUMENTS: This is an important legal document creating valuable rights and obligations. If you have any questions about it, you should review it with your attorney. Neither the Broker nor any Agent or Facilitator is authorized or qualified to give you any advice about the advisability or legal effect of its provisions.

NOTE: Any provisions of this Agreement which are preceded by a box "☐" must be marked to be a part of this Agreement. By affixing your signature below, you also acknowledge that you have reviewed each page and have received a copy of this Agreement.

WIRE FRAUD WARNING: Never trust wiring instructions sent via email. Cyber criminals are hacking email accounts and sending emails with fake wiring instructions. These emails are convincing and sophisticated. Always independently

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confirm wiring instructions in person or via a telephone call to a trusted and verified phone number. Never wire money without double-checking that the wiring instructions are correct. NEVER ACCEPT WIRING INSTRUCTIONS FROM YOUR AGENT OR BROKER. _____ Buyer Initials _____ Buyer Initials

Buyer hereby makes this offer.

BUYER

BUYER

_____ at _____ o'clock ☐ am/ ☐ pm

_____ at _____ o'clock ☐ am/ ☐ pm

Offer Date

Offer Date

Seller hereby:

- ☐ **ACCEPTS** – accepts this offer.
☐ **COUNTERS** – accepts this offer subject to the attached Counter Offer(s).
☐ **REJECTS** this offer and makes no counter offer.

SELLER

SELLER

_____ at _____ o'clock ☐ am/ ☐ pm

_____ at _____ o'clock ☐ am/ ☐ pm

Date

Date

Acknowledgement of Receipt. _____ hereby acknowledges receipt of the final accepted offer on _____ at _____ o'clock ☐ am/ ☐ pm, and this shall be referred to as the Binding Agreement Date for purposes of establishing performance deadlines as set forth in the Agreement.

For Information Purposes Only:

Listing Company: _____

Selling Company: _____

Listing Firm Address: _____

Selling Firm Address: _____

Firm License No.: _____

Firm License No.: _____

Firm Telephone No.: _____

Firm Telephone No.: _____

Listing Licensee: _____

Selling Licensee: _____

Licensee License Number: _____

Licensee License Number: _____

Licensee Email: _____

Licensee Email: _____

Licensee Cellphone No.: _____

Licensee Cellphone No.: _____

Home Owner's / Condominium Association ("HOA/COA") / **Property Management Company:**

HOA / COA Phone: _____

HOA/COA Email: _____

Property Management Company: _____

Phone: _____

Email: _____

NOTE: This form is provided by TAR 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 TAR logo in conjunction with any form other than standardized forms created by TAR 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 LEASE AGREEMENT FOR SINGLE-FAMILY DWELLING

For and in consideration of the mutual covenants set forth herein and other good and valuable consideration, the sufficiency and adequacy of which is hereby acknowledged,

_____ as tenant ("Tenant"),
and _____ as landlord
("Landlord"), do enter into this Lease Agreement ("Lease" or "Agreement") on this the _____ day of _____, _____ ("Binding Agreement Date").

1. LEASE AGREEMENT.

Landlord hereby leases to Tenant and Tenant leases from Landlord all that tract or parcel of land, with such improvements as are located thereon, described as follows:

All that tract of land known as:

_____ (Address),
_____ (City), Tennessee _____ (Zip), ~~as recorded in~~
~~County Register of Deeds Office, _____ deed book(s),~~
~~_____ page(s), and/or _____ instrument number and further described as:~~

_____ together with all the fixtures, landscaping, improvements, and appurtenances, all being hereinafter collectively referred to as the "Leased Property".

A. INCLUDED as part of the Leased 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; 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 or other methods necessary for access to the Property, including mailboxes and/or amenities.~~

~~**B. Other items that REMAIN with the Leased Property at no additional cost to Tenant:**~~

~~**C. Items that WILL NOT REMAIN with the Leased Property:**~~

~~**D. B. LEASED ITEMS FROM A THIRD PARTY.**~~ Leased items that remain with the Leased Property: (e.g., security systems, water softener systems; fuel tank, etc.): _____.

Lease payments of the aforementioned items shall be the responsibility of _____ following date of possession. If said leases are not assumable, it will be Landlord's responsibility to pay balance.

~~**E. C. FUEL.**~~ Fuel, if any, will be adjusted and charged to Tenant by Landlord in monthly installments in addition to the Rent at current market prices.

2. LEASE TERM AND RENTAL AMOUNT.

A. Lease Term.

The term of this Lease Agreement shall be for _____ (_____) months and shall begin on _____, _____ and end on _____, _____ ("Lease Term").

B. Rent.

During the Lease Term, Tenant shall pay, without any notice or demand, the amount of _____ Dollars (\$_____) per month on or before the first (1st) of each month ("Rent"). The Rent shall begin and the first payment shall be made on or before _____, _____. In the event that the first day of the Lease Term is other than the first (1st) of the month, the first and last months' Rent shall be determined on a pro rata basis.

Rent shall be made payable to _____ at the following address:

Rent shall be deemed paid upon the date it is received at the above address. There is a five-day grace period ("Grace Period") beginning on the day that the Rent was due which is to be included in the calculation of the Grace Period. If the last day of the Grace Period falls on a Sunday; Legal Holiday; or any day set aside for county, state or national election, the Grace Period shall end at 5:00 PM local time the following business day. Saturday is deemed to be a business day for the purposes of paying Rent unless it falls on one of the aforementioned days. If Rent is not received in full at the above address on or before the end of the Grace Period of each month, a late charge of _____ Dollars (\$_____) shall be charged to Tenant. ("Late Charge"). The amount of the Late Charge shall not, under any circumstances, exceed ten percent (10%) of the amount of Rent past due. If the bank returns a Rent check unpaid, Tenant shall owe Landlord an additional charge of _____ to cover the expense of processing. Landlord shall notify Tenant in writing of any changes to whom Rent is to be paid and the location to which Rent should be sent. Tenant waives notice and demand as to all payments of Rent due hereunder. All parties understand and agree that neither the Broker nor the licensee representing Landlord is acting in the capacity of a property manager in this transaction.

3. SECURITY DEPOSIT.

Tenant shall pay _____ (\$_____) as payment of a security deposit ("Security Deposit") to _____ (name of holder) ("Holder") located at _____ (address of Holder) on or before the first day of the Lease Term. Security Deposit will be deposited by Holder in an account at _____ bank or financial institution used only for that purpose. Security Deposit shall remain in this account unless transferred to a similar account with another bank or financial institution until the termination of this Lease. In the event that funds are transferred to another bank, Landlord shall notify Tenant in writing the name of the new bank or financial institution. Security Deposit may be used by Landlord toward payment of any damages to the Leased Property incurred during the Lease Term, normal wear and tear excepted. Said damages include costs for cleaning the Leased Property as well as those resulting from Tenant's failure to perform any of the terms of the Lease contained herein. ~~Landlord may also apply the Security Deposit toward any unpaid Rent if Tenant vacates the Leased Property with Rent still due and owing Landlord.~~ Landlord's damages shall in no way be limited to the amount of the Security Deposit. Any amount of Security Deposit remaining after deduction of said damages shall be returned to Tenant following the termination of the Lease.

Tenant shall have the right to inspect the Leased Property with Landlord to determine Tenant's liability for physical damages that are the basis for any charge against the Security Deposit UNLESS Tenant has:

1. Vacated the Leased Property without giving written Notice;
2. Abandoned the Leased Property;
3. Been judicially removed from the Leased Property;
4. Not contacted Landlord after the Landlord's Notice of Right to Mutual Inspection of the Leased Property;
5. Failed to appear at the arranged time of inspection as agreed upon between Landlord and Tenant;
6. If the Tenant has not requested a mutual inspection; OR
7. The Tenant is otherwise inaccessible to the Landlord.

A. Mutual Inspection

In a situation in which Landlord has requested that Tenant vacate the Leased Property or within five (5) days after Landlord receives written notice of Tenant's intent to vacate the Leased Property, Landlord shall provide notice to Tenant of Tenant's right to be present at the inspection of the Leased Property ("Landlord's Notice of Right to Mutual Inspection"). Within said notice [select one]:

- ☐ Tenant may request that time of inspection be set during normal business hours

OR

- ☐ Tenant may not request that time of inspection be set during normal business hours.

Landlord: [Select one].

- ☐ requires that inspection be scheduled after Tenant has completely vacated Leased Property and is ready to surrender possession and return all means of access to the Leased Property. Such inspection shall occur on the day Tenant vacates or within four (4) calendar days of Tenant vacating Leased Property.

OR

- ☐ Landlord will not require inspection to be scheduled after Tenant has completely vacated the Leased Property.

Tenant shall contact Landlord to schedule a mutually agreeable date and time for inspection. If Tenant fails to appear at such scheduled inspection, Tenant waives any right to contest any damages assessed by Landlord. At the scheduled inspection, Landlord and Tenant shall inspect the Leased Property and compile a comprehensive list of damages to the Leased Property and an estimated cost of repairing the damage which is the basis for any charge against the Security Deposit ("List of Damages"). Landlord and Tenant shall sign the List of Damages which shall be conclusive evidence of the accuracy of the listing of damages. In the event Tenant refuses to sign the List of Damages, Tenant shall state specifically in writing the items within the List of Damages with which he does not agree.

B. Landlord Inspection

If Tenant has performed any of the foregoing acts in which he no longer has a right to inspect the Leased Property as contained herein, Landlord shall inspect the Leased Property and compile a List of Damages. Under such circumstances, Tenant is not entitled to be present at said inspection. Landlord shall provide Tenant with a written copy of the List of Damages via certificate of mailing *upon Tenant's written request*.

C. Additional Rights of Parties

In the event that Tenant disputes the List of Damages, Tenant may bring suit in either the general sessions or circuit court of the county in which the Leased Property is located for those items to which he specifically dissented in his statement of dissent referenced above. Landlord shall not be entitled to retain any portion of the Security Deposit if Security Deposit was not deposited into a separate account solely used for that purpose and if Landlord fails to provide Tenant with a copy of the List of Damages as required herein.

Landlord may recover the costs of any and all contractual damages to which he is entitled herein, plus the cost of any additional physical damages to the Leased Property which are discovered by Landlord after an inspection has been completed. Any additional physical damages must be discovered by Landlord by the *earlier* of:

1. Thirty (30) days after Tenant has vacated or abandoned the Leased Property

OR

2. Seven (7) days after a new tenant takes possession of the Leased Property.

~~If Tenant vacates the Leased Property with unpaid Rent or other amounts due to Landlord, Landlord may remove the Security Deposit and apply it toward the unpaid debt.~~ If Tenant vacates the Leased Property not owing any ~~Rent monies~~ and a refund is due, Landlord shall send notice to the last known or reasonably determinable address of the amount of said refund to Tenant. If Tenant does not respond to said notice within sixty days from the sending of the notice, then Landlord may remove the Security Deposit and retain it free from any claim by Tenant or any other person.

4. REPAIRS AND MAINTENANCE.

Tenant acknowledges that Tenant has inspected the Leased Property prior to the Binding Agreement Date stated herein and acknowledges that it is in a clean, fit, and habitable condition. Tenant acknowledges that all appliances (if present on the Leased Property), including but not limited to the refrigerator, dishwasher, washer, dryer, garbage disposal, heating system, air conditioning system, swimming pool equipment, plumbing, smoke detectors, septic systems, security systems, gas logs, hot water heater, and light fixtures (including ceiling fans) are operable as of the Binding Agreement Date unless otherwise noted herein. Tenant's taking possession of the Leased Property is evidence that the Leased Property is in a clean, fit, and habitable condition.

The following shall be kept in good working order and repair, normal wear and tear excepted, by either Landlord or Tenant as follows [Check all that apply. The sections not marked shall not be part of this Lease Agreement.]:

	<u>TENANT</u>	<u>LANDLORD</u>		<u>TENANT</u>	<u>LANDLORD</u>
Fence	<input type="checkbox"/>	<input type="checkbox"/>	Light Fixtures	<input type="checkbox"/>	<input type="checkbox"/>
Driveway	<input type="checkbox"/>	<input type="checkbox"/>	Exterior walkways	<input type="checkbox"/>	<input type="checkbox"/>
Interior Walls	<input type="checkbox"/>	<input type="checkbox"/>	Patio/Porch	<input type="checkbox"/>	<input type="checkbox"/>

TENANT LANDLORD

TENANT LANDLORD

151	Carpet/Flooring	<input type="checkbox"/>	<input type="checkbox"/>	Landscaping/Yard	<input type="checkbox"/>	<input type="checkbox"/>
152	Swimming Pool	<input type="checkbox"/>	<input type="checkbox"/>	Outbuildings	<input type="checkbox"/>	<input type="checkbox"/>

153 Any item not mentioned herein but existing on the Leased Property (other than furniture, fixtures and personal property of
154 Tenant) shall be maintained by Landlord during the Lease Term and any extensions or hold-overs thereof.

155 Upon receipt of written notice from Tenant, Landlord shall, within a reasonable time period thereafter, repair all defects in
156 those facilities and systems that are the responsibility of Landlord to maintain in good working order and repair. If Tenant
157 does not perform its maintenance and repair obligations as set forth herein as promptly as conditions require in case of
158 Emergency (as defined herein) or within fourteen (14) days after written notice by Landlord specifying the breach and
159 requesting that Tenant remedy it within that period, Landlord may enter the Leased Property and cause the work to be done
160 in a workmanlike manner and submit an itemized bill for the cost of repairs to Tenant. Tenant shall pay said repair bill at
161 the time that the next Rent payment is due. If Lease Agreement has been terminated, Tenant shall pay repair bill
162 immediately. Tenant shall be responsible for the reasonable costs of any and all repairs made necessary by the negligence
163 or willful misconduct of Tenant (including Tenant's family members, agents, employees, contractors, licensees, invitees,
164 guests, pets or anyone or anything else under the control of Tenant). In the event that Tenant does not promptly pay for
165 any repairs and/or maintenance required under the Lease following termination of the Lease, Landlord may deduct that
166 amount from the Security Deposit. Tenant agrees to immediately contact Landlord in the event that any malfunction or
167 damage occurs to the heating and air conditioning systems, the plumbing (including hot water heater), septic, electrical or
168 roofing systems.

169 **5. LEAD BASED PAINT DISCLOSURE.**

- 170 ☐ does not apply.
- 171 ☐ does apply (Property built prior to 1978 – see attached Lead Based Paint Disclosure for Rental Property).

172 **6. INSURANCE.**

173 Landlord shall maintain fire and casualty insurance on the structure of the Leased Property only during the Lease Term
174 and any extensions thereof and shall provide proof of such to Tenant upon request. Tenant shall maintain adequate
175 insurance for their personal property and liability insurance in the amount of \$_____ during the Lease Term
176 and any extensions thereof and shall demonstrate as such to Landlord upon request. Landlord shall not be responsible for
177 any damage to Tenant's property, unless such damage is caused by Landlord's gross negligence or willful misconduct.

178 **7. HOLDOVER AND RENEWAL.**

179 Tenant shall provide written notice to Landlord no later than ~~thirty (30)~~ _____ days prior to the end of the Lease
180 Term as to Tenant's intent to renew or terminate this Lease at the end of the Lease Term. If Tenant wishes to renew the
181 Lease, then Landlord, at his sole discretion, may enter into a new lease agreement with Tenant. If Tenant fails to provide
182 said notice or if Tenant remains in possession of the Leased Property following the Lease Term, a hold-over period shall
183 be created. In the event of a hold-over period, a month-to-month tenancy shall be created at a new rent of
184 _____ dollars (\$_____) per month payable on the first (1st) of each month with the first
185 increased monthly rent being paid on the first (1st) of the initial month of the hold-over period. All other terms and
186 conditions of this Lease shall remain in full force and effect during the month-to-month tenancy and shall continue as such
187 until the termination of such holdover period.

188 **8. APPLICATION FOR LEASE.**

189 As a precondition to Tenant's leasing of the Leased Property, Tenant agrees to provide, in advance, the information
190 requested in the Tenant Information Addendum which is attached hereto and hereby authorizes its verification and
191 obtaining of a credit report. The credit report and employment verification is to be obtained within seven days from the
192 date upon which the Tenant Information Addendum has been delivered to Landlord. In the event that the credit report
193 and/or employment verification does not meet with Landlord's approval or if any of the information provided therein is
194 misleading or untrue, Landlord may, at his discretion, terminate this Lease.

195 **9. PROPERTY CONDITION.**

196 Tenant agrees to maintain the Leased Property in the same or better condition than it was as of the Binding Agreement
197 Date, normal wear and tear excepted. Tenant further agrees to return possession of the Leased Property to Landlord in the
198 same or better condition as of the Binding Agreement Date and will be held responsible if there is damage to the Leased
199 Property, normal wear and tear excepted, or items included in the Agreement are removed. Tenant agrees not to alter,
200 improve, or make any additions to the Leased Property without the prior written consent of Landlord. Tenant shall remove
201 any and all ashes, rubbish, garbage, and other waste from the Leased Property.

202 **10. RULES AND REGULATIONS.**

- 203 A. The Leased Property shall only be used as a one family, residential unit;

- B. Tenant is prohibited from adding, changing or in any way altering the locks installed on the doors of the Leased Property without prior written consent of Landlord. If all keys and garage door openers to the Leased Property are not returned when Tenant vacates the Leased Property, Landlord may charge a re-key charge in the amount of \$_____.
- C. Non-operative vehicles are not permitted on the Leased Property. Any such non-operative vehicle may be removed by Landlord at the expense of Tenant after providing a ten day written notice posted on such vehicle, and Tenant shall have no right or recourse against Landlord thereafter.
- D. No goods or materials of any kind or description which are combustible or would increase fire risk shall be kept in or placed on the Leased Property.
- E. No nails, screws or adhesive hangers except standard picture hooks, shade brackets and curtain rods may be placed in walls, woodwork or any part of the Leased Property.
- F. Tenant shall not place any objects or personal property in a manner that is inconsistent with the load limits of the Leased Property. Waterbeds, pianos, aquariums and other such heavy furniture or equipment shall only be permitted on Leased Property with written consent of Landlord.
- G. Boats, trailers, recreation vehicles (RVs), and campers are not permitted on the Leased Property.
- H. No animals, birds or pets of any kind shall be permitted on the Leased Property without prior written consent of Landlord.
- I. Tenant will not deliberately or negligently destroy, deface, damage, impair or remove any part of the Leased Property or permit any person to do so.
- J. Tenant will act and require other persons on the Leased Property to act in a manner that will not disturb the neighbors' peaceful enjoyment of their property.
- K. Tenant will not engage in any illegal activity nor will permit any other persons on the Leased Property to engage in illegal activity.
- L. During freezing temperatures, Tenant agrees to take all reasonable steps to protect pipes from freezing.
- M. Landlord may establish additional reasonable Rules and Regulations concerning the maintenance, use, and operation of the Leased Property. Amendments and additions to the Rules and Regulations shall be effective upon delivery of a copy thereof to Tenant.

11. UTILITIES AND SERVICES.

Tenant agrees to pay all costs of connecting Utilities (water, electricity, sewer and/or natural gas) and/or Services (including but not limited to garbage pickup, cable or satellite television, telephone service, security alarm service, and internet service), deposits for same and costs of Utilities and/or Services incurred during the Lease Term. Tenant shall cause all accounts to be placed in Tenant's name no later than the first day of the Lease Term. If Tenant fails to place all Utilities in his/her name within three (3) days of occupancy, then Landlord shall terminate the Utilities if in the name of Landlord. No satellite dishes shall be installed on the Leased Property without the prior written consent of Landlord.

12. FIRE OR CASUALTY DAMAGE.

In the event that the Leased Property is damaged or destroyed by fire or casualty to an extent that the use of the Leased Property is Substantially Impaired, Tenant may:

- (a) immediately vacate the Leased Property, and
- (b) shall notify the Landlord in writing within fourteen (14) days thereafter of Tenant's intention to terminate the Lease, in which case the Lease terminates as of the date of vacating.

Substantially impaired ("Substantially Impaired") for purposes of this Lease means that the Leased Property has been deemed unfit for human habitation by a governmental authority.

In the event that the Leased Property is damaged or destroyed by fire or casualty to an extent that restoring it to its undamaged condition requires the Tenant to vacate the Leased Property, Landlord is authorized to terminate this Lease within fourteen (14) days of providing written notice to Tenant. If the Lease is terminated, Landlord shall return all prepaid Rents and Security Deposits. Accounting for Rent in the event of termination or apportionment is to occur as of the date Tenant returns keys to Landlord or the date on which Tenant vacated Leased Property, whichever is earlier.

13. RESPONSIBILITY OF LANDLORD.

During the Lease Term, Landlord agrees to make timely payment of the existing mortgage(s) on subject property and pay all property taxes and association fees, if applicable, when due. If Landlord fails to make such mortgage payments in a timely manner, or to pay all real estate taxes or association fees thereon, Tenant shall have the right to elect to cancel and rescind this Lease Agreement by giving written notice to Landlord of such election and Tenant shall thereupon be entitled to a return of all prepaid Rents and the Security Deposit, or in the alternative, Tenant may elect to pay such delinquent mortgage payments to the mortgagee and/or pay any delinquent taxes or association fees on said Leased Property and shall

receive full credit for such sums as may be extended by Tenant toward the amount owed to Landlord under the terms of this Lease Agreement. In such case, this Lease Agreement shall remain in full force and effect.

14. SUBLET AND ASSIGNMENT.

Tenant may not sublet the Leased Property in whole or in part or assign this Lease without the prior written consent of Landlord.

15. DEFAULT.

A. Waiver of Notice.

Written notice of failure to pay Rent is hereby waived by Tenant.

B. Notice of Breach or Termination of Lease.

In the event that Tenant breaches this Lease and/or engages in any of the conduct listed below, Landlord may, in Landlord's sole discretion, elect to do either of the following:

1. Notice.

In the event that Tenant is materially noncompliant with this Lease and/or engages in any of the following conduct:

- fails to comply with obligations imposed on Tenant by applicable building and housing codes;
- fails to keep Leased Property in as clean and safe condition as when Tenant took possession;
- fails to dispose of all ashes, rubbish, garbage or other waste to designated collection areas;
- deliberately or negligently destroys, defaces, damages, impairs or removes any part of the Leased Property or permits any other person to do so;
- engages in illegal activity on the Leased Property; OR
- acts or permits others on the Leased Property (with or without Tenant's consent) to act in a manner which disturbs the neighbors' peaceful enjoyment of the premises,

which materially affects health and safety, Landlord may, in Landlord's sole and reasonable discretion, deliver a written notice to Tenant specifically stating the acts and omissions constituting the violation and that the Lease is subject to termination ("Notice of Default").

a. Breach remediable by payment of Rent, cost of repairs, damages or other monetary amounts due.

If the breach is remediable by payment of Rent, cost of repairs, damages or any other amount due to Landlord, Landlord may advise Tenant that he has fourteen (14) days from date of receipt of Notice of Default to remediate the breach. If the breach is not remediated within the fourteen (14) days, Landlord may elect to terminate the Lease. In the event that Tenant is to make repairs to cure the breach, these repairs must be requested in writing by the Tenant and authorized by Landlord prior to making any repairs. These repairs are only allowed in the event that Landlord advises Tenant that prior authorization for repairs is required in the Notice of Default.

If Tenant engages in substantially similar conduct which constituted a prior breach within six (6) months of the previous breach, Landlord may terminate the Lease upon at least seven (7) days' written notice documenting the breach and the date of the termination of the Lease.

b. Breach not remediable by payment of Rent, cost of repairs, damages or other monetary amounts due.

If the breach for which notice was given is not remediable by the payment of Rent, cost of repairs, damages, or any other amount due to Landlord, Landlord may advise Tenant that the Lease shall terminate upon a date not less than fourteen (14) days after receipt of the Notice of Default.

2. Termination.

In the event that Tenant breaches this Lease by failing to pay Rent, Landlord may, in Landlord's sole and reasonable discretion, terminate this Lease Agreement and proceed with a detainer action for possession of the Leased Property.

Election of either option 1 or 2 above does not bind Landlord to take such action in the event of a similar violation in the future.

C. In the event that Landlord terminates the Lease, Landlord shall have the right to secure another tenant for the Leased Property. In any event, Tenant shall remain liable to Landlord for any and all Rent due under the terms of this Lease for the entire Lease Term.

D. Abandonment by Tenant is considered a default under the terms of this Lease.

E. Landlord may recover damages and/or obtain injunctive relief for violation of the terms of this Lease and/or for any of the following:

- Tenant failing to comply with obligations imposed on Tenant by applicable building and housing codes;
- Tenant failing to keep Leased Property in as clean and safe condition as when Tenant took possession;
- Tenant failing to dispose of all ashes, rubbish, garbage or other waste to designated collection areas;
- Tenant deliberately or negligently destroying, defacing, damaging, impairing or removing any part of the Leased Property or permitting any other person to do so;
- Tenant engaging in illegal activity on the Leased Property; OR
- Tenant acting or permitting others on the Leased Property (with or without Tenant's consent) to act in a manner which disturbs the neighbors' peaceful enjoyment of the premises.

F. Landlord may recover punitive damages from Tenant for the willful destruction of property caused by Tenant or by any other person on the Leased Property with Tenant's consent.

16. ATTORNEY'S FEES AND COURT COSTS.

Tenant agrees to pay all reasonable attorneys' fees together with any court costs and expenses which Landlord incurs in any action for breach of this Lease Agreement or failure to pay Rent.

17. RIGHT OF ACCESS.

Landlord and Landlord's agents shall have the right to access the Leased Property for inspection; to make necessary or agreed repairs, decorations, alterations, or improvements; to supply necessary or agreed to services; or to exhibit the Leased Property to prospective or actual purchasers, mortgagees, workers or contractors during reasonable hours with Tenant's consent which shall not be unreasonably withheld. In case of an Emergency, Landlord and Landlord's agents may enter the Leased Property without Tenant consent. An "Emergency" is a sudden, generally unexpected occurrence or set of circumstances which demands immediate action. If any of the Utilities have been turned off due to no fault of Landlord, Landlord and Landlord's agents may enter the Leased Property in order to make inspection to ascertain any damages to the Leased Property and to make any necessary repairs of damage resulting from the lack of Utilities. Landlord shall also have right of access to the Leased Property under the following circumstances: (1) pursuant to a court order; (2) following the fourteen day cure period listed in section 15 herein if Tenant fails to cure default; (3) if Tenant has abandoned or surrendered the Leased Property; or (4) if Tenant is deceased, incapacitated, or incarcerated. Landlord shall also be permitted to enter the Leased Property when reasonably necessary during Tenant absence for more than seven days. The parties hereby agree that the Landlord and Landlord's agents shall also be permitted to enter the Leased Property beginning thirty (30) days prior to the Agreement's termination date for the purpose of showing the Leased Property to prospective tenants. Landlord shall give notice (does not necessarily have to be written notice) to Tenant at least twenty-four (24) hours prior to entry for showing purposes.

18. ABANDONMENT.

Tenant is required to notify Landlord in writing of any anticipated absence from the Leased Property in excess of seven (7) days. Notice shall be given on or before the first day of any extended absence. Tenant's unexplained or extended absence from the Leased Property for thirty (30) days or more without payment of Rent as due shall be prima facie evidence of abandonment. In such event, Landlord may re-enter and take possession of the Leased Property.

Tenant's nonpayment of Rent for fifteen (15) days past the Rent due date combined with other reasonable factual circumstances indicating Tenant has permanently vacated the Leased Property, including, but not limited to, the removal by Tenant of substantially all of Tenant's possessions and personal effects from the Leased Property, or Tenant's voluntary termination of Utilities to the Leased Property, shall also be prima facie evidence of abandonment. Landlord will then be permitted to post notice at the Leased Property and send notice to Tenant by regular mail, postage prepaid to the address of the Leased Property that:

- (a) Landlord has reason to believe that Tenant has abandoned the Leased Property;
- (b) Landlord intends to re-enter and take possession of the Leased Property, unless Tenant contacts Landlord within ten (10) days of the posting and mailing of the notice;
- (c) if Tenant does not contact Landlord within the ten day period, Landlord intends to remove any and all possessions and personal effects remaining in or on the Leased Property and to re-rent the Leased Property; and
- (d) if Tenant does not reclaim the possessions within thirty (30) days of Landlord taking possession of the possessions and personal effects, Landlord intends to dispose of Tenant's possessions and personal effects.

Landlord will include a telephone number and mailing address at which he may be contacted in aforementioned notice. If Tenant does not claim personal property within an additional thirty (30) days following Landlord's re-entry to Leased Property and taking possession of Tenant's personal property, Landlord may sell or dispose of said personal property and

apply the proceeds of said sale to unpaid Rents, damages, storage fees, sale costs, court costs, advertisement and attorney's fees. Any balances are to be held by Landlord for Tenant for a period of six (6) months subsequent to the sale date, and thereafter will become the property of Landlord.

19. TERMINATION FOR VIOLENCE OR THREAT TO HEALTH, SAFETY, OR WELFARE.

Notwithstanding any other provision of this Lease, Landlord may terminate this Lease within three (3) days from the receipt of written notice by Tenant if Tenant or any other person on the Leased Property with the consent of Tenant:

- (a) Willfully or intentionally commits a violent act;
- (b) Behaves in any manner which constitutes or threatens to be a real and present danger to the health, safety or welfare of the life or property of other tenants or persons on the Leased Property; or
- (c) Creates a hazardous or unsanitary condition on the Leased Property that affects the health, safety, or welfare or the life or property of other tenants or persons on the Leased Property.

20. NOTICE.

Except as otherwise provided herein, all notices and demands required or permitted hereunder shall be in writing and delivered (1) in person, (2) by prepaid overnight delivery service, (3) by facsimile transmission(FAX), (4) by the United States Postal Service, postage prepaid, registered or certified return receipt requested or (5) Email (if provided herein). Notice shall be deemed to have been given as of the date and time it is actually received unless otherwise provided herein. Notices shall be provided to the parties at the address shown below, unless otherwise provided by the parties in writing. Landlord designates the party listed below as his agent for service of any and all notices.

Landlord	Tenant
_____	_____
_____	_____
_____	_____
Telephone #: _____	Telephone #: _____
E-mail: _____	E-mail: _____

21. NOTICE TO LANDLORD OF REPAIRS NEEDED.

In the event that there is a malfunction or defect in the electrical wiring or fixtures; heating and air conditioning system; plumbing; hot water heater; gas pipes; or any other item which is to be maintained by Landlord as determined herein, Tenant shall immediately notify Landlord in writing so that Landlord may make any required repairs. Tenant agrees that Landlord shall not be liable for any damages resulting from any temporary malfunctions or defects to any of these systems or other appliances on the Leased Property, unless said malfunction is due to the gross negligence or willful misconduct of Landlord. Tenant shall be responsible for the reasonable cost of repairs made necessary by Tenant's negligence or willful misconduct or Tenant's failure to pay utility bills.

~~22. PROPERTY MANAGEMENT COMPANY.~~

~~The property management company, if any, of the Leased Property is as follows:~~

~~Company: _____~~
~~Manager: _____~~
~~Address: _____~~
~~Telephone Number: _____ Email: _____~~

~~23.~~ 22. CONDEMNATION.

If all or any part of the Leased Property is taken or appropriated by any public or quasi-public authority under the power of eminent domain, and if the remaining portion of the Leased Property is thereby rendered untenable or unusable for the purposes herein stated, this Lease shall terminate when the condemning authority takes possession, and any Rent paid for any period beyond possession by the condemning authority shall be repaid to Tenant. Landlord shall receive the entire condemnation award without deduction therefrom for an interest of Tenant in the Leased Property, but Tenant shall have the right to make a separate claim with the condemning authority for, and to receive therefore, (a) any moving expenses incurred by Tenant as a result of such condemnation; (b) any costs incurred or paid by Tenant in connection with any alteration or improvement made by Tenant to the Leased Property; (c) the value of Tenant's personal property taken; and (d) any other separate claim which Tenant may be permitted to make under applicable law, provided that such other separate claims shall not reduce or adversely affect the amount of Landlord's award.

~~24.~~ 23. HOLD HARMLESS.

Both Landlord and Tenant understand and agree that neither Broker nor licensee for either party is acting in the capacity of a property manager in this transaction ~~unless otherwise stated herein~~. Furthermore, it is understood and agreed that the real estate firms and real estate licensee(s) representing or assisting Landlord or Tenant (collectively "Brokers") are not

parties to this Agreement and do not have or assume liability for the performance or nonperformance of Landlord or Tenant. Landlord and Tenant agree that Brokers shall not be responsible for any of the following, including but not limited to those matters which could have been revealed through a survey, flood certification, title search or inspection of the Leased Property; for the condition of the Leased Property, any portion thereof, or any item therein; for building products and construction techniques; for any geological issues present on the Leased Property; for any issues arising out of the failure to physically inspect the Leased Property prior to entering into this Agreement and/or date of possession; for the necessity or cost of any repairs to the Leased Property; for hazardous or toxic materials; for the tax or legal consequences of this transaction; for the availability, capability, and/or cost of utility, sewer, septic, or community amenities; for any proposed or pending condemnation actions involving the Leased Property; for applicable boundaries of school districts or other school information; for the appraised or future value of the Leased Property; for square footage or acreage of the Leased Property; for any condition(s) existing off the Leased Property which may affect the Leased Property; and for the uses and zoning of the Leased Property whether permitted or proposed. Landlord and Tenant acknowledge that Brokers are not experts with respect to the above matters and that they have not relied upon any advice, representations or statements of Brokers (including their firms and affiliated licensees) and waive and shall not assert any claims against Brokers (including their firms and affiliated licensees) involving same. Landlord and Tenant understand that it has been strongly recommended that if any of these matters or any other matters concerning the Leased Property are of concern to them, that they secure the services of appropriately credentialed experts and professionals of Landlord's or Tenant's choice for the independent expert advice and counsel relative thereto.

25. 24. BROKERAGE.

As specified by separate agreement, Landlord agrees to pay Listing Broker the agreed upon compensation. The Listing Broker will pay Leasing Broker, from the compensation received, an amount, if any, in accordance with the terms and provisions specified by separate agreement. The parties agree and acknowledge that the Brokers involved in this transaction may receive compensation from more than one party. All parties to this Agreement agree and acknowledge that any real estate firms involved in this transaction shall be deemed a third party beneficiary only for the purposes of enforcing their commission rights, and as such, shall have the right to maintain an action on this Agreement for any and all compensations due and any reasonable attorney's fees and court costs.

26. 25. OTHER PROVISIONS.

A. Entire Agreement.

This Lease shall be for the benefit of, and be binding upon, the parties hereto, their heirs, successors, legal representatives and permissible assigns. This Lease constitutes the sole and entire agreement between the parties hereto and no modification of this Lease shall be binding unless signed by all parties or permissible assigns to this Lease. No representation, promise, or inducement not included in this Agreement shall be binding upon any party hereto. Any permissible assignee shall fulfill all the terms and conditions of this Lease. It is hereby agreed by both Landlord and Tenant that any real estate agent working with or representing either party shall not have the authority to bind the Landlord, Tenant, or any assignee to any contractual agreement unless specifically authorized in writing within this Agreement.

B. Governing Law and Venue.

This Lease is intended as a contract for the lease of residential real property and shall be governed by and interpreted in accordance with the laws and in the courts of the State of Tennessee.

C. Time of Essence.

Time is of the essence in this Lease.

D. No waiver.

Any failure of Landlord to insist upon the strict and prompt performance of any covenants or conditions of this Lease or any of the rules and regulations set forth herein shall not operate as a waiver of any such Lease provision or of Landlord's right to insist on a prompt compliance in the future of such covenant or condition, and shall not prevent a subsequent action by Landlord for any future violation. No provision, covenant or condition of this Lease may be waived by Landlord unless such waiver is in writing and signed by Landlord.

E. Terminology.

As the context may require in this Lease: (1) the singular shall mean the plural and vice versa; (2) all pronouns shall mean and include the person, entity, firm or corporation to which they relate; (3) the masculine shall mean the feminine and vice versa; (4) the term day(s) used throughout this Agreement shall be deemed to be calendar day(s) ending at 11:59 p.m. local time unless otherwise specified in this Agreement. Local time shall be determined by the location of the Leased Property; and (5) the term legal holiday shall be January 1; the third (3rd) Monday in January, known as Martin Luther King, Jr. Day; the third (3rd) Monday in February, known as President's Day; Good Friday; the last Monday in May, known as Memorial Day; July 4th; the first (1st) Monday in September, known as Labor Day; the second (2nd) Monday in October, known as Columbus Day; November 11th, known as Veteran's Day; 4th Thursday in

November, known as Thanksgiving Day; and December 25th. If a deadline falls on a Saturday, Sunday or legal holiday, the deadline shall roll to the next business day unless otherwise stated herein.

F. Equal Housing.

This Leased Property is being leased without regard to race, creed, color, sex, religion, handicap, familial status, or national origin.

G. Severability.

If any portion or provision of this Lease is held or adjudicated to be invalid or unenforceable for any reason, each such portion or provision shall be severed from the remaining portions or provisions of this Lease, and the remaining portions or provisions shall be unaffected and remain in full force and effect and the Lease shall be interpreted so as to bring the Lease into compliance with all applicable laws.

26. METHOD OF EXECUTION.

The parties agree that signatures and initials transmitted by facsimile, other photocopy transmittal, or by transmittal of digital signature as defined by the applicable State or Federal law will be acceptable and may be treated as originals and that the final Lease Agreement containing all signatures and initials may be executed partially by original signature and partially on facsimile, other photocopy documents, or by digital signature as defined by the applicable State or Federal law.

27. Special Stipulations. The following Special Stipulations, if conflicting with any preceding section, shall control:

LEGAL DOCUMENTS: This is an important legal document creating valuable rights and obligations. If you have any questions about it, you should review it with your attorney. Neither the Broker nor any Agent or Facilitator is authorized or qualified to give you any advice about the advisability or legal effect of its provisions.

NOTE: Any provisions of this Agreement which are preceded by a box "☐" must be marked to be a part of this Agreement. By affixing your signature below, you also acknowledge that you have reviewed each page and have received a copy of this Agreement.

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

TENANT

_____ at _____ o'clock ☐ am/ ☐ pm

Date

TENANT

_____ at _____ o'clock ☐ am/ ☐ pm

Date

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

LANDLORD

_____ at _____ o'clock ☐ am/ ☐ pm

Date

LANDLORD

_____ at _____ o'clock ☐ am/ ☐ pm

Date

For Information Purposes Only:

Listing Company

Leasing Company

Independent Licensee

Independent Licensee

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RF421 – Residential Lease Agreement for Single Family Dwelling, Page 10 of 10

Version 01/01/2020

PRE-CONSTRUCTION SPECIFICATIONS

1 Property Address: _____
 2 Buyer: _____
 3 Seller: _____

4 This PRE-CONSTRUCTION SPECIFICATIONS, between the undersigned Seller and Buyer is entered into and is effective
 5 as of the Binding Agreement Date provided in the New Construction Purchase and Sale Agreement for the purpose of changing,
 6 deleting, supplementing or adding terms to said New Construction Purchase and Sale Agreement. In consideration of the
 7 mutual covenants herein and other good and valuable consideration, the receipt and sufficiency of which is hereby
 8 acknowledged, the parties agree to accept the following specifications as part of the plans and specifications for the house to
 9 be constructed. **Only the Items marked below apply.**

10 **1. HARDWOOD FLOORS ARE IN THE:**

- 11 ☐ Living room _____
 12 ☐ Dining room _____
 13 ☐ Foyer _____
 14 ☐ Den/great room/family room _____
 15 ☐ Kitchen _____
 16 ☐ Breakfast room _____
 17 ☐ Other _____

18 **2. CROWN MOLDING IS USED:**

- 19 ☐ Throughout the house _____
 20 ☐ On the first floor _____
 21 ☐ In the living room, ☐ In the dining room, ☐ In the entry foyer
 22 ☐ Other _____

23 **3. PAINT**

- 24 ☐ Finish _____ Type _____
 25 ☐ On the first floor _____
 26 ☐ In the living room, ☐ In the dining room, ☐ In the entry foyer
 27 ☐ Other _____

28 **4. ROOFING**

- 29 ☐ Asphalt _____
 30 ☐ Tile _____
 31 ☐ Shake _____
 32 ☐ Other _____

33 **5. CEILING FINISH**

- 34 ☐ Type _____

35 **6. FOYER**

- 36 ☐ Open _____
 37 ☐ With broken staircase _____
 38 ☐ With curved staircase _____
 39 ☐ With hardwood floors _____
 40 ☐ With decorative windows (Palladian, transoms, etc., please describe) _____
 41 ☐ Other _____

42 **7. A REAR STAIRCASE** goes upstairs from (which room): _____ to (which room): _____

43 **8. TOTAL NUMBER OF BEDROOMS IN THIS HOUSE:** _____

44 **A. MASTER BEDROOM 1**

- 45 ☐ With ceiling fan _____
 46 ☐ With tray ceiling _____

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- 47 ☐ With vaulted ceiling _____
- 48 ☐ On first floor _____
- 49 ☐ With fireplace _____
- 50 ☐ With bay window _____
- 51 ☐ With French doors leading to _____
- 52 ☐ Sitting room _____
- 53 ☐ Other _____

54 **B. MASTER SITTING ROOM**

- 55 ☐ With ceiling fan _____
- 56 ☐ With tray ceiling _____
- 57 ☐ With vaulted ceiling _____
- 58 ☐ On first floor _____
- 59 ☐ Other _____

60 **C. SECOND MASTER B. BEDROOM 2 (in addition to the first one described)**

- 61 ☐ On second floor _____
- 62 ☐ On first floor _____
- 63 ☐ Other _____

64 **D. GUEST C. BEDROOM 3**

- 65 ☐ On first floor _____
- 66 ☐ With bay window _____
- 67 ☐ With French doors leading to _____
- 68 ☐ With built-in bookcase _____
- 69 ☐ Could be used as library or study _____
- 70 ☐ Other _____

71 **E. ADDITIONAL BEDROOMS**

- 72 ☐ With bay window _____
- 73 ☐ With Palladian window _____
- 74 ☐ Other _____

75 **F. OTHER BEDROOM FEATURES**

76 _____

77 **9. BATHS: TOTAL NUMBER OF BATHS** _____

78 **A. MASTER BATH 1**

- 79 ☐ With vaulted ceiling _____
- 80 ☐ With skylights _____
- 81 ☐ With bay windows _____
- 82 ☐ With picture window _____
- 83 ☐ With his/her dual vanities _____
- 84 ☐ With his/her walk-in closets _____
- 85 ☐ With whirlpool tub _____
- 86 ☐ With separate shower _____
- 87 ☐ With separate steam shower _____
- 88 ☐ With bidet _____
- 89 ☐ Other _____

90 **B. SECOND MASTER BATH 2**

- 91 ☐ List items to be included (see 9A, above) _____
- 92 _____

93 **C. OTHER BATHS**

- 94 ☐ Full guest bath on first floor _____
- 95 ☐ Half bath-powder room _____
- 96 ☐ Additional half baths located _____
- 97 ☐ Other _____

98 **10. LIVING ROOM:**

- 99 ☐ With fireplace _____

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- 100 ☐ With built-in bookcases _____
- 101 ☐ With bay window _____
- 102 ☐ With lighted display alcove _____
- 103 ☐ With hardwood floors _____
- 104 ☐ With vaulted ceiling _____
- 105 ☐ Connected to the dining room directly _____
- 106 ☐ Connected to the den directly _____
- 107 ☐ Other _____

11. DINING ROOM:

- 109 ☐ With chair rail molding _____
- 110 ☐ With picture box molding _____
- 111 ☐ With hardwood floors _____
- 112 ☐ With bay window _____
- 113 ☐ With vaulted ceiling _____
- 114 ☐ With tray ceiling _____
- 115 ☐ Banquet-sized _____
- 116 ☐ Connected directly to the living room _____
- 117 ☐ Other _____

12. CHOOSE ONE TERM ☐ DEN ☐ FAMILY ROOM ☐ GREAT ROOM

- 118 ☐ With walk-in wet bar _____
- 119 ☐ With concealed wet bar (behind doors) _____
- 120 ☐ With counter wet bar _____
- 121 ☐ With wet bar built-in bookcases _____
- 122 ☐ With wet bar located other than in den (please describe) _____
- 123 ☐ With fireplace _____
- 124 ☐ With built-in bookcases _____
- 125 ☐ With vaulted ceilings _____
- 126 ☐ With tray ceiling _____
- 127 ☐ With skylights _____
- 128 ☐ With bay windows _____
- 129 ☐ With French doors leading to the _____
- 130 ☐ With rear staircase _____
- 131 ☐ With decorative windows (please describe) _____
- 132 ☐ With skylights _____
- 133 ☐ With ceiling fan _____
- 134 ☐ With wood paneling (please describe) _____
- 135 ☐ With wood wainscoting (please describe) _____
- 136 ☐ With hardwood floors _____
- 137 ☐ Other _____
- 138 ☐ Connected to living room through _____

13. CHOOSE ONE TERM ☐ STUDY ☐ LIBRARY

- 140 ☐ With fireplace _____
- 141 ☐ With bay windows _____
- 142 ☐ With French doors leading to _____
- 143 ☐ With built-in bookcases _____ With wood paneling (type of wood) _____
- 144 ☐ With hardwood floors _____
- 145 ☐ Is this room listed previously as a bedroom? _____
- 146 ☐ Landing library at the top of staircase with built-in _____ plus _____
- 147 ☐ Other _____

14. CHOOSE ONE TERM ☐ SUN PORCH ☐ FLORIDA ROOM

- 149 ☐ With glass wall panels (similar to a glassed screen porch) _____
- 150 ☐ With pane glass windows _____
- 151 ☐ With Sun Porch/Florida Room off what rooms (please list) _____
- 152 ☐ Heated and cooled _____
- 153 ☐ With tile flooring _____
- 154 ☐ With brick flooring _____

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- 156 ☐ With vaulted ceiling _____
- 157 ☐ With skylights _____
- 158 ☐ With ceiling fan _____
- 159 ☐ Other _____

160 **15. SOLARIUM**

- 161 ☐ Vaulted ceiling _____
- 162 ☐ With skylights _____
- 163 ☐ With tile flooring _____
- 164 ☐ Other _____
- 165 ☐ Solarium off what rooms (please list) _____

166 **16. DECK**

- 167 ☐ Treated lumber ☐ Other _____
- 168 ☐ Off what rooms (please list) _____
- 169 ☐ Describe size of deck _____
- 170 ☐ Describe deck railings _____

171 **17. PATIO**

- 172 ☐ Brick or ☐ Concrete ☐ With rail or ☐ Fence
- 173 ☐ Other _____
- 174 ☐ Off what rooms (please list) _____

175 **18. KITCHEN**

- 176 ☐ With _____ (type of wood) Cabinetry _____
- 177 ☐ With hardwood flooring ☐ With tile flooring ☐ With vinyl flooring
- 178 ☐ With solid countertops ☐ With laminate countertops
- 179 ☐ With tile countertops _____
- 180 ☐ Other type of countertop _____
- 181 ☐ Is tile: ☐ Mexican ☐ Italian ☐ Terra Cotta ☐ Other _____
- 182 ☐ With work island ☐ with eat-in counter ☐ with built-in writing desk
- 183 ☐ With other built-ins (describe) _____
- 184 ☐ With walk-in pantry _____
- 185 ☐ Other _____
- 186 ☐ With skylights _____

187 **19. CHOOSE ONE TERM** ☐ COUNTRY KITCHEN ☐ KEEPING ROOM

- 188 ☐ With bay window _____
- 189 ☐ With rear staircase _____
- 190 ☐ With built-in (please describe built-ins) _____
- 191 ☐ With vaulted ceiling _____
- 192 ☐ With fireplace _____
- 193 ☐ With hardwood floor _____
- 194 ☐ Other _____

195 **20. CHOOSE ONE TERM** ☐ BREAKFAST ROOM ☐ BREAKFAST AREA

- 196 ☐ With bay window _____
- 197 ☐ With rear staircase _____
- 198 ☐ With built-in (please describe built-ins) _____
- 199 ☐ With vaulted ceiling _____
- 200 ☐ With the feel of a sun room, lots of glass _____
- 201 ☐ With French doors leading to _____
- 202 ☐ Other _____

203 **21. LAUNDRY ROOM**

- 204 ☐ On first floor ☐ On second floor
- 205 ☐ With its own entrance door _____
- 206 ☐ Other _____
- 207 ☐ With laundry sink _____
- 208 ☐ With built-in cabinets (description and location) _____
- 209 ☐ With built-in ironing board _____

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22. BASEMENT

- ☐ Full daylight ☐ With fireplace
- ☐ With _____ foot high foundation walls _____
- ☐ With rough plumbing for _____ full and _____ half baths
- ☐ Other _____

Type of foundation walls:

- ☐ framed ☐ concrete block ☐ poured concrete

23. OTHER ROOMS

- ☐ Please list and describe any rooms not listed above:

24. HEATING AND COOLING SYSTEMS

- ☐ Type _____
- ☐ Dual heating and cooling _____
- number of units _____ size of units _____ location of units _____

25. OTHER ITEMS

- ☐ Thermostatically controlled roof ventilator(s) _____
- ☐ Automatic garage door openers(s) _____
- ☐ Intercom system _____
- ☐ Vacuum system (rough-in only) _____
- ☐ Security System (rough-in only) _____
- ☐ Sprinkler System in lawn _____
- ☐ Prewired ceiling fans (list rooms) _____
- ☐ Prewired telephones (list rooms) _____
- ☐ Prewired T.V. Cable (list rooms) _____
- ☐ Vacuum system trim out _____
- ☐ Mailbox (describe) _____
- ☐ Other _____

26. LANDSCAPING

Lawn Type:

- ☐ Sod ☐ Straw and Seed

Location and Description of plantings:

27. DRIVEWAY

- ☐ Asphalt ☐ Concrete ☐ Pea Gravel wash concrete
- ☐ Gravel Type _____
- ☐ Other _____
- Describe size _____

28. SIDEWALKS

☐ Concrete ☐ Pea Gravel wash concrete

☐ Other _____

Describe location and size _____

29. INSULATION. Insulation has been installed (or will be installed prior to Closing) in accordance with the terms of this paragraph.

A. Exterior walls are insulated with _____ insulation to a thickness of _____ inches which will, according to the manufacturer, yield an R-value of _____.

B. Ceilings below the attic areas are insulated with _____ insulation to a thickness of _____ inches which will, according to the manufacturer, yield an R-value of _____.

C. Vaulted ceilings are insulated with _____ insulation to a thickness of _____ inches which will, according to the manufacturer, yield an R-value of _____.

D. Floor overhangs are insulated with _____ insulation to a thickness of _____ inches which will, according to the manufacturer, yield an R-value of _____.

This document is made a part of the New Construction Purchase and Sale Agreement as if quoted therein verbatim. Should the terms of this document conflict with the terms of the New Construction Purchase and Sale Agreement or other documents executed prior to or simultaneous to the execution of this document, the terms of this document shall control, and the conflicting terms are hereby considered deleted and expressly waived by both Seller and Buyer. In all other respects, the New Construction Purchase and Sale Agreement shall remain in full force and effect.

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

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AMENDMENT TO THE LISTING AGREEMENT

1 Property: _____

2 Owner/Seller: _____

3 MLS Listing No. _____

4 In consideration of the mutual covenants herein and other good and valuable consideration, the receipt and sufficiency of which

5 is hereby acknowledged, the parties agree to amend that certain Listing Agreement ~~which was signed by the Seller and Broker~~

6 ~~on~~ between Seller and Broker with an Effective Date of _____ and any incorporated addenda, exhibits or

7 prior amendments (collectively referred to herein as "Agreement") for the listing of real property specified above as follows:

8 Check all that apply. Boxes that are not checked are not a part of this Amendment.

9 ☐ Expiration Date extended to: _____.

10 ☐ Listing Price changed to: _____.

11 ☐ Additional acceptable terms are:

12 _____

13 _____

14 _____

15 _____

16 ☐ Place Property Back on Market and Extend the Expiration Date to: _____.

17 ☐ Remarks and/or Property information to be changed to:

18 _____

19 _____

20 _____

21 ☐ Other: _____

22 _____

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

24 _____

25 **LICENSEE**

25 _____

26 **FIRM / COMPANY**

27 _____ at _____ o'clock ☐ am/ ☐ pm

28 **Date**

28 Address

29 **Email:** _____

29 Phone: _____

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

31 _____

32 **OWNER/SELLER**

31 _____

32 **OWNER/SELLER**

33 _____ at _____ o'clock ☐ am/ ☐ pm

33 _____ at _____ o'clock ☐ am/ ☐ pm

34 **Date**

34 **Date**

35 _____

36 **ADDRESS**

35 _____

36 **ADDRESS**

37 Phone (H) _____ Phone(W) _____

37 Phone(H) _____ Phone(W) _____

38 **Email:** _____

38 **Email:** _____

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SHORT SALE AMENDMENT TO THE LISTING AGREEMENT

1 Property Address ("Property"): _____
 2 Seller: _____
 3 Listing Broker: _____

4 This SHORT SALE AMENDMENT TO THE LISTING AGREEMENT (hereinafter "Amendment"), between the undersigned
 5 Seller and Broker is entered into and is effective as of the undersigned date for the purpose of amending that certain Listing
 6 Agreement ~~entered into on~~ with an Effective Date of _____, and any incorporated addenda, exhibits or prior
 7 amendments (collectively referred to herein as "Agreement"). In consideration of the mutual covenants herein and other good
 8 and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree to amend the
 9 Agreement as follows:

10 1. TERMS

11 A. SHORT SALE

12 A short sale occurs when a Seller owes more on the property than the Seller can obtain in a fair market sale of that
 13 property. In certain situations, the Seller's Third-Party Creditor(s) (defined below) will agree to accept less than what
 14 is owed on the property as payment in order to avoid a foreclosure situation. If a short sale occurs, the Seller will
 15 probably not receive any proceeds from the sale of the property. All funds received will go to the Seller's Third Party
 16 Creditor(s). While there are some benefits to a short sale for the Seller, there are also numerous disadvantages which
 17 the Seller must consider.

18 B. THIRD PARTY CREDITOR(S)

19 Third Party Creditor(s) as used herein is a party who has a security interest in the property. Security interests include
 20 but are not limited to mortgages, home equity lines, and liens. Liens may have resulted on the property based upon
 21 things such as judgments against the Seller, failure to pay taxes, failure to pay those who have performed work on the
 22 property or have supplied the materials for work performed on the property (i.e., mechanic's and materialmen's liens),
 23 and failure to pay fees associated with homeowner's associations among others.

24 2. FACTORS TO CONSIDER BEFORE ENTERING INTO SHORT SALE

25 A. CREDIT

26 Seller understands that a short sale will have a negative impact on Seller's credit which may take years to overcome.

27 B. REMAINING BALANCES

28 Seller understands that Third Party Creditor(s) may not agree to the terms of any short sale proposed. If a short sale
 29 is approved, a Third Party Creditor(s) may not forgive any remaining unpaid balances on the debts which are owed to
 30 them and may require Seller to repay any remaining balances as a personal obligation even after the closing of the
 31 short sale. Seller is also advised that in the event that any remaining obligations are forgiven by Third Party
 32 Creditor(s), these amounts may be treated as income for tax purposes and Seller may owe income tax on these amounts.

33 C. ALTERNATIVES TO SHORT SALES

34 There may be alternatives to short sales available to Seller. These include but are not limited to renegotiation of
 35 mortgage terms, repayment plans with Third Party Creditor(s), refinancing, bankruptcy, or deeds in lieu of foreclosure.
 36 Seller is encouraged to contact the HUD Counseling Line at (800) 569-4287 for additional information about
 37 alternatives to short sales and/or foreclosure.

38 D. LEGAL AND FINANCIAL ADVICE

39 Given that each individual seller's situation is different and the negative impact of a short sale, Sellers are encouraged
 40 to obtain their own independent legal and financial advice from an attorney and accountant of their choice. These
 41 professionals can advise Seller as to the legal, financial and tax implications associated with short sales and can advise
 42 Seller as to the best way to proceed based upon the Seller's unique circumstances. Please be advised that real estate
 43 agents cannot give legal or tax advice, and Seller should not rely on them to do so.

3. DISCLOSURE OF THIRD-PARTY CREDITOR(S)

[illegible]

4. COOPERATION OF SELLER

5. APPROVAL OF THIRD-PARTY CREDITOR(S)

6. RIGHT TO CONTINUE TO MARKET AND PRESENT ADDITIONAL OFFERS TO THE THIRD-PARTY CREDITOR(S)

7. AUTHORIZATION FOR MARKETING PROPERTY

8. HOLD HARMLESS AND INDEMNITY

Seller holds Brokers (including their affiliated licensees) harmless and indemnifies Brokers (including their affiliated licensees) from any and all liability for the failure of the Third Party Creditor(s) approving a prospective short sale, any damages suffered as a result of any delays in obtaining the approval of Third Party Creditor(s), and from any expenses Seller has incurred during the short sale process.

9. SPECIAL STIPULATIONS

10. All other terms and provisions of the original Listing Agreement shall remain in full force and effect unless changed herein.

LEGAL DOCUMENTS: This is an important legal document creating valuable rights and obligations. If you have any questions about it, you should review it with your attorney, your financial and/or your tax advisor. Neither the Broker nor any Agent or Facilitator is authorized or qualified to give you any advice about the advisability or legal, tax or financial effect of its provisions.

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

BY: Broker or Licensee Authorized by Broker

BROKER/FIRM

_____ at _____ o'clock ☐ am/ ☐ pm

Date

Address

Phone: _____

Print/Type Name

Email: _____

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

I/We understand the importance of obtaining legal and financial advice and have considered this before signing this Amendment.

SELLER

SELLER

_____ at _____ o'clock ☐ am/ ☐ pm

_____ at _____ o'clock ☐ am/ ☐ pm

Date

Date

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BUYER'S FIRST RIGHT OF REFUSAL ADDENDUM (SELLER'S RIGHT TO CONTINUE TO MARKET PROPERTY)

1 Buyer: _____

2 Seller: _____

3 Property: _____

4 This BUYER'S FIRST RIGHT OF REFUSAL ADDENDUM (SELLER'S RIGHT TO CONTINUE TO MARKET
5 PROPERTY) (hereinafter "Addendum"), between the undersigned Seller and Buyer is entered into and is effective as of the
6 Binding Agreement Date provided in the Purchase and Sale Agreement ("Agreement") for the purpose of changing, deleting,
7 supplementing or adding terms to said Purchase and Sale Agreement. In consideration of mutual covenants herein and other
8 good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

9 1. It is understood and agreed by both Buyer and Seller that Seller reserves the right to continue to market the above referenced
10 property.

11 2. **For the purposes of this Addendum**, any time reference shall be measured in calendar days and/or hourly increments
12 and shall commence upon receipt of notice. There are no delays for weekends or holidays.

13 3. In the event the attached Agreement is contingent upon the sale of the Buyer's property, the Buyer and Seller hereby agree
14 that said Property will be listed with a licensed real estate Broker and advertised in a Multiple Listing Service (if one exists
15 in that market) within _____ day(s) ~~five (5) days~~ of the Binding Agreement Date of the Purchase and Sale Agreement.
16 Within the agreed upon timeframe, Buyer shall submit proof of listing to Seller via the Notification form or equivalent
17 written notice. Should Buyer fail to timely comply and provide written notice, Seller may make written demand for
18 compliance via the notification form or equivalent written notice. If Buyer does not furnish Seller the requested
19 documentation within one (1) day after such demand for compliance, Buyer shall be considered in default and Seller shall
20 have the right to terminate this Agreement by delivering to Buyer or Buyer's representative written notice via the
21 Notification form or equivalent written notice. In the event Buyer delivers proof of listing to Seller before Seller elects to
22 terminate, Seller shall be deemed to have waived his right to terminate, and the Agreement shall remain in full force and
23 effect.

24 4. **Receipt of Another Offer:** It is further agreed that if Seller receives another Offer that is acceptable to Seller, Seller shall
25 give Buyer or licensee assisting Buyer _____ hours notice in writing using the SELLER'S NOTICE TO BUYER OF
26 RECEIPT OF ACCEPTABLE OFFER (form RF 624) or equivalent written notice, to remove the contingency(ies)
27 pertaining to:

28 _____
29 _____
30 _____
31 _____
32 _____
33 _____
34 _____
35 _____
36 _____
37 _____
38 _____
39 _____
40 _____
41 _____

42 (Example: sale of personal residence or other property.)

5. **Buyer's Obligation:** Buyer understands that it is Buyer's obligation to keep his licensee informed of his contact information. Buyer acknowledges that if the licensee is unable to reach Buyer at the provided contact information, the licensee's obligation is fulfilled and licensee shall have no further responsibilities to Buyer and Buyer holds licensee harmless for his loss of right to purchase Property.
6. **Removal of Contingency:** Buyer understands that upon notice from Seller of Seller's receipt of a subsequent acceptable Offer and Buyer's removal of the contingency(ies) stated above, should Buyer then fail to close in whole or part as a consequence of said contingency not being met, Buyer's Earnest Money shall be forfeited to Seller in accordance with the terms of the Agreement, and Seller may pursue any other legal remedies available.
7. **Failure to Remove Contingency:** If Buyer fails to remove the contingency(ies) identified in the Section four (4) above or fails to respond within the ____ hour period provided for herein, this Agreement shall become null and void with Earnest Money to be returned to Buyer.
8. **Obligations and Binding Agreement Date:** Buyer understands that **all obligations** of the Agreement (i.e. inspections, loan approval, etc.) must **be performed according to the Binding Agreement Date.**
9. **Check the following boxes that apply should Buyer elect to remove contingency. The sections not checked are not a part of this Agreement:**
- ☐ a. Buyer shall deposit with Holder **additional** Earnest Money of \$_____, _____ Dollars and said additional Earnest Money to be delivered to Holder by Buyer along with Buyer's signature on Option I under Section B. on the Seller's Notice to Buyer of Receipt of Acceptable Offer (form RF 624) or equivalent written notice. This sum and all Earnest Money previously paid shall be **nonrefundable** and **will be forfeited** to Seller as partial damages should Buyer fail to close as and when agreed **and/or;**
- ☐ b. Buyer agrees to:
- ☐ A. **close within 30 days after date of delivery of Seller's Notice to Buyer of Receipt of Acceptable Offer or equivalent written notice;**
- OR**
- ☐ B. **close no later than the date specified in the Agreement and/or;**
- ☐ c. Buyer removes **any and all contingencies and conditions** as to Buyer's obligations under the Agreement including any inspections, financing, etc. thereby making this an **"All Cash"** Agreement. Buyer acknowledges that should Buyer fail to close for any reason, Buyer will **forfeit** all Earnest Money and Seller may pursue other legal remedies **and/or;**
- ☐ d. Buyer agrees to remove the contingency(ies) in the section four (4) above only, **all other contingencies and conditions remain** in the Agreement.
10. **Notification to the Seller from the Buyer:** If Buyer desires to proceed to Closing, Buyer must, within the aforesaid hours, notify licensee assisting Seller and/or Seller, if unrepresented, in writing advising of removal of aforesaid contingency(ies) and Buyer's willingness to proceed to Closing.

Buyer may fulfill Buyer's written notice responsibility under this Section by completing section B of the SELLER'S NOTICE TO BUYER'S RECEIPT OF ACCEPTABLE OFFER (form RF 624) or equivalent written notice.

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

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DRAFT SPECIMEN

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VA / FHA LOAN ADDENDUM

1 Property Address: _____
 2 Buyer: _____
 3 Seller: _____

4 This VA/FHA LOAN ADDENDUM (hereinafter "Addendum"), between the undersigned Seller and Buyer is entered into and
 5 is effective as of the Binding Agreement Date provided in the Purchase and Sale Agreement for the purpose of changing,
 6 deleting, supplementing or adding terms to said Purchase and Sale Agreement. In consideration of the mutual covenants herein
 7 and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as
 8 follows:

9 **1. APPRAISED VALUE.** It is expressly agreed that, notwithstanding any other provisions of this contract, the Buyer shall
 10 not be obligated to complete the purchase of the Property described herein or to incur any penalty by forfeiture of earnest
 11 money/trust money deposits or otherwise unless the Buyer has been given, in accordance with HUD/FHA or VA
 12 requirements, a written statement by the Federal Housing Commissioner or Veterans Administration, or a Direct
 13 Endorsement Lender setting forth the appraised value of the Property of not less than \$ _____. The Buyer
 14 shall, however, have the privilege and option of proceeding with consummation of the contract without regard to the
 15 amount of the appraised valuation. The appraised valuation is arrived at to determine the maximum mortgage the
 16 Department of Housing and Urban Development will insure (FHA), or that the Veteran's Administration (VA) will
 17 guarantee.

18 **2. PROPERTY VALUE AND CONDITION.** HUD does not warrant the value nor the condition of the Property. The
 19 Buyer should satisfy himself/herself that the price and condition of the Property are acceptable.

20 **3. HOME INSPECTION.** It is important for Buyer to have a home inspection performed on the Property he wishes to
 21 purchase in order to identify any possible defects. ~~Names of home inspection companies can be found in the yellow pages~~
 22 ~~of the local telephone directory under the heading "Home Inspection Services."~~ See Form RF712, "IMPORTANCE OF
 23 INSPECTIONS AND PROPERTY SURVEY".

24 **4. FUNDING FEE.** If applicable the VA Funding fee (if Buyer is not otherwise exempt), shall be paid as follows:

- 25 ☐ **A.** in full at closing by _____.
- 26 ☐ **B.** added to the loan amount and financed. (If checked, then the term "loan amount" as used herein shall mean the
 27 amount set forth in the Purchase and Sale Agreement plus the VA funding fee so financed; the monthly payments will
 28 increase accordingly.)

29 **5. NEW CONSTRUCTION HOME WARRANTY.** If the improvements on the Property are less than one year old at the
 30 time of closing, Seller shall, if required by VA/FHA, provide a home warranty certificate acceptable to VA/FHA.

31 **6. PUBLIC WATER OR PUBLIC SEWER SYSTEMS.** As required by VA/FHA, both the Buyer and Seller agree that if
 32 public water or a public sewer system is available at the street, the Property must be connected. If available and Property
 33 is not connected, select one:

- 34 ☐ **A.** _____ agrees to pay the cost of said connection not to exceed \$ _____.
- 35 ☐ **B.** Buyer to pay \$ _____ and Seller to pay \$ _____ for the cost of connection.

36 **CERTIFICATION.** At the time of Closing _____ shall provide certification, from the proper authority,
 37 that the Property is connected to and serviced by the public system.

38 **7. WOOD DESTROYING INSECT INFESTATION REPORT.** In the case of a VA Loan, the Report is deemed to be a
 39 non-allowable expense under VA regulations and shall not be a Buyer expense. Therefore, Seller agrees to pay at or before
 40 Closing the cost of such Report on behalf of Buyer. All other obligations concerning the Report, repairs, and treatment
 41 shall remain as agreed upon in the Purchase and Sale Agreement.

8. NON-ALLOWABLE SETTLEMENT CHARGES OR CLOSING COSTS. In the event of settlement charges or closing costs at time of closing which are deemed to be non-allowable and not chargeable to the Buyer pursuant to the governmental guidelines, Seller agrees to pay at closing (evidenced by delivery of warranty deed and payment of purchase price) such non-allowable settlement charges or closing costs on behalf of Buyer at a sum not to exceed \$_____. Such sum shall be a part of the amount if any, which Seller has agreed to pay on behalf of Buyer in the Purchase and Sale Agreement or prior Addenda.

This Addendum is made a part of the Purchase and Sale Agreement as if quoted therein verbatim. Should the terms of this Addendum conflict with the terms of the Purchase and Sale Agreement or other documents executed prior to or simultaneous to the execution of this Addendum, the terms of this Addendum shall control, and the conflicting terms are hereby considered deleted and expressly waived by both Seller and Buyer. In all other respects, the Purchase and Sale Agreement shall remain in full force and effect.

PURCHASE AND SALE AGREEMENT CERTIFICATION. "We hereby certify that the terms of the (this) Sales Contract are true and, to the best of our knowledge and belief, that there are no side agreements not disclosed within or by an attached addendum between the BUYER, the SELLER, or REAL ESTATE BROKER." The parties agree that the Real Estate Broker's signature(s) on this document is for certification purposes only as required and does not make either said Real Estate Broker a party to the Purchase and Sale Agreement.

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

BUYER

_____ at _____ o'clock ☐ am/ ☐ pm

Date

BUYER

_____ at _____ o'clock ☐ am/ ☐ pm

Date

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

SELLER

_____ at _____ o'clock ☐ am/ ☐ pm

Date

SELLER

_____ at _____ o'clock ☐ am/ ☐ pm

Date

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

REAL ESTATE BROKER FOR BUYER

_____ at _____ o'clock ☐ am/ ☐ pm

Date

FIRM

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

REAL ESTATE BROKER FOR SELLER

_____ at _____ o'clock ☐ am/ ☐ pm

Date

FIRM

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TENANT INFORMATION

Addendum Application for Residential Lease Agreement for Single-Family Dwelling

1 Regarding: _____

2 ~~This Addendum application for Residential Lease Agreement for Single Family Dwelling hereinafter ("Addendum"), between~~

3 ~~the undersigned Landlord and Tenant is entered into and is effective as of the Binding Agreement Date provided in the~~

4 ~~Residential Lease Agreement for the purpose of changing, deleting, supplementing or adding terms to said Residential Lease~~

5 ~~Agreement. In consideration of mutual covenants herein and other good and valuable consideration, the receipt and sufficiency~~

6 ~~of which is hereby acknowledged, the parties supply information and agree as follows:~~

7 Anticipated length of occupancy: _____

8 **Personal Data**

9 Name _____ Date of Birth _____ DL# _____

10 Co-Tenant _____ Date of Birth _____ DL# _____

11 Present Address _____
 _____ City _____ State _____ Zip _____

12 Home Phone _____ Business Phone _____

13 How long at present address? _____

14 Primary Tenant _____ Landlord/Mortgage Co. _____ Phone _____

15 Co-Tenant _____ Landlord/Mortgage Co. _____ Phone _____

16 Previous Address _____

17 Primary Tenant _____
 _____ City _____ State _____ Zip _____

18 Co-Tenant _____
 _____ City _____ State _____ Zip _____

19 How long at this Address? _____

20 Primary Tenant _____ Landlord/Mortgage Co. _____ Phone _____

21 Co-Tenant _____ Landlord/Mortgage Co. _____ Phone _____

22 **Occupation**

	Present Occupation	Prior Occupation	Co-Tenant's Occupation
Occupation			
Employer			
Self Employed d/b/a			
Business Address			
Business Phone			

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Type of Business			
Position Held			
Name/Title – Supervisor			
How Long			
Monthly Gross Income			

23 **References (Include at least one for each tenant).**

24 Bank Reference _____ Address _____ Phone _____

25 Bank Reference _____ Address _____ Phone _____

26	Credit Reference	Acct#	City	Highest amount owed	Purpose of Credit	Date Opened/Closed
27	_____	_____	_____	_____	_____	_____
28	_____	_____	_____	_____	_____	_____
29	_____	_____	_____	_____	_____	_____

30 **Personal Reference**

31	Name	Address	City	Email	Phone
32	_____	_____	_____	_____	_____
33	_____	_____	_____	_____	_____
34	_____	_____	_____	_____	_____

35	Nearest Relative	Address	City	Relationship
36	_____	_____	_____	_____
37	_____	_____	_____	_____

38 Have you ever filed bankruptcy? Primary Tenant _____ Co-Tenant _____

39 Have you ever been evicted from any tenancy? Primary Tenant _____ Co-Tenant _____

40 Have you ever willfully and intentionally refused to pay any rent when due? Primary Tenant _____ Co-Tenant _____

41 ~~This Addendum is made a part of the Residential Lease Agreement for Single Family Dwelling as if quoted therein verbatim. Should the terms of this Addendum conflict with the terms of the Residential Lease Agreement for Single Family Dwelling or other documents executed prior to or simultaneous to the execution of this Addendum, the terms of this Addendum shall control, and the conflicting terms are hereby considered deleted and expressly waived by both Landlord and Tenant. In all other respects, the Residential Lease Agreement shall remain in full force and effect.~~

42 I DECLARE THAT THE FOREGOING INFORMATION IS TRUE AND CORRECT, AUTHORIZE ITS VERIFICATION

43 AND THE OBTAINING OF A CONSUMER CREDIT REPORT. ~~I agree that Landlord may terminate any agreement~~

44 ~~entered into in reliance on any misstatement above. I acknowledge and understand that the above information is deemed~~

45 ~~“material” by the Landlord; Landlord will rely on said information when determining whether to enter into a lease agreement.~~

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

51	_____	
52	TENANT	CO-TENANT
53	_____ at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm	_____ at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm
54	Date	Date

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Version 01/01/2020

RF631 – Tenant Information Addendum for Residential Lease Agreement for Single-Family Dwelling, Page 3 of 3

ADDENDUM _____

1 Property Address: _____
 2 Buyer: _____
 3 Seller: _____
 4 Buyer's Agent: _____
 5 Listing Agent: _____

6 This ADDENDUM between the undersigned parties is entered into and is effective as of the Date provided in the
 7 _____ Agreement ~~dated~~ with an Effective Date or Binding
 8 Agreement Date of _____ for the purpose of changing, deleting, supplementing or adding terms to said Agreement.
 9 In consideration of mutual covenants herein and other good and valuable consideration, the receipt and sufficiency of which is
 10 hereby acknowledged, the parties agree as follows:

11 _____
 12 _____
 13 _____
 14 _____
 15 _____
 16 _____
 17 _____
 18 _____
 19 _____
 20 _____
 21 _____
 22 _____
 23 _____
 24 _____
 25 _____
 26 _____
 27 _____
 28 _____
 29 _____
 30 _____
 31 _____
 32 _____
 33 _____
 34 _____
 35 _____
 36 _____
 37 _____
 38 _____
 39 _____
 40 _____
 41 _____
 42 _____
 43 _____
 44 _____
 45 _____
 46 _____

This Addendum is made a part of the Agreement as if quoted therein verbatim. Should the terms of this Addendum conflict with the terms of the Agreement or other documents executed prior to or simultaneous to the execution of this Addendum, the terms of this Addendum shall control, and the conflicting terms are hereby considered deleted and expressly waived by all parties. In all other respects, the Agreement shall remain in full force and effect.

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

BUYER

By: _____

Title: _____

Entity: _____

_____ at _____ o'clock ☐ am/ ☐ pm

Date

BUYER

By: _____

Title: _____

Entity: _____

_____ at _____ o'clock ☐ am/ ☐ pm

Date

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

SELLER

By: _____

Title: _____

Entity: _____

_____ at _____ o'clock ☐ am/ ☐ pm

Date

SELLER

By: _____

Title: _____

Entity: _____

_____ at _____ o'clock ☐ am/ ☐ pm

Date

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

BUYER'S AGENT

_____ at _____ o'clock ☐ am/ ☐ pm

Date

FIRM / COMPANY

Address

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

LISTING AGENT

_____ at _____ o'clock ☐ am/ ☐ pm

Date

FIRM / COMPANY

Address

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AMENDMENT TO THE BUYER'S REPRESENTATION AGREEMENT

1 Buyer: _____

2 ~~Date of Buyer's Representation Agreement:~~ _____

3 In consideration of the mutual covenants herein and other good and valuable consideration, the receipt and sufficiency of which
4 is hereby acknowledged, the parties agree to amend that certain Buyer's Representation Agreement ~~which was signed by the~~
5 ~~between~~ Buyer and Broker ~~on~~ with an Effective Date of _____ and any incorporated addenda, exhibits or
6 prior amendments (collectively referred to herein as "Agreement") as follows:
7
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21 This Amendment shall become binding when signed by all parties and shall be incorporated into the Agreement and all other
22 terms and conditions of the Buyer's Representation Agreement for Single-Family Dwelling shall remain in full force and effect.

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

24 _____
25 **LICENSEE**

_____ **FIRM / COMPANY**

26 _____ at _____ o'clock ☐ am/ ☐ pm

27 **Date**

_____ **Address**

28 **Email:** _____

_____ **Phone:** _____

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

31 _____
32 **BUYER**

_____ **BUYER**

33 _____ at _____ o'clock ☐ am/ ☐ pm

_____ at _____ o'clock ☐ am/ ☐ pm

34 **Date**

_____ **Date**

35 _____
36 **ADDRESS**

_____ **ADDRESS**

37 Phone(H) _____ Phone(W) _____

Phone(H) _____ Phone(W) _____

38 **Email:** _____

_____ **Email:** _____

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RF 641 – Amendment to the Buyer's Representation Agreement, Page 1 of 1

Version 01/01/2020

NOTIFICATION

1 This is NOTIFICATION from the ☐ Seller (Notifying Party) to Buyer OR ☐ Buyer (Notifying Party) to Seller.
 2 This NOTICE is hereby tendered in accordance with the provisions of that certain Purchase and Sale Agreement for the
 3 purchase and sale of real property located at: _____
 4 with a

5 ☐ Binding Agreement Date of _____ OR ☐ Offer Date of _____

6 **CHECK THE BOX(ES) THAT APPLY:**

7 **Notification from Buyer to Seller:**

8 ☐ 1. Buyer has made application for loan and is notifying Seller and/or Seller's Representative of the name and
 9 contact information of the Lender. Buyer has also instructed Lender to order and has paid for the credit
 10 report. Lender's name and contact information is:
 11 _____
 12 _____

13 ☐ 2. Buyer has waived his financial contingency and is furnishing proof of available funds in the following
 14 manner: _____. *Documentation attached.*

15 ☐ 3. Buyer has waived his financial contingency and is providing Seller with the name and telephone number
 16 of the appraiser who will conduct the appraisal on the property:
 17 _____

18 ☐ 4. Appraised value did not equal or exceed the Purchase Price. Buyer will notify Seller of decision to
 19 terminate agreement or waive contingency within 3 days per the terms stated in the Purchase and Sale
 20 Agreement.

21 ☐ 5. Appraised value did not equal or exceed the Purchase Price. Buyer **WAIVES the appraisal contingency**
 22 **in the Purchase and Sale Agreement.**

23 ☐ 6. Appraised value did not equal or exceed the Purchase Price. Buyer is exercising the right to terminate and
 24 hereby requests refund of Earnest Money/Trust Money.

25 ~~6~~ ☐ 7. Having acted in good faith, Buyer is unable to obtain financing and is exercising the right to terminate
 26 and hereby requests refund of Earnest Money/Trust Money.

27 ~~7~~ ☐ 8. Buyer has changed lenders and is notifying Seller that the new Lender's name and contact information is:
 28 _____
 29 _____

30 ~~8~~ ☐ 9. Buyer warrants and represents the following:

31 ☐ Buyer has secured evidence of hazard insurance which will be effective at Closing and has provided
 32 Seller with the name of the hazard insurance company:
 33 _____

34 ☐ Buyer has notified Lender of an Intent to Proceed and has available funds to Close per the signed Loan
 35 Estimate; and

36 ☐ Buyer has requested that the appraisal be ordered and affirms that the appraisal fee has been paid.

~~9~~ ☐ 10. Title examination, closing or loan survey pursuant to Tenn. Code Ann. § 62-18-126, boundary line survey, or other information has disclosed the following material defects:

and Buyer is requiring Seller to remedy such defects prior to the Closing Date. *Documentation attached.*

~~10~~ ☐ 11. Material defects disclosed from title examination, closing or loan survey pursuant to Tenn. Code Ann. § 62-18-126, boundary line survey, or other information have not been remedied prior to the Closing Date or any extension thereof resulting in the termination of the Purchase and Sale Agreement. Buyer is hereby requesting refund of Earnest Money/Trust Money.

~~11~~ ☐ 12. Buyer has made any and all inspections available under the Inspection section of the Purchase and Sale Agreement and is exercising Buyer's right to immediately **TERMINATE** the Purchase and Sale Agreement with all Earnest Money/Trust Money refunded to Buyer. **This Notification hereby serves as NOTICE OF TERMINATION of the Purchase and Sale Agreement and WRITTEN DEMAND FOR DISTRIBUTION OF EARNEST MONEY/TRUST MONEY to the Buyer.** Buyer is hereby providing a list of written specified objections which Buyer has discovered in good faith.

LIST OF SPECIFIED OBJECTIONS:

~~12~~ ☐ 13. Buyer has made any and all inspections available under the Inspection section of the Purchase and Sale Agreement and **ACCEPTS the Property in its present AS IS condition** with any and all faults and no warranties expressed or implied. Seller has no obligation to make repairs. However, Buyer has not waived his rights under the Final Inspection paragraph of the Purchase and Sale Agreement.

~~13~~ ☐ 14. Buyer **WAIVES any and all inspection** contingencies available under the Inspection section of the Purchase and Sale Agreement except as to the Final Inspection section of the Purchase and Sale Agreement.

☐ 15. Pursuant to the First Right of Refusal Addendum, Buyer has listed their home with a licensed real estate broker and the home is advertised in a Multiple Listing Service, where applicable. See proof of listing attached to this form.

~~14~~ ☐ 16. Buyer **WITHDRAWS** all offers and/or counter offers.

~~15~~ ☐ 17.

OTHER:

CHECK THE BOX(ES) THAT APPLY:

Notification from Seller to Buyer:

~~15~~ ☐ 18. This is Seller's written demand for Buyer to provide the name and contact information of the Lender and that Buyer has instructed Lender to order and has paid for the credit report.

~~16~~ ☐ 19. Seller has made written demand for Buyer to provide the name and contact information of the Lender and that Buyer has instructed Lender to order and has paid for the credit report and Buyer failed to do so within two (2) days, thereby terminating the Agreement.

~~17~~ ☐ 20. This is Seller's written demand for Buyer to provide supporting documentation regarding loan denial.

- 80 ~~18.~~ ☐ 21. This is Seller's written request for Buyer to provide proof of available funds as required in transactions
81 wherein Buyer has waived his financial contingency.
- 82 ~~19.~~ ☐ 22. Seller has made written demand for Buyer to provide proof of available funds as required in transactions
83 wherein Buyer has waived his financial contingency. However, Buyer failed to do so within two (2) days,
84 thereby terminating the Agreement.
- 85 ~~20.~~ ☐ 23. This is Seller's written demand for the name and telephone number of the appraiser and proof that
86 appraisal was ordered in a transaction in which Buyer has waived his financial contingency.
- 87 ~~21.~~ ☐ 24. Seller has made written demand for the name and telephone number of the appraiser and proof that
88 appraisal was ordered in a transaction in which Buyer has waived his financial contingency. However,
89 Buyer failed to do so within two (2) days, thereby terminating the Agreement.
- 90 ~~22.~~ ☐ 25. This is Seller's written request that Buyer provide supporting documentation showing appraised value
91 did not equal or exceed the agreed upon purchase price.
- 92 ~~23.~~ ☐ 26. This is Seller's written demand for Buyer to provide the following warranties and representations:
- 93 ☐ Buyer has secured evidence of hazard insurance which will be effective at Closing. The name of the
94 hazard insurance company is: _____.
- 95 ☐ Buyer has notified Lender of an Intent to Proceed with Lender and has available funds to Close per the
96 signed Loan Estimate; and
- 97 ☐ Buyer has requested that the appraisal be ordered and affirms that the appraisal fee has been paid.
- 98 ~~24.~~ ☐ 27. Seller has made written demand for Buyer to warrant and represent that he has secured evidence of
99 hazard insurance and provided the name of insurance company; has provided Lender with an Intent to
100 Proceed; and has requested that the appraisal be ordered and has paid appraisal fee. However, Buyer failed
101 to do so within two (2) days, thereby terminating the Agreement.
- 102 ~~25.~~ ☐ 28. Holder has advised that the Earnest Money/Trust Money Check or other instrument has been dishonored
103 or not timely received by Holder. Seller is hereby notifying Buyer that Buyer has one (1) day to deliver
104 Earnest Money/Trust Money in immediately available funds to Holder.
- 105 ~~26.~~ ☐ 29. Holder has advised that the Earnest Money/Trust Money Check or other instrument has been
106 dishonored. Buyer has failed to timely deliver immediately available funds following notice by Holder.
107 Seller is hereby exercising his right to terminate Agreement.
- 108 ☐ 30. Holder has advised that the Earnest Money/Trust Money has not been timely received as required pursuant to
109 the Earnest Money/Trust Money paragraph. Buyer has failed to timely deliver immediately available funds
110 following notice by Holder. Seller is hereby exercising his right to terminate Agreement.
- 111 ~~29.~~ ☐ 31. Pursuant to Buyer's First Right of Refusal Addendum, this is Seller's written demand for proof Buyer
112 has listed their home with a licensed real estate broker and home is advertised in a Multiple Listing Service,
113 where applicable.
- 114 ☐ 32. Pursuant to Buyer's First Right of Refusal Addendum, Seller has made written demand for Buyer to
115 provide proof Buyer has listed their home with a licensed real estate broker and advertised the home in a Multiple
116 Listing Service, where applicable. However, Buyer failed to do so within one (1) day. Seller is hereby exercising
117 his right to terminate this Agreement.
- 118 ☐ 33. For new construction only, Seller hereby notifies Buyer that the improvements are substantially
119 completed. Buyer shall cause to be conducted any inspection provided in the New Construction Purchase and Sale
120 Agreement.

☐ 34. 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.

☐ 35. Seller **WITHDRAWS** all offers and/or counter offers.

~~☐ 30.~~ ☐ 36. OTHER:

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

NOTIFYING PARTY (Buyer/Seller Signature)

NOTIFYING PARTY (Buyer/Seller Signature)

Date at _____ o'clock ☐ am/ ☐ pm

Date at _____ o'clock ☐ am/ ☐ pm

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MULTIPLE OFFER DISCLOSURE AND NOTIFICATION

~~This Multiple Offer Disclosure and Notification ("Notification") is hereby intended to notify~~
~~_____ (Interested Buyer) that there have been multiple offers on~~ Seller hereby gives
 Notice to any Buyer that has submitted a Purchase and Sale Offer or Counter-Offer for the purchase of the property located at:
 _____ (Address)
 _____ (City), Tennessee _____ (Zip) ("Property") as of the date and time
 of this notification as follows:

~~The Seller hereby gives Buyer notice as follows:~~

1. Interested Buyer is hereby notified that Seller has received multiple offers on the Property.
2. Any Counter Offer previously submitted by Seller is hereby **WITHDRAWN**.
3. All offers to be considered by Seller must be received by the Seller's authorized representative no later than _____ ☐ am/ ☐ pm on _____. Any previously submitted offer that is scheduled to expire prior to this date should be resubmitted or the offer date extended via an Addendum or written equivalent.
4. Seller shall review all offers received and may negotiate any offer at Seller's discretion.

Seller

Date

_____ at _____ o'clock ☐ am/ ☐ pm

Seller

Date

_____ at _____ o'clock ☐ am/ ☐ pm

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RF663 – Multiple Offer Disclosure and Notification, Page 1 of 1

Version 01/01/2020

AMENDMENT “____”

1 Buyer: _____
 2 Seller: _____
 3 Buyer's Agent: _____
 4 Listing Agent: _____
 5 Property: _____

6 In consideration of the mutual covenants herein and other good and valuable consideration, the receipt and sufficiency of which
 7 is hereby acknowledged, the parties agree to amend that certain _____
 8 Agreement with the ~~the Date~~ an Effective Date or Binding Agreement Date _____ and any incorporated
 9 addenda, exhibits or prior amendments (collectively referred to herein as “Agreement”) as follows:

10 _____
 11 _____
 12 _____
 13 _____
 14 _____
 15 _____
 16 _____
 17 _____
 18 _____
 19 _____
 20 _____
 21 _____
 22 _____
 23 _____
 24 _____
 25 _____
 26 _____
 27 _____
 28 _____
 29 _____
 30 _____
 31 _____
 32 _____
 33 _____

34 This Amendment shall become binding when signed by all parties and shall be incorporated into the Agreement and all other
 35 terms and conditions of the Agreement shall remain in full force and effect.

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

37 _____
 38 **BUYER**

_____ **BUYER**

39 _____ at _____ o'clock ☐ am/ ☐ pm

_____ at _____ o'clock ☐ am/ ☐ pm

40 **Date**

Date

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

42 _____
 43 **SELLER** **SELLER**
 44 _____ at _____ o'clock ☐ am/ ☐ pm _____ at _____ o'clock ☐ am/ ☐ pm
 45 **Date** **Date**

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

47 _____
 48 **BUYER'S AGENT** **FIRM / COMPANY**
 49 _____ at _____ o'clock ☐ am/ ☐ pm _____
 50 **Date** **Address**

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

52 _____
 53 **LISTING AGENT** **FIRM / COMPANY**
 54 _____ at _____ o'clock ☐ am/ ☐ pm _____
 55 **Date** **Address**

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AMENDMENT “___”

TO THE EXCLUSIVE RIGHT TO MARKET FOR LEASE OR EXCLUSIVE PROPERTY MANAGEMENT AGREEMENT

1 Property Address: _____
 2 Broker: _____
 3 Owner: _____

4 This AMENDMENT between the undersigned parties is entered into ~~and is effective as of the Date provided in the~~
 5 ~~_____ Agreement dated _____~~ for the purpose of changing, deleting,
 6 supplementing or adding terms to ~~said Agreement~~ Agreement with an Effective Date
 7 of _____. In consideration of mutual covenants herein and other good and valuable consideration, the receipt
 8 and sufficiency of which is hereby acknowledged, the parties agree as follows:
 9 _____
 10 _____
 11 _____
 12 _____
 13 _____
 14 _____
 15 _____
 16 _____
 17 _____
 18 _____

19 This Amendment is made a part of the Agreement as if quoted therein verbatim. Should the terms of this Amendment conflict
 20 with the terms of the Agreement or other documents executed prior to or simultaneous to the execution of this Amendment, the
 21 terms of this Amendment shall control, and the conflicting terms are hereby considered deleted and expressly waived by all
 22 parties. In all other respects, the Agreement shall remain in full force and effect.

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

24 _____ 25 OWNER 26 By: _____ 27 Title/Entity: _____ 28 _____ at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm 29 Date	24 _____ 25 OWNER 26 By: _____ 27 Title/Entity: _____ 28 _____ at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm 29 Date
---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

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

31 _____ 32 BROKER 33 _____ at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm 34 Date	31 _____ 32 FIRM/COMPANY 33 _____ at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm 34 Date
--------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------

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DRAFT SPECIMEN

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ADDITIONAL CONTRACT LANGUAGE (Language to be inserted in Offers, Counters, Addenda, Amendments or Special Stipulations)

These paragraphs are provided as **examples of situations** that may occur during real estate transactions. They are listed here for your use to be inserted into the appropriate forms.

1. SELLER TO PAY BUYER'S EXPENSES.

Note: To be inserted in the Closing Expenses paragraph of the Purchase and Sale Agreement

Seller to pay _____% of the Purchase Price or pay \$ _____ towards Buyer's Expenses and Title Expenses as identified herein.

2. BUYER'S FIRST RIGHT OF REFUSAL ADDENDUM / RIGHT TO CONTINUE TO MARKET PROPERTY

Buyer and Seller agree that Seller may continue to market the Property as outlined in the attached Buyer's First Right of Refusal Addendum.

3. REDUCTION IN PRICE IN LIEU OF REPAIRS.

In the event that a buyer wishes to waive repairs after he has submitted a list of items to be repaired or replaced, he may do so. This could include a reduction of the purchase price, or an agreement for the seller to pay more pre-pays and/or closing costs. You would accomplish this through the use of an Amendment (form RF653). In that form, you would include:

1. Seller is not required to make any repairs to the Property.
 2. Seller is to pay _____ in closing costs or pre-pays.
 3. Sales price to be \$ _____.
- (or those items to which the parties agree.)

4. ASSESSMENTS OR LIENS.

The parties hereto are aware that there is a _____ assessment or lien against the within described Property in the amount of \$ _____. Said assessment or lien shall be paid by _____ at the closing of this sale.

5. CONTINGENCIES.

A. Square Footage

This Agreement is contingent upon the actual square footage of the Property being no less than _____ square feet. Should the appraised square footage be less than this amount, then Buyer may terminate this Agreement and all Earnest Money/Trust Money shall be refunded to Buyer and Seller agrees to reimburse Buyer for any and all out of pocket expenses incurred by the Buyer, including, but not limited to the appraisal and inspection costs

B. Is Contingent on Sale of Property.

This Agreement is contingent upon the sale and closing of the property located at _____

_____ ("Buyer's Property") on or before the Closing Date of this Agreement. If Buyer's Property does not close on or before the Closing Date of this Agreement, Buyer may terminate this Agreement with written notice to Seller with refund of Earnest Money/Trust Money to Buyer.

C. Approval of Others. This Agreement is contingent upon _____ viewing and approving the above-described Property and Buyer shall notify Seller or Broker on or before _____ that the Property is acceptable or unacceptable. If unacceptable to _____, Buyer shall provide written notice within the said timeframe to Seller that Buyer is exercising his right to terminate this Agreement and all Earnest Money/Trust Money will be refunded to Buyer in full, in which event all parties agree to execute all applicable documentation. In the event this contingency is not removed by the date set above, this contingency shall be deemed waived and the Agreement shall remain in full force and effect.

D. Sellers Right to Find Suitable Housing.

This contract is expressly conditional upon Sellers entering into a written contract to purchase or lease property acceptable to Seller on or before _____. In the event Seller does not contract for an acceptable property on or before said date, Seller may terminate the Agreement with written notification to Buyer. Upon termination Buyer shall be entitled to a refund of Earnest Money/Trust Money.

E. Radon.

This offer is contingent upon the radon testing of _____ (Property Address). Property must have a test result of 4pCi/L or lower. If the Radon test shows a higher reading than 4pCi/L, _____ (Buyer/Seller) shall have a mitigation system installed at a cost not to exceed \$ _____.

F. Alternate Appraisal Language.

This Agreement is contingent upon _____ having Property appraised no later than _____ and to pay for the appraisal. In the event the appraisal is not timely made, this contingency shall be deemed waived. The Property must appraise for at least the amount set forth in the "Purchase Price" section of the Agreement or the Buyer may, at his option, on or before _____, terminate this Agreement with written notice to Seller and all Earnest Money/Trust Money shall be refunded to Buyer in full, in which event all parties agree to execute all applicable documentation. In the event Buyer fails to exercise this option, it shall be deemed waived.

G. Bankruptcy Pending.

The parties herein acknowledge that they have been informed of bankruptcy proceedings in the United States Bankruptcy Court, and that this Agreement is contingent upon a final judgment and decree authorizing the sale of the Property. In the event that a final judgment sale authorization is not granted on or before _____ (date), the Buyer may terminate this Agreement with written notice to Seller with Earnest Money/Trust Money returned in full to Buyer, in which event all parties agree to execute all applicable documentation.

H. Court Permission to Sell.

Seller's obligations under this Agreement are contingent upon approval or order of the appropriate court having jurisdiction over the sale of the Property on or before _____ (date). Seller shall proceed diligently and in good faith, using all reasonable best efforts, at Seller's expense, to obtain said approval. In the event said approval or order is not received by said date, the Agreement may be terminated by Buyer upon written notice to Seller with Earnest Money/Trust Money returned in full to Buyer, in which event all parties agree to execute all applicable documentation.

I. Divorce.

The parties herein acknowledge that they have been informed that the Sellers are involved in a divorce proceeding and that this sale is contingent upon Sellers obtaining a final judgment and decree authorizing the sale of the Property. In the event that a final judgment sale authorization is not granted on or before _____ (date), either party may terminate this Agreement upon written notice to other party. Upon termination, Earnest Money/Trust Money shall be returned in full to Buyer and the parties agree to execute all applicable documentation.

J. Additional Buyer Contingencies.

Buyer at Buyer's cost shall have the right to review and accept the following:

1. A boundary survey of the Property
2. A mortgage survey of the Property.
3. A determination that the Property is not located in an unacceptable flood hazard area and/or mortgage lender does not require flood insurance.
4. All zoning regulations, restrictions, declarations, covenants, easements and other title matters of record.
5. Governmental approval of any existing waste disposal septic system and permit compliance, and/or determination that the system is functioning properly.
6. Governmental approval of any existing non-public water system and permit compliance, and/or determination that the system is functioning properly and the quality of water is acceptable.
7. A determination that the property is insurable with a company and at a rate acceptable to Buyer and that there are no exclusions to insurability which the Buyer finds objectionable.

In consideration of Buyer having conducted reviews of the above matters, the sufficiency of such consideration being hereby acknowledged, Buyer, at Buyer's sole discretion, may elect to terminate the Purchase and Sale Agreement on or before the expiration of the above referenced Inspection Period by written notice to Seller if any of the above matters are unacceptable to Buyer and Buyer shall be entitled to a refund of all Earnest Money/Trust Money. In the

event that Buyer exercises Buyer's right to terminate under one of these contingencies, Buyer shall, at Seller's request, furnish Seller or Seller's representative with documents supporting Buyer's right to terminate.

K. Buyer Assumption of Loan.

1. Conventional Loan.

This sale is contingent upon Buyer assuming Seller's existing loan and Seller's existing indebtedness for repayment of the loan and Lender's agreement to release Seller from liability thereon on Seller's property as described herein. Buyer agrees to immediately apply and submit necessary information to Lender. If Buyer has not received such approval and agreement from the Lender within ____ days following the Binding Agreement Date, or should Buyer fail to qualify, Seller shall have the option of waiving this stipulation or to terminate this Agreement upon written notice to Buyer and all Earnest Money/Trust Money shall be refunded in full to Buyer, in which event all parties agree to execute all applicable documentation.

2. FHA Loan.

This Agreement is contingent upon Buyer's ability to assume (a) the Seller's existing FHA loan, (b) the Seller's liability to the Federal Housing Administration (FHA) for the repayment of the FHA loan, and (c) FHA's agreement to release Seller from liability thereon on Seller's property as described herein. Buyer agrees to apply immediately to FHA and submit necessary information. If Buyer has not received such approval and agreement from FHA within ____ days following the Binding Agreement Date, or should Buyer fail to qualify to assume the Seller's liability, Seller has the option to waive this contingency or to terminate this Agreement upon written notice to Buyer and Earnest Money/Trust Money shall be refunded in full to Buyer, in which event all parties agree to execute all applicable documentation.

3. VA Loan.

This Agreement is contingent upon the Buyer's ability to assume the Seller's existing VA loan and to assume the Seller's potential indemnity liability to the U.S. Government for the repayment of the loan and the VA's agreement to release Seller from liability thereon. Buyer agrees to apply immediately to the VA and submit any necessary documents and information required by VA. If the Buyer has not received such approval and agreement from the VA within ____ business days following the Binding Agreement Date, or should the Buyer fail to qualify to assume the Seller's liability, Seller has the option to waive this contingency or to terminate this Agreement upon written notice to Buyer and Earnest Money/Trust Money shall be refunded in full to Buyer, in which event all parties agree to execute all applicable documentation.

L. Zoning.

1. Rezoning Contingency.

Buyer understands and agrees that Property is zoned _____ and that the improvements thereon may not meet zoning requirements. The Buyer's obligation hereunder is conditioned upon the Property being rezoned to _____ by the appropriate _____ (County/City) authorities by _____. The _____ (Buyer/Seller) shall be responsible for pursuing such rezoning and paying all affiliated costs. In the event that said rezoning is not obtained by said date, then Buyer may terminate this Agreement upon written notice to Seller and all Earnest Money/Trust Money shall be refunded to the Buyer. All rezoning applications shall be submitted to Seller for Seller's approval prior to filing, which approval shall not be unreasonably withheld. All parties agree to cooperate, to sign the necessary documentation and to support the rezoning application.

2. Homes converted to multifamily use where zoning for multifamily use may be questioned.

This Agreement is contingent upon Seller providing a letter from the city or county zoning authority stating that the Property is presently zoned for multifamily use. Seller shall have two (2) weeks following the Binding Agreement Date to present said letter to Buyer or Broker(s). Should the Seller not present the letter within the above-stated time period, Buyer must, within forty-eight (48) hours past the time period, terminate this Agreement through written notice to Seller or this contingency shall be removed as a condition of this Agreement. If Buyer elects to declare this Agreement terminated, said declaration shall be on an Earnest Money/Trust Money Disbursement and Mutual Release form or equivalent written notice with all Earnest Money/Trust Money being promptly refunded to Buyer. All parties agree to sign promptly all documentation.

M. Pools.

This Agreement is contingent upon Seller providing the following additional information about the existing pool within ____ days after Binding Agreement Date and Buyer's review and acceptance of information concerning:

- 1) Type of pool surface

- 2) Type of filtration system (chlorine, salt, etc)
- 3) Age of pool
- 4) Age of liner, if applicable
- 5) Age of Pump and Heater, if applicable
- 6) Age of any additional features such as hot tub, waterfall, etc.

In consideration of Buyer having conducted reviews of the above matters, the sufficiency of such consideration being hereby acknowledged, Buyer, at Buyer's sole discretion, may elect to terminate the Purchase and Sale Agreement on or before the expiration of the above referenced Inspection Period by written notice to Seller if any of the above matters are unacceptable to Buyer and Buyer shall be entitled to a refund of all Earnest Money/Trust Money. In the event that Buyer exercises Buyer's right to terminate under this contingency, Buyer shall, at Seller's request, furnish Seller or Seller's representative with documents supporting Buyer's right to terminate.

6. CONDOMINIUM LEGAL DESCRIPTION.

Within five (5) days after the Binding Agreement Date, the Seller will complete the Condominium Legal Description or Exhibit ____ and provide it to the Buyer. The Condominium Legal Description or Exhibit ____ will become a part of the Agreement only when countersigned by the Buyer. If the Buyer does not accept the Condominium Legal Description or Exhibit ____ within ten (10) days after receipt thereof, then Buyer may terminate this Agreement upon written notice to Seller and all Earnest Money/Trust Money shall be refunded to the Buyer.

7. CONDOMINIUM INFORMATION REVIEW PERIOD

Seller agrees to provide Buyer with the requested Condominium Information as outlined in the attached Request for Condominium Association Information Document no later than ____ days from the binding agreement date, not to exceed 10 days. Purchase is contingent on Buyer's acceptance of all information provided. Buyer shall remove contingency or terminate within ____ days after receiving information.

8. HOA REVIEW PERIOD

The Seller shall provide the following additional information regarding the Property's homeowner association (HOA) within ____ days after the binding agreement date and this Agreement is contingent upon Buyer's review and acceptance of information concerning:

- 1) Name and address of HOA
- 2) Amount of dues and required frequency of payment
- 3) A copy of the current rules and regulations of the Association.
- 4) Any fees or assessments due as a result of a transfer of title

In consideration of Buyer having conducted reviews of the above matters, the sufficiency of such consideration being hereby acknowledged, Buyer, at Buyer's sole discretion, may elect to terminate the Purchase and Sale Agreement within ____ days after receiving all requested HOA information by written notice to Seller if any of the above matters are unacceptable to Buyer and Buyer shall be entitled to a refund of all Earnest Money/ Trust Money.

In the event Seller fails to provide requested information within the agreed upon timeframe, Buyer shall have 2 days to elect to terminate this Agreement and shall notify Seller in writing. Buyer shall be entitled to a refund of all Earnest Money/Trust Money.

In the event Buyer does not timely object to the above matters, they shall be deemed to have accepted the same and this contingency shall be deemed satisfied.

9. RENTAL LEASES AND REVIEW

This agreement is contingent upon Buyer's receipt, review, inspection, and satisfactory approval of all existing leases, ~~and security deposits, and rental applications.~~ and security deposits. Seller shall have ____ days from the Binding Agreement Date to provide information. Following receipt, Buyer will have ____ days to review all submitted information. If after such review Buyer is not satisfied for any reason, then Buyer will notify the Seller in writing and Buyer may terminate this Agreement. All Earnest Money/ Trust Money shall be refunded to Buyer upon timely termination. If Buyer does not notify Seller within the timeframe, this contingency shall be deemed waived.

10. INSPECTION PERIOD IF PROPERTY IS USED AS RENTAL:

Within the agreed upon inspection period, Buyer shall contact Seller to set up a mutually agreeable time for Buyer to have an inspection of the property conducted. Buyer must provide Seller with 5 days notice before end of inspection period and Seller must make property available for inspection on one of those days. If a mutually agreeable time cannot be reached within the timeframe, contract may be amended to extend inspection period. If Seller is unable to provide one day for an

inspection to be conducted, buyer may terminate the contract. If terminated, Buyer is entitled to a refund of the Earnest Money/Trust Money. In the event Buyer does not provide sufficient notice to Seller, Buyer shall have forfeited the right to terminate under this section and shall not be entitled to a refund of the Earnest Money/Trust Money.

11. RENT PRORATION.

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. The Seller shall pay to the Buyer all security and damage deposits, if any, which have been paid to the Seller by any of the tenants. 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.

12. EARNEST MONEY/TRUST MONEY.

A. Additional Earnest Money/Trust Money Held by Broker/Holder.

Buyer agrees to pay Holder additional Earnest Money/Trust Money in the principal amount of \$_____ on or before _____, making a total Earnest Money/Trust Money deposit of \$_____. In the event Buyer fails to pay additional Earnest Money/Trust Money by said date, then, at the option of Seller (this option to be exercised within seven days of said date), Seller may terminate this Agreement by written notification to Buyer and Broker at which time Buyer shall be considered in default.

B. Held until Specific Time.

All parties to this Agreement acknowledge that the Earnest Money/Trust Money will not be deposited until _____.

13. NON-REFUNDABLE EARNEST MONEY

In the event Buyer elects to terminate the Agreement as allowed herein and is not otherwise in default, the Earnest Money/Trust Money shall be deemed to be non-refundable and shall be paid to Seller as additional consideration of Seller having entered into this Agreement. In the event either party is in default under this Agreement, the provisions of Section 12 (Default) as provided in this Agreement shall control.

14. INSPECTIONS COSTS

A. In addition to Seller's obligation under this Agreement to have all utilities, services and other items operational during all inspections, Seller will also ensure that the crawl space, garage and/or attic areas will be accessible and free of debris and/or personal articles.

B. If anything is unable to be tested and/or inspected during any of the inspections because Seller did not have the utility services and other items operational, and as a result Buyer's inspections that were paid for by buyer were unable to be performed, then Seller agrees to ensure that the utility services and other items will be operational during any follow up inspections, and Seller will pay for any and all fees incurred by Buyer in order to have the non-functioning items re-inspected.

15. ACCESS TO PUBLIC ROAD.

A. The Seller warrants that the subject property has the right of ingress and egress to and from _____ road without limitation by way of the existing driveway located at: _____.

B. If access is shared, buyer's obligation to purchase is contingent on receipt and approval of a shared driveway maintenance agreement. Seller agrees to provide buyer with a copy of said maintenance agreement within ___ days of Binding Agreement Date. If it is unacceptable, Buyer shall have ___ days following receipt of maintenance agreement to terminate the purchase agreement; otherwise the buyer shall be deemed to accept the same.

16. BUYER/AGENT BUYING TO SELL FOR PROFIT

All parties acknowledge that the Buyer/Agent intends to sell the Property at a future date for a profit.

17. AMENITY PACKAGE RELEASE.

In the event that the Property is served by a recreational amenity package either now existing or to be constructed, Buyer acknowledges and represents that he has investigated the ownership and availability of such amenity package, and hereby releases Broker and affiliated licensees from any responsibility or liability in regard thereto.

18. PROPERTY EXCHANGE.

This Agreement and the Separate Agreement which is attached hereto, are intended to be Exchange Properties pursuant to Internal Revenue Code § 1031. The parties agree that they will perform all necessary acts and that they will execute all

necessary documents to effectuate an Exchange of Properties under said Section. The parties anticipate that the closings upon the properties which are the subject of this Agreement and the attached Agreement will be simultaneous.

19. SELLER RESERVES THE RIGHT TO SELL – EXCLUSIVE AGENCY AGREEMENT.

The Seller hereby reserves the right to sell Property and hereby converts this Agreement into an Exclusive Agency Listing Agreement. If a Buyer is procured for the Property through the sole efforts of Seller acting alone, then Seller is not required to pay Broker the compensation contained herein. However, in the event that the Buyer is obtained through any efforts of Broker (included but not limited to any Broker advertising including but not limited to any internet advertising, listing in the MLS, or traffic created by any signage put in place by Broker), then the aforementioned compensation is due to Broker at closing.

20. OFFICE EXCLUSIVE LISTING.

Seller wishes to keep exposure of Property minimal and does not wish to advertise Property to the public. Therefore, Broker is not granted the authority to advertise this listing on the Internet. Broker is not permitted to file this listing with any Multiple Listing Service (MLS) or similar service(s) of which Broker is a member. Seller understands and agrees that by not placing the listing on the MLS or other similar services, the listing will not be included in a searchable database provided by the MLS or similar service which can be viewed on other agents' websites. Broker shall not place a sign on the Property. Given these limitations, Broker shall use best efforts to produce a Buyer by solely marketing Property to other licensees within Broker's firm.

Broker shall offer a cooperative compensation in the amount of _____ % of Selling Price/monthly rental amount or \$ _____ to a Selling Agent or Facilitator (an agent who is representing the interests of and/or is working with the Buyer/Tenant) who is the procuring cause of the transaction.

21. NON-ASSIGNABILITY.

This Purchase and Sale Agreement shall not be assignable by the Buyer(s) without prior written consent of Seller(s).

22. FOREIGN CORPORATION THAT HAS MADE AN ELECTION UNDER IRC § 897(i).

Seller is a foreign corporation which has made, or will make, an election pursuant to Internal Revenue Code § 897(i) to be treated as a domestic corporation for the purposes of taxation and FIRPTA. Seller is hereby notified to consult with his closing attorney and/or tax planner to discuss the steps required for making such election. Seller further agrees to submit all necessary documentation and/or affidavits to the Buyer's closing agent at or before closing to verify such election or to comply with all laws and regulations concerning FIRPTA withholding.

23. RESIDENT ALIEN STATUS.

Seller is not a U.S. citizen and may be considered a resident alien. Seller is hereby notified to consult with his closing attorney and/or tax professional immediately to determine whether he is subject to FIRPTA withholdings and what documentation may be necessary at or before closing. Seller further agrees to submit all the necessary documentation and/or withholdings at or before closing concerning FIRPTA withholdings to the buyer's closing agent. Seller agrees to sign the appropriate affidavits certifying that he is not subject to FIRPTA withholdings and to provide all necessary documentation requested at or before closing or to comply with all laws and regulations concerning FIRPTA withholding.

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PURCHASE AND SALE AGREEMENT TIMELINE CHECKLIST

1 Property Address: _____

2 Buyer: _____ Seller: _____

3 Address: _____ Address: _____

4 Phone: _____ Cell: _____ Phone: _____ Cell: _____

5 Email: _____ Email: _____

6 Buyer's Licensee: _____ Seller's Licensee: _____

7 Binding Agreement Date: (BAD) _____ ~~Scheduled Closing Date:~~ _____ Purchase Price _____

8 Closing Date: _____ ☐ Contract sent to Closing Agency ☐ Time Scheduled _____

9 **Enter Deadline Date for each item. Check each BOX when completed.**

10 **EARNEST MONEY/TRUST MONEY**

11 _____ ☐ Deposited _____ days after BAD.

12 **Holder of Earnest Money/Trust Money:** _____

13 **FINANCIAL OBLIGATION** Lender: _____ Phone: _____

14 Address: _____ Email: _____

15 Cell: _____

16 _____ ☐ Within 3 days of BAD, verify that Loan Application has been made and Lender has been instructed to order credit report and Buyer has paid for credit report.

17 _____ ☐ Within 3 days of BAD, Notify Seller of Date of Application and Lender's name, contact information and that Lender has been instructed to order credit report and Buyer has paid for report.

18 _____ ☐ Within 14 days of BAD, Buyer has requested that the appraisal be ordered and the fee has been paid.

19 _____ ☐ Within 14 days of BAD, Provide Seller with representation and warranty of securing evidence of hazard insurance and has notified Lender of an Intent to Proceed and has available funds to close per the Loan Estimate.

20 _____ ☐ Seller's Written Demand for Compliance if no Loan Application information is provided and that Buyer has instructed Lender to order and has paid for credit report.

21 _____ ☐ Seller's Written Demand for Compliance if Buyer has not provided representations and warranties of securing evidence of hazard insurance and signing an Intent to Proceed with Lender and has available funds to Close per the Loan Estimate.

22 _____ ☐ Within 5 days of BAD, Buyer to provide Proof of funds **(For use when Financial Contingency Waived)**.

23 _____ ☐ Seller's Written Demand for Compliance if Buyer has not provided proof of funds **(For use when Financial Contingency Waived)**.

24 **APPRAISAL** Purchase conditioned upon appraisal ☐ Yes ☐ No If Yes,

25 Appraiser Name: _____ Phone: _____

26 Email: _____ Cell: _____

27 _____ ☐ Within 5 days of BAD, Buyer to provide Name and telephone number of appraiser and proof appraisal was ordered. **(For use when Financial Contingency Waived)**.

28 _____ ☐ Seller's Written Demand for Compliance if Buyer has not provided name and address of appraiser and proof appraisal was ordered. **(For use when Financial Contingency Waived)**.

29 _____ ☐ Appraisal Complete

30 _____ ☐ Appraisal received by Buyer and/or Lender

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- 41 _____ ☐ Within 3 days of Buyer receiving low appraisal price, Buyer to notify Seller of decision to terminate
 42 agreement or waive appraisal contingency.

43 INSPECTION

- 44 _____ ☐ Buyer Inspection Period (within _____ days after BAD).
 45 _____ ☐ Initial Home Inspection
 46 Inspection Company: _____ Phone: _____
 47 Inspector Name: _____ Phone: _____
 48 Email: _____ Cell: _____
 49 _____ ☐ Wood Destroying Insect Infestation Inspection Report (WDI) made.
 50 WDI Company: _____ Phone: _____
 51 Inspector Name: _____ Phone: _____
 52 Email: _____ Cell: _____
 53 _____ ☐ Other Inspections ☐ Well ☐ Septic ☐ Radon ☐ Lead Paint ☐ Survey
 54 Company: _____ Phone: _____
 55 Inspector Name: _____ Phone: _____
 56 Email: _____ Cell: _____
 57 _____ ☐ Other Inspections ☐ Well ☐ Septic ☐ Radon ☐ Lead Paint ☐ Survey
 58 Company: _____ Phone: _____
 59 Inspector Name: _____ Phone: _____
 60 Email: _____ Cell: _____
 61 _____ ☐ Buyer Notification to Seller to ☐ terminate ☐ accept ☐ request repairs.
 62 _____ ☐ Resolution Period: _____ days following receipt of list of repairs and WDI (counters to each party)
 63 _____ ☐ Completion of Repairs Deadline and Inspection
 64 _____ ☐ Final inspection to be made (see Final Inspection section of Agreement for # of days).

65 HOMEOWNER ASSOCIATION

- 66 _____ ☐ Homeowner Association Bylaws, Covenants & Restrictions, etc. received
 67 ☐ Monthly ☐ Quarterly ☐ Annual Dues \$ _____
 68 ☐ Monthly ☐ Quarterly ☐ Annual Assessments \$ _____
 69 ☐ Monthly ☐ Quarterly ☐ Annual Other \$ _____

70 NOTES: _____

71 POSSESSION

- 71 Other than at Closing
 72 _____ ☐ Date of Possession if not at Closing
 73 Temporary Occupancy Agreement ☐ Prior to Closing (RF 626) OR ☐ After Closing (RF 627)

74 MISCELLANEOUS

- 75 Home Protection Company: _____ Cost: _____ Confirmation No.: _____
 76 Phone: _____ Email: _____
 77 Buyer Closing/Title Agency: _____
 78 Contact: _____ Address: _____
 79 Phone: _____ Email: _____
 80 Seller Closing/Title Agency: _____
 81 Contact: _____ Address: _____
 82 Phone: _____ Email: _____
 83 Title Policy ☐ Yes ☐ No ☐ Re-issue Credit Policy to Closing Attorney
 84 Homeowner's Insurance: _____ Phone: _____
 85 Contact: _____ Amount: _____
 86 Mortgage Information: _____ Loan#: _____
 87 _____ ☐ Material Defect found in title examination, closing or loan survey, boundary line survey or other means
 88 ☐ reported to Seller to cure prior to Closing Date
 89 _____ ☐ Sellers Final Property Disclosure Completed (RF 202)

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REQUEST FOR CONDOMINIUM ASSOCIATION INFORMATION

Property Address (including Unit Number): _____

Association and/or Developer (Declarant): _____

Seller: _____

Buyer: _____

Requesting Party and Relationship: _____

Address of Requesting Party: _____

Pursuant to Tenn. Code Ann. § 66-27-502, the requesting party as authorized agent for _____, hereby requests that the following documents be provided to him/her within ten (10) business days of receipt (Declarant or Association is only required to supply the checked items. Those items not checked are not being requested):

- ☐ 1. The name and principal address of the Declarant (a person/company who develops a condominium development and has filed a declaration with the County Register of Deeds Office), the Association and the condominium (the name and address of Declarant is only requested if the Association is still under Declarant control);
- ☐ 2. A copy of the recorded, or if not recorded then in substantially final form to the extent available, master deed or declaration, bylaws, charter or articles of association of the Association, and all amendments of and exhibits to each of the foregoing;
- ☐ 3. A copy of the current rules and regulations of the Association;
- ☐ 4. The most recent balance sheet, income statement, and approved budget for the Association (or, if there has never been an approved budget, then the projected budget). The budget must include, without limitation:
 - i. A statement of the amount, or a statement that there is no amount, included in the budget as a reserve for repairs and replacements, and whether or not any study has been done to determine their adequacy, and if a study has been done, where the same will be made available for review and inspection;
 - ii. A statement of any other reserves;
 - iii. The projected aggregate annual common expense assessment by category of expenditures for the Association;
 - iv. The projected monthly common expense assessment, or the method of calculating each unit's share of such assessment, for each type of unit;
 - v. A description of any indebtedness secured by the common elements or other amenities owned by the Association or available for the use of the unit owners;
 - vi. A description of any lease affecting the common elements or amenities owned by the Association or available for the use of the unit owners;
- ☐ 5. Minutes of all meetings of the members and/or the board of directors of the Association for the twenty-four (24) month period ending on the date of the request;
- ☐ 6. The current monthly assessment and any special assessment applicable to the unit in question, and the amount of any delinquencies in any assessments applicable to such unit;
- ☐ 7. Any fees or assessments due as a result of a transfer of the applicable unit;

- 39 ☐ 8. The amount and nature of any additional fees currently imposed for use by members of the common elements or other
40 amenities;
- 41 ☐ 9. A statement of the insurance coverage (which may be provided in the form of an appropriate certificate from the
42 insurer) maintained by the Association that includes the types of coverage, limits and deductibles of such insurance;
- 43 ☐ 10. A statement of any unsatisfied judgments and a description of any pending suits against the Association;
- 44 ☐ 11. A description of any pending suits filed by the Association, other than for the collection of delinquent assessments;
- 45 ☐ 12. The total amount of current monthly, annual, or special assessments for all units in the condominium that are more
46 than sixty (60) days past due, as of the most recent available report, but in no event more than ninety (90) days prior
47 to the date of the request; and
- 48 ☐ 13. Whether the board of directors is still under Declarant control, and, if so, when that period of control ends.

49 Buyer understands that a reasonable fee may be charged by Association or Declarant for these documents.

50 Pursuant to Tenn. Code Ann. § 66-27-505, if the Association or Declarant (where applicable) fails to provide the above
51 requested documents within **ten (10) business days** from receipt of the request, then the Association or Declarant (where
52 applicable) shall pay a fine or penalty of \$250.00 to the party on whose behalf the request is made, and a fine or penalty of
53 \$500.00 if not supplied within **ten (10) business days** following the second request for the information. The Association or
54 Declarant shall be responsible for all costs and fees (including reasonable attorney's fees) incurred in obtaining the information
55 and enforcement of these fines. Furthermore, neither the Buyer nor any unit owned by the Buyer will be liable for any past
56 due assessments which would have been disclosed if the information had been disclosed within ten (10) business days from the
57 date of the second request. However, if the requesting party had actual knowledge of the past due assessments at the time of
58 the Buyer's acquisition of the unit, the Buyer shall be liable for these past due amounts.

59 In the event that the Declarant is in control of the Association and/or the condominium, the Declarant, upon request, must
60 provide the above requested documents within the same time frame if the information is available. If it is not available, then
61 the Declarant shall provide the information at least ten (10) business days prior to closing. If the information is not provided
62 in that time, then the Buyer can rescind the contract upon notice to Declarant (Seller) or the Buyer can extend the time of
63 closing until a date which is ten (10) business days following the receipt of the information. The aforementioned options are
64 at the sole discretion of the Buyer. Buyer shall also have the right to seek specific performance of these obligations in a court
65 of competent jurisdiction and to recover all costs and expenses including reasonable attorney's fees.

66 Requested information is to be provided to the party listed in line 6 and at the address listed on line 7 or to the following fax
67 number and/or email address: _____

68 Information Requested by: _____

69 Date Request Received: _____

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

71 _____	_____
72 BUYER	BUYER
73 _____	_____
74 Print/Type Name	Print/Type Name
75 _____ at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm	_____ at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm
76 Date	Date

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

78	_____	_____
79	SELLER	SELLER
80	_____	_____
81	Print/Type Name	Print/Type Name
82	_____ at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm	_____ at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm
83	Date	Date

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IMPORTANCE OF INSPECTIONS AND PROPERTY SURVEY

1 Name of Buyer(s) _____
 2 Property Address _____

3 I. HOME INSPECTION

- 4 **1. WHY A BUYER NEEDS A HOME INSPECTION.** A home inspection gives the Buyer more detailed information
 5 about the overall condition of the home prior to purchase. In a home inspection, a licensed inspector takes an in-
 6 depth, unbiased look at your potential new home to:
- 7 a. Evaluate the physical condition: structure, construction, and mechanical systems.
 - 8 b. Identify items that need to be repaired or replaced.
 - 9 c. Estimate the remaining useful life of the major systems, equipment, structure, and finishes.
- 10 **2. APPRAISALS ARE DIFFERENT FROM HOME INSPECTIONS.** An appraisal is different from a home
 11 inspection. Appraisals are for lenders; home inspections are for buyers. An appraisal is required for three reasons:
- 12 a. To estimate the market value of a house.
 - 13 b. To make sure that the house meets Lender minimum property standards/requirements.
 - 14 c. To make sure that the house is marketable.
- 15 **3. LENDER DOES NOT GUARANTEE THE CONDITION OF YOUR POTENTIAL NEW HOME.** If you find
 16 problems with your new home after closing, the Lender cannot give or lend you money for repairs, and the Lender
 17 cannot buy the home back from you.
- 18 **4. BE AN INFORMED BUYER.** It is your responsibility to be an informed buyer. Be sure that what you buy is
 19 satisfactory in every respect. You have the right to carefully examine your potential new home with a licensed home
 20 inspector. You may arrange to do so before signing your contract, or you may do so after signing the contract as long
 21 as the contract states that the sale of the home depends on the inspection.

22 II. PROPERTY SURVEY

- 23 **1. WHY A BUYER NEEDS A SURVEY.** A survey gives the Buyer specific information concerning the boundary
 24 lines of the property prior to purchase. A licensed surveyor can provide the following services which may be beneficial
 25 to you as a buyer in this transaction:
- 26 a. To establish boundary lines on a parcel of land at the time of subdividing the property;
 - 27 b. Properly representing boundary lines as part of a General Property Survey;
 - 28 c. Identify potential issues associated with a piece of property in the form of encroachments, setback violations,
 29 easements, etc.; and
 - 30 d. Prepare an accurate property description which will become part of the deed of transfer; and
 - 31 e. Identify whether roads are public or private.
- 32 **2. SURVEYS ARE DIFFERENT FROM OTHER INSPECTIONS.** A survey is different from a home inspection
 33 and an appraisal. A survey represents the boundary lines for the property and potential issues associated with the
 34 property. Neither a home inspection nor an appraisal can do this. A home inspection provides a report on the condition
 35 of the improvements on the property. An appraisal determines the value of the property. In order to ensure that you
 36 know exactly how much land you are purchasing and conditions associated with the property boundaries, you should
 37 have a survey done.
- 38 **3. BE AN INFORMED BUYER.** It is your responsibility to be an informed buyer. Be sure that what you buy is
 39 satisfactory in every respect. You have the right to carefully examine your potential new property with a licensed

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surveyor. You may arrange to do so before signing your contract, or you may do so after signing the contract as long as the contract states that the sale of the home depends on the survey.

III. RADON GAS TESTING

1. **WHY A BUYER NEEDS RADON GAS TESTING.** Radon is a naturally occurring radioactive gas that accumulates in homes and buildings. Radon gas can cause cancer. The United States Environmental Protection Agency and the Surgeon General of the United States have recommended that all houses should be tested for radon. For more information on radon testing, call the National Radon Information Line at 1-800-SOS-Radon or 1-800-767-7236 or the Tennessee Department of Environment and Conservation at 1-800-232-1139.
2. **BE AN INFORMED BUYER.** It is your responsibility to be an informed buyer. Be sure that what you buy is satisfactory in every respect. You have the right to carefully examine your potential new property with a licensed inspector. You may arrange to do so before signing your contract, or you may do so after signing the contract as long as the contract states that the sale of the home depends on the inspection.

IV. BUYER ACKNOWLEDGMENT

1. HOME INSPECTION.

I/we understand the importance of getting an independent home inspection. I/we have considered this before signing a contract with the seller for a home. Furthermore, I/we have carefully read this notice and fully understand that the Lender will not perform a home inspection nor guarantee the price or condition of the property.

- ☐ I/we choose to have a home inspection performed.
- ☐ I/we choose NOT to have a home inspection performed.

2. SURVEY

I/we understand the importance of getting an independent survey and that this can be done through a licensed surveyor. I/we have been advised that a survey is recommended prior to purchasing real property. I/we have considered this before signing a contract with the seller for a home. Furthermore, I/we have carefully read this notice and fully understand that obtaining an independent survey is the best means of determining the boundary lines for the property.

- ☐ I/we choose to have a survey performed.
- ☐ I/we choose NOT to have a survey performed.

3. RADON GAS

I/we understand the importance of getting a radon gas inspection. I/we have considered this before signing a contract with the seller for a home.

- ☐ I/we choose to have a radon gas inspection performed.
- ☐ I/we choose NOT to have a radon gas inspection performed.

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

BUYER

BUYER

Date

DATE

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COMMERCIAL EXCLUSIVE RIGHT TO SELL LISTING AGREEMENT

1 **BROKER (listing company):** _____

2 **ADDRESS OF COMPANY:** _____

3 **OWNER / SELLER:** _____

4 **ADDRESS OF OWNER / SELLER:** _____

5 For and in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and
6 sufficiency of which is hereby acknowledged, _____
7 as seller (hereinafter referred to as "Seller") and _____ firm
8 and its licensees (hereinafter collectively referred to as "Firm") do hereby enter into this Commercial Exclusive Right to Sell
9 Listing Agreement ("Agreement"), this _____ day of _____, ("Effective Date").

10 1. **Exclusive Listing Agreement.** Seller hereby grants to Firm the exclusive right and privilege as the Agent of the
11 Seller to show and offer for sale the following described property as the real estate broker for Seller: All that tract of land
12 known as: _____ (Address),
13 _____ (City), Tennessee, _____ (Zip), as recorded in _____ County Register
14 of Deeds Office, _____ deed book(s), _____ page(s), and/or _____ instrument
15 number and further described as: _____
16 together with all fixtures, landscaping, improvements, leases, mineral rights, air rights, and appurtenances (unless
17 otherwise noted in Special Stipulations), all hereinafter collectively referred to as the "Property", as more particularly
18 described in Exhibit "A", or if no Exhibit "A" is attached, as is recorded with the Register of Deeds of the county in which
19 the Property is located and is made a part of this Agreement by reference. The term of this Agreement shall begin on
20 _____, and shall continue through _____, (hereinafter referred to as
21 "Listing Period"). If a contract to purchase, exchange, or lease is signed before this Agreement expires, the term hereof
22 shall continue until final disposition of Purchase and Sales Agreement, exchange agreement, or lease agreement.

23 2. **Firm's Duties to Seller.** Firm's sole duties to Seller shall be to: (a) use Firm's best efforts to procure a buyer ready,
24 willing, and able to purchase Property at a sales price of \$ _____ (including commission) or any other
25 price acceptable to Seller; (b) assist to the extent requested by Seller in negotiating the terms of and filling out a preprinted
26 real estate purchase and sale agreement; and (c) comply with all applicable laws and regulations in performing its duties
27 hereunder including Tenn. Code Ann. § 62-13-101, et seq., and the Tennessee Real Estate Commission Rules, as amended.

28 3. **Seller's Duties.** Seller represents that Seller: (a) presently has title to the Property or has full authority to enter into this
29 Agreement; (b) will cooperate with Firm to sell the Property to prospective buyers, including directing all other agents to
30 the Firm; (c) will make the Property available for showing at reasonable times as requested by Firm; and (d) will provide
31 Firm with accurate information regarding the Property (including information concerning all adverse material facts
32 pertaining to the physical condition of the Property). Seller will have the additional responsibility to provide Firm with
33 the following documents if they are accessible to Seller:

- 34 a. The most recent property tax assessments and tax bills;
- 35 b. The most recent title insurance policy insuring the Property, including complete and legible copies of all
36 documents (whether or not recorded) which are referenced therein as title exceptions;
- 37 c. The most recent survey, ALTA (American Land Title Association) of the Property or if such a survey is not
38 available, the most recent survey of the Property prepared by a licensed Tennessee surveyor;
- 39 d. All soil reports covering any of the Property;
- 40 e. All cruise reports of existing timber on the Property;
- 41 f. All plans and specifications for Property improvements, including without limitation, diagrams of any outdoor
42 irrigation system;
- 43 g. All existing leases and subleases (including concession and license agreements for use of space within the
44 Property) and any amendments and letter agreements relating thereto, together with all correspondence to and
45 from tenants, and a written summary of any leases currently in negotiation, specifying the tenant, premises to be
46 leased, rents, and term and outlining all other material deal points;

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CF101 – Commercial Exclusive Right to Sell Listing Agreement, Page 1 of 7

Version 01/01/2020

- h. All current insurance policies, together with a written summary of insurance coverage and premiums by policy type;
- i. All certificates of occupancy;
- j. All contractor, vendor, manufacturer and other warranties with respect to all real property improvements, fixtures, equipment and personal property to be conveyed;
- k. All equipment leases and services and vendor contracts (including all amendments and side-letter agreements relating thereto);
- l. All environmental (hazardous substances), engineering, physical inspection, marketing and feasibility studies, assessments and reports, including any wetlands reports;
- m. A current rent roll for the Property together with monthly income and expense reports for the period of Seller's ownership of the Property (or for the previous 36 months if shorter);
- n. A written summary of all pending or threatened litigation, insurance claims and notices of legal violations, together with the pertinent notices, demands, pleadings and other documents;
- o. All reports, assessments or studies regarding actions required to bring the Property into compliance with the Americans with Disabilities Act or any similar state statute or local ordinance or code;
- p. A schedule of special assessment districts and assessment amounts, if any;
- q. A schedule of impact fees paid or owing on the Property, if any;
- r. A schedule of allowances or rebates due on tenant improvements, if any, and proof of insurance from individual tenants (including, as tenants, any space concessionaires of licensees);
- s. All maintenance records for the Property;
- t. All municipal, county, state or federal permits, licenses and authorizations affecting the use, operation and maintenance of the Property;
- u. All assignments, sales documentation or lease documents concerning mineral and/or air rights; and
- v. Other documents which are reasonably requested by a potential buyer during the Due Diligence Period.

4. Marketing.

Firm may advertise the Property for sale in all media and may photograph and/or videotape the Property and use the photographs and/or videotapes in connection with Firm's marketing efforts. Seller agrees not to place any advertisements on the Property or to advertise the Property for sale in any media except with the prior written consent of Firm. Firm is also hereby authorized to place Firm's "For Sale" sign on the Property. Firm is authorized to procure buyers to purchase the Property in cooperation with other real estate brokers and their affiliated licensees. Firm is hereby granted the authority to advertise this listing on the Internet. Firm is additionally permitted to file this listing with any Multiple Listing Services (MLS(es)) or similar service(s) of which Firm is a member. Seller understands and agrees that by placing the listing on the MLS or these similar services, the listing may be included in a searchable database provided by the MLS or similar service which can be viewed on other agents' websites. Seller also agrees that the listing may also appear on publicly accessible websites sponsored by and/or affiliated with the MLS, the local association of Realtors®, or similar listing services and those who lawfully receive listing information from said entities. Firm may distribute listing and sales information (including the sales price) to buyers, other real estate brokers and their affiliated licensees, and/or multiple listing services or similar services. Firm and other real estate brokers and their affiliated licensees may show the Property without first notifying Seller.

5. Compensation.

A. Terms. Seller agrees to pay Firm, no later than at closing, a real estate commission of _____ percent (____%) of the purchase price of the Property or \$ _____ in the event that during the Listing Period,

- (a) Firm procures a ready, willing, and able buyer who has entered into a purchase agreement or an agreement of exchange for the Property at the price described above;
- (b) Seller enters into an enforceable contract for the sale or exchange of the Property with any buyer; or
- (c) Seller enters into an option to purchase agreement during the Listing Period and buyer exercises said option.

B. Cooperating Compensation. Firm shall share this compensation with a cooperating broker, if any, who procures the buyer of the Property by paying such cooperating broker _____ % of Firm's commission or \$ _____. Said cooperating broker is the agent or facilitator who represents the interests of and/or is working with the buyer. Cooperating brokers are expressly intended to be third-party beneficiaries under this Agreement only for the purposes of enforcing their commission rights as cooperating brokers.

C. Carry Over. Should the Seller contract to sell or exchange or an option agreement is executed for the Property within _____ days after the expiration of this Agreement to any buyer (or anyone acting on buyer's behalf) who has been introduced to the Property, directly or indirectly, during the term hereof, as extended, the Seller agrees to pay the compensation as set forth herein at the closing of the sale or exchange of the Property. This includes but is not limited

to any introduction or exposure to the Property by advertisements or postings appearing in any medium which originated as a result of listing the Property with Firm. Notwithstanding the above, in the event that the Property is sold to the prospective buyer by or through another licensed broker with whom Seller has signed an exclusive right to sell contract or exclusive agency contract, after the date of expiration of the Listing Period, then no compensation shall be owed to Firm by virtue of this Agreement. The compensation obligations set forth herein shall survive the termination of this Agreement.

D. Seller Breach or Failure to Close. In the event that a ready, willing, and able buyer is produced and a contract results, the Seller is obligated to compensate the Firm in the event that the Seller unlawfully fails to close by Seller's breach of the contract. In the event that this occurs, Seller agrees to compensate Firm in an amount equal to the compensation which would have been due and owing Firm had the transaction closed. Such compensation will be payable without demand. Should the Firm consent to release the Listing prior to the expiration of the Listing Period, Seller agrees to pay all costs incurred by the Firm to market the Property as a cancellation fee or other amount as agreed to by the parties, in addition to any other sums that may be due to the Firm. Seller agrees to pay all reasonable attorney's fees together with any court costs and expenses which real estate firm incurs in enforcing any of Seller's obligations to pay compensation under this Listing Agreement. The parties hereby agree that all remedies are fair and equitable and neither party will assert the lack of mutuality of remedies as a defense in the event of a dispute.

E. Buyer Breach or Failure to Close. Seller and Firm hereby agree that in the event of a failure of buyer to close under an enforceable contract, actual compensation earned by the Firm would be extremely difficult or impractical to ascertain. Accordingly, the parties agree that Firm shall be entitled to collect fifty percent (50%) of any Earnest Money/Trust Money remitted to Seller up to the amount of compensation that would have been earned had the contract closed, which the parties agree is a reasonable sum considering all of the circumstances existing as of the date of this Agreement. The parties agree that said amount does not constitute a penalty. Moreover, such partial compensation shall be credited against any future compensation due under this Listing Agreement or any extensions thereof. Notwithstanding the foregoing, if the Seller prevails in a specific performance lawsuit then the Firm shall be entitled to full compensation as outlined herein. The parties hereby agree that all remedies are fair and equitable and neither party will assert the lack of mutuality of remedies as a defense in the event of a dispute.

6. Earnest Money/Trust Money. Firm is authorized to accept from buyer a deposit as Earnest Money/Trust Money to be applied to the purchase price for the Property. Such deposit is to be held by Firm in an escrow or trustee account or forwarded to party authorized to hold said funds as set forth in an executed contract for the purchase, lease, exchange, or option agreement until disbursed in accordance with the terms of said agreement.

7. Seller Indemnity. Seller agrees that Firm is only responsible to pay compensation under the terms of this Agreement to agents within the Firm or cooperating brokers who have dealt directly with the Firm in the sale of this Property. Seller further agrees to hold Firm harmless and indemnify it from any claim, demand, action, liability or proceedings resulting from claims for compensation made by anyone other than Firm or said cooperating brokers who have dealt directly with the Firm in the sale of this Property and to provide for defense costs including reasonable attorney's fees for agents and Firm in such an event. This indemnification shall survive the Closing and any other termination of this Agreement.

8. Limits on Firm's Authority and Responsibility. Seller acknowledges and agrees that Firm: (a) may show other properties to prospective buyers who are interested in Seller's Property; (b) is not an expert with regard to matters that could be revealed through a survey, title search, or inspection of the Property; for the condition of the Property, any portion thereof, or any item therein; for any geological issues present on the Property; for the necessity or cost of any repairs to the Property; for hazardous or toxic materials; for the availability and cost of utilities, septic or community amenities; for any conditions existing off the Property that may affect the Property; for uses and zoning of the Property, whether permitted or proposed; for applicable boundaries of school districts or other school information; for proposed or pending condemnation actions involving the Property; for the appraised or future value of the Property; for termites and wood destroying organisms; for building products and construction techniques; for the tax or legal consequences of a contemplated transaction; or for matters relating to financing (Seller acknowledges that Firm (including its broker and affiliated licensees) is not an expert with respect to the above matters and is hereby advised to seek independent expert advice on any of these matters which are of concern to Seller. Seller further acknowledges that he has not relied upon any advice, representations or statements of Firm (including its broker and affiliated licensees) and waives and shall not assert any claims against Firm (including its broker and affiliated licensees) involving same); (c) shall owe no duties to Seller nor have any authority to act on behalf of Seller other than what is set forth in this Agreement and those duties contained in the Tennessee Real Estate Broker License Act of 1973 and the Tennessee Real Estate Commission Rules, as amended; (d) may make all disclosures required by law and/or the Realtors® Code of Ethics; and (e) may disclose all information about the Property to others.

Seller agrees to hold Firm (including its broker and affiliated licensees) harmless from any and all claims, causes of action, or damages (and shall indemnify Firm (including its broker and affiliated licensees) therefore) arising out of or relating to:

(a) Seller providing Firm incomplete and/or inaccurate information; (b) the handling of Earnest Money/Trust Money by

anyone other than Firm (if such earnest money/trust money is entrusted to such person by Seller); or (c) any injury to persons on the Property and/or loss of or damage to the Property or anything contained therein.

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.

9. Foreign Investment in Real Property Tax Act ("FIRPTA") Disclosure.

Seller is hereby notified to consult with his/her own closing attorney and tax professional concerning the applicability of the Foreign Investment in Real Property Tax Act ("FIRPTA") which may require tax withholding to be collected from Seller at the Closing of any sale of the Property. Examples of this may include if the Seller can be classified as one of the following:

Non United States citizen;

Non resident alien; or

Foreign corporation, partnership, trust, or estate.

It is Seller's responsibility to seek independent tax advice prior to any Closing Date regarding such tax matters.

10. Extension. If during the term of this Agreement, Seller and a prospective buyer enter into a real estate sales contract which is not consummated for any reason whatsoever, then the original expiration date of this Agreement shall be extended for the number of days that the Property was under contract.

11. Required State Law Disclosures.

(a) Firm agrees to keep confidential all information which Seller asks to be kept confidential by express request or instruction unless Seller permits such disclosure in writing, by Seller's subsequent work or conduct or such disclosure is required by law or the Realtor® Code of Ethics.

(b) Firm may not knowingly give customers false information.

(c) In the event of a conflict between Firm's duty not to give customers false information and the duty to keep the confidences of Seller, the duty not to give customers false information shall prevail.

(d) Unless specified below in Special Stipulations, Firm has no other known agency relationships with other parties which would conflict with any interests of Seller (except that Firm may represent other buyers, sellers, landlords, and tenants in buying, selling or leasing property).

12. Types of Agency.

A. Definitions

1. Designated Agent for the Seller. The individual licensee that has been assigned by his/her Managing Broker and is working as an agent for the Seller or Property Owner in this consumer's prospective transaction, to the exclusion of all other licensees in his/her company. Even if someone else in the licensee's company represents a possible buyer for this Seller's Property, the Designated Agent for the Seller will continue to work as an advocate for the best interests of the Seller or Property Owner. An agency relationship of this type cannot, by law, be established without a written agency agreement.

2. Agent for the Seller. The licensee's company is working as an agent for the Property Seller and owes primary loyalty to the Seller. Even if the licensee is working with a prospective buyer to locate property for sale, rent, or lease, the licensee and his/her company are legally bound to work in the best interests of any Property Owners whose Property is shown to this prospective buyer. An agency relationship of this type cannot, by law, be established without a written agency agreement.

3. Facilitator / Transaction Broker (not an agent for either party). The licensee is not working as an agent for either party in this consumer's prospective transaction. A Facilitator may advise either or both of the parties to a transaction but cannot be considered a representative or advocate of either party. "Transaction Broker" may be used synonymously with, or in lieu of, "Facilitator" as used in any disclosures, forms or agreements. [By law, any licensee or company who has not entered into a written agency agreement with either party in the transaction is considered a Facilitator or Transaction Broker until such time as an agency agreement is established.]

4. Dual agency. The licensee has agreements to provide services as an agent to more than one (1) party in a specific transaction and in which the interests of such parties are adverse. This agency status may only be employed upon full disclosure to each party and with each party's informed consent.

B. Seller's Authorizations:

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1. Designated Agency

- a. **Appointment of Designated Agent.** Seller hereby authorizes Managing Broker to appoint the Listing Licensee as Designated Agent for the Seller, to the exclusion of any other licensees associated with Firm. A Designated Agent for the Seller can and will continue to advocate Seller's interests in a transaction even if a Designated Agent for the buyer (other than the licensee below) is also associated with Firm. The Managing Broker hereby appoints _____ to be the Designated Agent to the Seller in this transaction.
- b. **Appointment of Subsequent Designated Agent.** Seller hereby authorizes the Managing Broker, if necessary, to appoint a licensee, other than the licensee named above, as Designated Agent for the Seller, to the exclusion of any other licensees associated with Firm. This shall be accomplished through an amendment to this Agreement, if necessary.
- c. **Default to Facilitator in the event both parties are represented by the same Designated Agent.** The Designated Agent shall default to Facilitator status for all showings or transactions *involving the same Designated Agent for both the Seller and a prospective buyer*, immediately notifying (verbally) the buyer and the Seller of the need to default to this Facilitator status to be confirmed in writing prior to the execution of the contract. Upon any default to Facilitator status, the former Designated Agent must assume a neutral position and will not be an advocate for either the Seller or any prospective buyers.
- d. **Resumption of Agency Status.** In the event that the Designated Agent defaults to a Facilitator status, this Facilitator status will only be temporary. The Facilitator status will only last until any transaction or contemplated transaction in which the parties are all assisted by the same Facilitator is resolved (either because the transaction is closed or the transaction or contemplated transaction between these parties is terminated or not accepted and no further negotiations occur between the parties). At that time, the agent will immediately revert to Designated Agency status for the Seller.

2. Seller Agency

- a. **Default to Facilitator.** Seller hereby authorizes Firm and Listing Licensee to default to Facilitator status (representing the interests of neither the Seller nor the buyer) in any Property showings, negotiations, or transactions in which the Firm may also have a representation agreement with the buyer who is also being assisted by the Listing Licensee. In such event, Agent shall immediately notify (verbally) both the buyer and the Seller of the need to default to this Facilitator status and notification shall be confirmed in writing prior to the execution of the contract. As a Facilitator, Firm and Firm's licensee may assist the parties and provide information in subsequent negotiations in that transaction.
- b. **Resumption of Agency Status.** In the event that Firm and Listing Licensee default to a Facilitator status, this Facilitator status will only be temporary. The Facilitator status will only last until any transaction or contemplated transaction in which the parties are all represented by the Facilitator is resolved (either because the transaction is closed or contemplated transaction between the parties is terminated or not accepted and no further negotiations occur between the parties). At that time, the Firm and Listing Licensee shall immediately revert back to their status as Agent for the Seller.

13. **Agency.** Pursuant to Firm policy, Firm shall practice _____ (Designated or Seller Agency – choose one) in this transaction.

14. Other Provisions.

A. Binding Effect, Entire Agreement, Modification, and Assignment. This Agreement shall be for the benefit of, and be binding upon, the parties hereto, their heirs, successors, legal representatives and permitted assigns. This Agreement may only be assigned with the written consent of both parties. This Agreement constitutes the sole and entire agreement between the parties hereto and no modification of this Agreement shall be binding unless signed by all parties or assigns to this Agreement. No representation, promise, or inducement not included in this Agreement shall be binding upon any party hereto. Any assignee shall fulfill all the terms and conditions of this Agreement.

B. Time of Essence. Time is of the essence in this Agreement.

C. Terminology. As the context may require in this Agreement: (1) the singular shall mean the plural and vice versa; (2) all pronouns shall mean and include the person, entity, firm, or corporation to which they relate; (3) the masculine shall mean the feminine and vice versa and (4) the term day(s) used throughout this Agreement shall be deemed to be calendar day(s) ending at 11:59 p.m. local time unless otherwise specified in this Agreement. Local time shall be determined by the location of Property.

D. Governing Law and Venue. This Agreement is intended as a contract for the listing of real property and shall be governed by and interpreted in accordance with the laws and in the courts of the State of Tennessee.

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E. Severability. If any portion or provision of this Agreement is held or adjudicated to be invalid or unenforceable for any reason, each such portion or provision shall be severed from the remaining portions or provisions of this Agreement, and the remaining portions or provisions shall be unaffected and remain in full force and effect.

F. Party Information.

Seller's address:

Firm's address:

Email: _____

Email: _____

G. Fair Housing. Firm and his affiliated Licensees shall provide services without regard to race, color, creed, religion, sex, handicap, familial status, national origin, sexual orientation, or gender identity. A request to observe discriminatory practices in the sale, lease, exchange, or option of property will not be granted.

15. Exhibits and Addenda. All exhibits and/or addenda attached hereto, listed below, or referenced herein are made a part of this Agreement. If any such exhibit or addendum conflicts with any preceding section, said exhibit or addendum shall control:

Exhibit "A" Legal Description

16. Special Stipulations. The following Special Stipulations, if conflicting with any preceding section, shall control:

☐ (Mark box if additional pages are attached.)

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CF101 – Commercial Exclusive Right to Sell Listing Agreement, Page 6 of 7

Version 01/01/2020

LEGAL DOCUMENTS: This is an important legal document creating valuable rights and obligations. If you have questions about it, you should review it with your attorney. Neither the Firm nor any Agent or Facilitator is authorized or qualified to give you any advice about the advisability or legal effect of its provisions.

NOTE: Any provisions of this Agreement which are preceded by a box "☐" must be marked to be a part of this Agreement. By affixing your signature below, you also acknowledge that you have reviewed each page and have received a copy of this Agreement.

The above is hereby accepted, _____ o'clock _____ M. on the _____ day of _____, --

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

BY: Broker or Licensee Authorized by Broker

BROKER/FIRM

_____ at _____ o'clock ☐ am/ ☐ pm

Date

Address _____

Phone: _____

Print/Type Name _____

Email: _____

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

SELLER/OWNER

SELLER/OWNER

By: _____

By: _____

Title: _____

Title: _____

Entity: _____

Entity: _____

Print/Type Name _____

Print/Type Name _____

_____ at _____ o'clock ☐ am/ ☐ pm

_____ at _____ o'clock ☐ am/ ☐ pm

Date

Date

Address _____

Address _____

Phone: _____ (H) _____ (Cell)

Phone: _____ (H) _____ (Cell)

_____ (W) Email: _____

_____ (W) Email: _____

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COMMERCIAL EXCLUSIVE AGENCY LISTING AGREEMENT

(Seller Reserves Right to Sell)

- 1 **FIRM (listing company):** _____
- 2 **ADDRESS OF COMPANY:** _____
- 3 **OWNER / SELLER:** _____
- 4 **ADDRESS OF OWNER / SELLER:** _____
- 5 For and in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and
 6 sufficiency of which is hereby acknowledged, _____ as
 7 seller (hereinafter referred to as "Seller") and _____ (firm) and
 8 its licensees (hereinafter collectively referred to as "Firm") do hereby enter into this Agreement, this _____ day of
 9 _____, _____ ("Effective Date").
- 10 1. **Exclusive Agency Agreement.** Seller hereby grants to Firm the exclusive right and privilege as the Agent of the Seller
 11 to show and offer for sale the following described property as the real estate broker for Seller: All that tract of land known
 12 as : _____ (Address),
 13 _____ (City), Tennessee, _____ (Zip), as recorded in _____ County Register
 14 of Deeds Office, _____ deed book(s), _____ page(s), and/or _____ instrument number,
 15 and further described as: _____
 16 together with all fixtures, landscaping, improvements, leases, mineral rights, air rights, and appurtenances (unless
 17 otherwise noted in Special Stipulations), all hereinafter collectively referred to as the "Property", as more particularly
 18 described in Exhibit "A", or if no Exhibit "A" is attached, as is recorded with the Register of Deeds of the county in which
 19 the Property is located and is made a part of this Agreement by reference. The term of this Agreement shall begin on
 20 _____, _____ and shall continue through _____, _____ (hereinafter referred
 21 to as "Listing Period").
- 22 2. **Firm's Duties to Seller.** Firm's sole duties to Seller shall be to: (a) use Firm's best efforts to procure a buyer ready,
 23 willing, and able to purchase Property at a sales price of \$ _____ (including commission) or any
 24 other price acceptable to Seller; (b) assist to the extent requested by Seller in negotiating the terms of and filling out a
 25 preprinted real estate purchase and sale agreement; and (c) comply with all applicable laws and regulations in performing
 26 its duties hereunder including Tenn. Code Ann. § 62-13-101, et seq., and the Tennessee Real Estate Commission Rules,
 27 as amended.
- 28 3. **Seller's Duties.** Seller represents that Seller: (a) presently has title to the Property or has full authority to enter into this
 29 Agreement; (b) will cooperate with Firm to sell the Property to prospective buyers, including directing all other agents to
 30 the Firm (unless agents make contact with Seller through sole efforts of the Seller); (c) will make the Property available
 31 for showing at reasonable times as requested by Firm; and (d) will provide Firm with accurate information regarding the
 32 Property (including information concerning all adverse material facts pertaining to the physical condition of the Property).
 33 Seller will have the additional responsibility to provide Firm with the following documents if they are accessible to Seller:
- 34 a. The most recent property tax assessments and tax bills;
 - 35 b. The most recent title insurance policy insuring the Property, including complete and legible copies of all
 36 documents (whether or not recorded) which are referenced therein as title exceptions;
 - 37 c. The most recent survey, ALTA (American Land Title Association) of the Property or if such a survey is not
 38 available, the most recent survey of the Property prepared by a licensed Tennessee surveyor;
 - 39 d. All soil reports covering any of the Property;
 - 40 e. All cruise reports of existing timber on the Property;
 - 41 f. All plans and specifications for Property improvements, including without limitation, diagrams of any outdoor
 42 irrigation system;
 - 43 g. All existing leases and subleases (including concession and license agreements for use of space within the
 44 Property) and any amendments and letter agreements relating thereto, together with all correspondence to and

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from tenants, and a written summary of any leases currently in negotiation, specifying the tenant, premises to be leased, rents, and term and outlining all other material deal points;

- h. All current insurance policies, together with a written summary of insurance coverage and premiums by policy type;
- i. All certificates of occupancy;
- j. All contractor, vendor, manufacturer and other warranties with respect to all real property improvements, fixtures, equipment and personal property to be conveyed;
- k. All equipment leases and services and vendor contracts (including all amendments and side-letter agreements relating thereto);
- l. All environmental (hazardous substances), engineering, physical inspection, marketing and feasibility studies, assessments and reports, including any wetlands reports;
- m. A current rent roll for the Property together with monthly income and expense reports for the period of Seller's ownership of the Property (or for the previous 36 months if shorter);
- n. A written summary of all pending or threatened litigation, insurance claims and notices of legal violations, together with the pertinent notices, demands, pleadings and other documents;
- o. All reports, assessments or studies regarding actions required to bring the Property into compliance with the Americans with Disabilities Act or any similar state statute or local ordinance or code;
- p. A schedule of special assessment districts and assessment amounts, if any;
- q. A schedule of impact fees paid or owing on the Property, if any;
- r. A schedule of allowances or rebates due on tenant improvements, if any, and proof of insurance from individual tenants (including, as tenants, any space concessionaires of licensees);
- s. All maintenance records for the Property;
- t. All municipal, county, state or federal permits, licenses and authorizations affecting the use, operation and maintenance of the Property;
- u. All assignments, sales documentation or lease documents concerning mineral and/or air rights; and
- v. Other documents which are reasonably requested by a potential buyer during the Due Diligence Period.

4. Marketing.

Firm may advertise the Property for sale in all media and may photograph and/or videotape the Property and use the photographs and/or videotapes in connection with Firm's marketing efforts. Firm is authorized to place Firm's "For Sale" sign on the Property. Firm is authorized to procure buyers to purchase the Property in cooperation with other real estate brokers and their affiliated licensees. Firm is hereby granted the authority to advertise this listing on the Internet. Firm is additionally permitted to file this listing with any Multiple Listing Services (MLS(es)) or similar service(s) of which Firm is a member. Seller understands and agrees that by placing the listing on the MLS or these similar services, the listing may be included in a searchable database provided by the MLS or similar service which can be viewed on other agents' websites. Seller also agrees that the listing may also appear on publicly accessible websites sponsored by and/or affiliated with the MLS, the local association of Realtors®, or similar listing services and those who lawfully receive listing information from said entities. Firm may distribute listing and sales information (including the sales price) to buyers, other real estate brokers and their affiliated licensees, and/or multiple listing services or similar services. Firm and other real estate brokers and their affiliated licensees may show the Property without first notifying Seller.

5. Compensation.

A. Terms. Seller agrees to pay Firm, no later than at closing, a real estate commission of _____ percent (____%) of the purchase price of the Property or \$_____ in the event that during the Listing Period,

- (a) Firm procures a ready, willing, and able buyer who has entered into a purchase agreement or an agreement of exchange for the Property at the price described above;
- (b) Seller enters into an enforceable contract for the sale or exchange of the Property with any buyer not obtained solely by Seller's own efforts; or
- (c) Seller enters into an option to purchase agreement (not obtained solely by Seller's own efforts) during the Listing Period and buyer exercises said option.

Compensation is not due to the Firm in the event that Seller, without the assistance of any real estate agent, directly or indirectly, secures the sale, exchange, transfer or exercised option of the Property. However, compensation as

outlined above will be due to the Firm for any sale, exchange, transfer or exercised option of the Property that is not obtained solely by the Seller's own efforts.

B. Cooperating Compensation. Firm shall share this compensation with a cooperating broker, if any, who procures the buyer of the Property by paying such cooperating broker _____% of Firm's commission or \$_____. Cooperating brokers are expressly intended to be third-party beneficiaries under this Agreement only for the purposes of enforcing their commission rights as cooperating brokers. Said cooperating broker is the agent or facilitator who represents the interests of and/or is working with the buyer.

C. Carry Over. In the event that Seller contracts to sell or exchange or an option agreement is executed for the Property within _____ days after the expiration of this Agreement to any buyer (or anyone acting on buyer's behalf) who has been introduced to the Property, directly or indirectly, during the term hereof, as extended, Seller agrees to pay the compensation as set forth herein at the closing of the sale or exchange of the Property. This includes but is not limited to any introduction or exposure to the Property by advertisements or postings appearing in any medium which originated as a result of listing the Property with Firm. Notwithstanding the above, in the event that the Property is sold to the prospective buyer by or through another licensed broker with whom Seller has signed an exclusive right to sell contract or exclusive agency contract after the date of expiration of the Listing Period, then no compensation shall be owed to Firm by virtue of this Agreement. The compensation obligations set forth herein shall survive the termination of this Agreement.

D. Seller Breach or Failure to Close. In the event that a ready, willing, and able buyer is produced and a contract results, Seller is obligated to compensate the Firm in the event that Seller unlawfully fails to close by Seller's breach of the contract. However, no compensation shall be due to Firm if the buyer was procured solely by the efforts of Seller alone. In the event that such a Seller's breach occurs, Seller agrees to compensate Firm in an amount equal to the compensation which would have been due and owing Firm had the transaction closed. Such compensation will be payable without demand. Should the Firm consent to release the Listing prior to the expiration of the Listing Period, Seller agrees to pay all costs incurred by the Firm to market the Property as a cancellation fee or other amount as agreed to by the parties, in addition to any other sums that may be due to the Firm. Seller agrees to pay all reasonable attorney's fees together with any court costs and expenses which real estate firm incurs in enforcing any of Seller's obligations to pay compensation under this Listing Agreement. The parties hereby agree that all remedies are fair and equitable and neither party will assert the lack of mutuality of remedies as a defense in the event of a dispute.

E. Buyer Breach or Failure to Close. Seller and Firm hereby agree that in the event of a failure of buyer to close under an enforceable contract, actual compensation earned by the Firm would be extremely difficult or impractical to ascertain. Accordingly, the parties agree that Firm shall be entitled to collect fifty percent (50%) of any earnest money/trust money remitted to Seller up to the amount of compensation that would have been earned had the contract closed, which the parties agree is a reasonable sum considering all of the circumstances existing as of the date of this Agreement. The parties agree that said amount does not constitute a penalty. Moreover, such partial compensation shall be credited against any future compensation due under this Listing Agreement or any extensions thereof. Notwithstanding the foregoing, if Seller prevails in a specific performance lawsuit then the Firm shall be entitled to full compensation as outlined herein. However, no compensation shall be due to Firm if the buyer who failed to close was procured solely by the efforts of Seller alone. The parties hereby agree that all remedies are fair and equitable and neither party will assert the lack of mutuality of remedies as a defense in the event of a dispute.

6. Earnest money/Trust money: Firm is authorized to accept from buyer a deposit as earnest money/trust money to be applied to the purchase price for the Property. Such deposit is to be held by Firm in an escrow or trustee account or forwarded to party authorized to hold said funds as set forth in an executed contract for the purchase, lease, exchange, or option agreement until disbursed in accordance with the terms of said agreement.

7. Seller Indemnity. Seller agrees that Firm is only responsible to pay compensation under the terms of this Agreement to agents within the Firm or cooperating brokers who have dealt directly with the Firm in the sale of this Property. Seller further agrees to hold Firm harmless and indemnify it from any claim, demand, action, liability or proceedings resulting from claims for compensation made by anyone other than Firm or said cooperating brokers who have dealt directly with the Firm in the sale of this Property and to provide for defense costs including reasonable attorney's fee for agents and Firm in such an event. This indemnification shall survive the Closing and any other termination of this Agreement.

8. Limits on Firm's Authority and Responsibility. Seller acknowledges and agrees that Firm: (a) may show other properties to prospective buyers who are interested in Seller's Property; (b) is not an expert with regard to matters that could be revealed through a survey, title search, or inspection; for the condition of the Property, any portion thereof, or any item therein; for any geological issues present on the Property; for the necessity or cost of any repairs to the Property; for hazardous or toxic materials; for the availability and cost of utilities or community amenities; for any conditions existing off the Property that may affect the Property; for uses and zoning of the Property, whether permitted or proposed; for applicable boundaries of school districts or other school information; for proposed or pending condemnation actions

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involving the Property; for the appraised or future value of the Property; for termites and wood-destroying organisms; for building products and construction techniques; for the tax or legal consequences of a contemplated transaction; or for matters relating to financing (Seller acknowledges that Firm (including its broker and affiliated licensees) is not an expert with respect to the above matters and is hereby advised to seek independent expert advice on any of these matters which are of concern to Seller. Seller further acknowledges that he has not relied upon any advice, representations or statements of Firm (including its broker and affiliated licensees) and waives and shall not assert any claims against Firm (including its broker and affiliated licensees) involving same); (c) shall owe no duties to Seller nor have any authority to act on behalf of Seller other than what is set forth in this Agreement and those duties contained in the Tennessee Real Estate Broker License Act of 1973 and the Tennessee Real Estate Commission Rules, as amended; (d) may make all disclosures required by law and the Realtors® Code of Ethics; and (e) may disclose all information about the Property to others.

Seller agrees to hold Firm (including its broker and affiliated licensees) harmless from any and all claims, causes of action, or damages (and shall indemnify Firm (including its broker and affiliated licensees) therefore) arising out of or relating to: (a) Seller providing Firm incomplete and/or inaccurate information; (b) the handling of Earnest money/Trust money by anyone other than Broker (if such Earnest money/Trust money is entrusted to such person by Seller); or (c) any injury to persons on the Property and/or loss of or damage to the Property or anything contained therein.

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.

9. Foreign Investment in Real Property Tax Act ("FIRPTA") Disclosure.

Seller is hereby notified to consult with his/her own closing attorney and tax professional concerning the applicability of the Foreign Investment in Real Property Tax Act ("FIRPTA") which may require tax withholding to be collected from Seller at the Closing of any sale of the Property. Examples of this may include if Seller can be classified as one of the following:

Non United States citizen;

Non resident alien; or

Foreign corporation, partnership, trust, or estate.

It is Seller's responsibility to seek independent tax advice prior to any Closing Date regarding such tax matters.

10. Extension. If during the term of this Agreement, Seller and a prospective buyer who was introduced to the Property by Firm or any other real estate agent working on behalf of the Seller enter into a real estate sales contract which is not consummated for any reason whatsoever, then the original expiration date of this Agreement shall be extended for the number of days that the Property was under contract.

11. Required State Law Disclosures.

(a) Firm agrees to keep confidential all information which Seller asks to be kept confidential by express request or instruction unless the Seller permits such disclosure in writing, by Seller's subsequent work or conduct, or such disclosure is required by law or the Realtor® Code of Ethics.

(b) Firm may not knowingly give customers false information.

(c) In the event of a conflict between Firm's duty not to give customers false information and the duty to keep the confidences of Seller, the duty not to give customers false information shall prevail.

(d) Unless specified below in Special Stipulations, Firm has no other known agency relationships with other parties which would conflict with any interests of Seller (except that Firm may represent other buyers, sellers, landlords, and tenants in buying, selling or leasing property).

12. Types of Agency.

A. Definitions

1. Designated Agent for the Seller. The individual licensee that has been assigned by his/her Managing Broker and is working as an agent for the Seller or Property Owner in this consumer's prospective transaction, to the exclusion of all other licensees in his/her company. Even if someone else in the licensee's company represents a possible buyer for this Seller's Property, the Designated Agent for the Seller will continue to work as an advocate for the best interests of the Seller or Property Owner. An agency relationship of this type cannot, by law, be established without a written agency agreement.

2. Agent for the Seller. The licensee's company is working as an agent for the Property Seller and owes primary loyalty to the Seller. Even if the licensee is working with a prospective buyer to locate property for sale, rent, or lease, the licensee and his/her company are legally bound to work in the best interests of any Property Owners

whose Property is shown to this prospective buyer. An agency relationship of this type cannot, by law, be established without a written agency agreement.

3. **Facilitator / Transaction Broker (not an agent for either party).** The licensee is not working as an agent for either party in this consumer's prospective transaction. A Facilitator may advise either or both of the parties to a transaction but cannot be considered a representative or advocate of either party. "Transaction Broker" may be used synonymously with, or in lieu of, "Facilitator" as used in any disclosures, forms or agreements. [By law, any licensee or company who has not entered into a written agency agreement with either party in the transaction is considered a Facilitator or Transaction Broker until such time as an agency agreement is established.]
4. **Dual agency.** The licensee has agreements to provide services as an agent to more than one (1) party in a specific transaction and in which the interests of such parties are adverse. This agency status may only be employed upon full disclosure to each party and with each party's informed consent.

B Seller's Authorizations:

1. Designated Agency

- a. **Appointment of Designated Agent.** Seller hereby authorizes Managing Broker to appoint the Listing Licensee as the Designated Agent for the Seller, to the exclusion of any other licensees associated with Firm. A Designated Agent for the Seller can and will continue to advocate Seller's interests in a transaction even if a Designated Agent for the buyer (other than the licensee below) is also associated with Firm. The Managing Broker hereby appoints _____ to be the Designated Agent to the Seller in this transaction.
- b. **Appointment of Subsequent Designated Agent.** Seller hereby authorizes the Managing Broker, if necessary, to appoint a licensee, other than the licensee named above, as Designated Agent for the Seller, to the exclusion of any other licensees associated with Firm. This shall be accomplished through an amendment to this Agreement, if necessary.
- c. **Default to Facilitator in the event both parties are represented by the same Designated Agent.** The Designated Agent shall default to Facilitator status for all showings or transactions *involving the same Designated Agent for both the Seller and a prospective buyer*, immediately notifying (verbally) the buyer and Seller of the need to default to this Facilitator status to be confirmed in writing prior to the execution of the contract. Upon any default to Facilitator status, the Designated Agent must assume a neutral position and will not be an advocate for either the Seller or any prospective buyers.
- d. **Resumption of Agency Status.** In the event that the Designated Agent defaults to a Facilitator status, this Facilitator status will only be temporary. The Facilitator status will only last until any transaction or contemplated transaction in which the parties are all assisted by the same Facilitator is resolved (either because the transaction is closed or the transaction or contemplated transaction between these parties is terminated or not accepted and no further negotiations occur between the parties). At that time, the agent will immediately revert to Designated Agency status for the Seller.

2. Seller Agency

- a. **Default to Facilitator.** Seller hereby authorizes Firm and Listing Licensee to default to Facilitator status (representing the interests of neither the Seller nor the buyer) in any Property showings, negotiations, or transactions, in which the Firm may also have a representation agreement with the buyer who is also being assisted by the Listing Licensee. In such event, Agent shall immediately notify (verbally) both the buyer and the Seller of the need to default to this Facilitator status and notification shall be confirmed in writing prior to the execution of the contract. As a Facilitator, Firm and Firm's licensee may assist the parties and provide information in subsequent negotiations in that transaction.
- b. **Resumption of Agency Status.** In the event that Firm and Listing Licensee default to a Facilitator status, this Facilitator status will only be temporary. The Facilitator status will only last until any transaction or contemplated transaction in which the parties are all represented by the Facilitator is resolved (either because the transaction is closed or contemplated transaction between the parties is terminated or not accepted and no further negotiations occur between the parties). At that time, the Firm and Listing Licensee shall immediately revert back to their status as Agent for the Seller.

13. **Agency.** Pursuant to Firm policy, Firm shall practice _____ (Designated Agency or Seller Agency – choose one) in this transaction.

14. Other Provisions.

- A. **Binding Effect, Entire Agreement, Modification, and Assignment.** This Agreement shall be for the benefit of, and be binding upon, the parties hereto, their heirs, successors, legal representatives and permitted assigns. This

This form is copyrighted and may only be used in real estate transactions in which _____ is involved as a Tennessee REALTORS® authorized user. Unauthorized use of the form may result in legal sanctions being brought against the user and should be reported to the Tennessee REALTORS® at 615- 321-1477.

Agreement may only be assigned with the written consent of both parties. This Agreement constitutes the sole and entire agreement between the parties hereto and no modification of this Agreement shall be binding unless signed by all parties or assigns to this Agreement. No representation, promise, or inducement not included in this Agreement shall be binding upon any party hereto. Any assignee shall fulfill all the terms and conditions of this Agreement.

B. Time of Essence. Time is of the essence in this Agreement.

C. Terminology. As the context may require in this Agreement: (1) the singular shall mean the plural and vice versa; (2) all pronouns shall mean and include the person, entity, firm, or corporation to which they relate; (3) the masculine shall mean the feminine and vice versa; and (4) the term day(s) used throughout this Agreement shall be deemed to be calendar day(s) ending at 11:59 p.m. local time unless otherwise specified in this Agreement. Local time shall be determined by the location of Property.

D. Governing Law and Venue. This Agreement is intended as a contract for the listing of real property and shall be governed by and interpreted in accordance with the laws and in the courts of the State of Tennessee.

E. Severability. If any portion or provision of this Agreement is held or adjudicated to be invalid or unenforceable for any reason, each such portion or provision shall be severed from the remaining portions or provision of this Agreement, and the remaining portions or provisions shall be unaffected and remain in full force and effect.

F. Fair Housing. Firm shall not deny services to, nor discriminate against, any person on the basis of race, color, creed, religion, sex, handicap, familial status, national origin, sexual orientation, or gender identity and will not honor any request to do so.

G. Party Information

Seller's address:

Firm's address:

_____, _____

_____, _____

Email: _____

Email: _____

15. Exhibits and Addenda. All exhibits and/or addenda attached hereto, listed below, or referenced herein are made a part of this Agreement. If any such exhibit or addendum conflicts with any preceding section, said exhibit or addendum shall control:

Exhibit "A" Legal Description

16. Special Stipulations. The following Special Stipulations, if conflicting with any preceding section, shall control:

☐ (Mark box if additional pages are attached.)

LEGAL DOCUMENTS: This is an important legal document creating valuable rights and obligations. If you have questions about it, you should review it with your attorney. Neither the Broker nor any Agent or Facilitator is authorized or qualified to give you any advice about the advisability or legal effect of its provisions.

NOTE: Any provisions of this Agreement which are preceded by a box "☐" must be marked to be a part of this Agreement. By affixing your signature below, you also acknowledge that you have reviewed each page and have received a copy of this Agreement.

The above is hereby accepted, _____ o'clock ____ M. on the ____ day of _____, ____.

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

BY: Broker or Licensee Authorized by Broker

BROKER/FIRM

_____ at _____ o'clock ☐ am/ ☐ pm

Date

Address

Print/Type Name

Phone: _____

Email: _____

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

SELLER/OWNER

SELLER/OWNER

By: _____

By: _____

Title: _____

Title: _____

Entity: _____

Entity: _____

Print/Type Name

Print/Type Name

_____ at _____ o'clock ☐ am/ ☐ pm

_____ at _____ o'clock ☐ am/ ☐ pm

Date

Date

Address

Address

Phone: _____ (H) _____ (Cell)

Phone: _____ (H) _____ (Cell)

_____ (W) Email: _____

_____ (W) Email: _____

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.

COMMERCIAL OPEN LISTING AGREEMENT

FIRM (listing company): _____

ADDRESS OF COMPANY: _____

OWNER / SELLER: _____

ADDRESS OF OWNER / SELLER: _____

For and in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, _____ (firm) as seller (hereinafter referred to as "Seller"), and _____ (firm) and its licensees (hereinafter collectively referred to as "Firm") do hereby enter into this Commercial Open Listing Agreement ("Agreement"), this _____ day of _____, _____ ("Effective Date").

1. Open Listing Agreement. Seller hereby grants to Firm the right and privilege as an agent of the Seller to show and offer for sale the following described property: All that tract of land known as:

(Address), _____ (City), Tennessee, _____ (Zip), as recorded in _____ County Register of Deeds Office, _____ deed book(s), _____ page(s), and/or _____ instrument number, and further described as:

together with all fixtures, landscaping, improvements, leases, mineral rights, air rights, and appurtenances (unless otherwise noted in Special Stipulations), all hereinafter collectively referred to as the "Property", as more particularly described in Exhibit "A", or if no Exhibit "A" is attached, as is recorded with the Register of Deeds of the county in which the Property is located and is made a part of this Agreement by reference. The term of this Agreement shall begin on _____, _____ and shall continue through _____, _____ (hereinafter referred to as "Listing Period").

2. Firm's Duties to Seller. Firm's sole duties to Seller shall be to: (a) use Firm's best efforts to procure a buyer ready, willing, and able to purchase the Property at a sales price of \$ _____ (including commission) ("Purchase Price") or any other price acceptable to Seller; (b) assist to the extent requested by Seller, in negotiating the terms of and filling out a preprinted real estate purchase and sale agreement; and (c) comply with all applicable laws and regulations in performing its duties hereunder including Tenn. Code Ann. § 62-13-101, et seq. and the Tennessee Real Estate Commission Rules, as amended.

3. Seller's Duties. Seller represents that Seller: (a) presently has title to the Property or has full authority to enter into this Agreement; (b) will cooperate with Firm to sell the Property to prospective buyers; (c) will make the Property available for showing at reasonable times as requested by Firm; and (d) will provide Firm with accurate information regarding the Property (including information concerning all adverse material facts pertaining to the physical condition of the Property). Seller will have the additional responsibility to provide Firm with the following documents if they are accessible to Seller:

- a. The most recent property tax assessments and tax bills;
- b. The most recent title insurance policy insuring the Property, including complete and legible copies of all documents (whether or not recorded) which are referenced therein as title exceptions;
- c. The most recent survey, ALTA (American Land Title Association) of the Property or if such a survey is not available, the most recent survey of the Property prepared by a licensed Tennessee surveyor;
- d. All soil reports covering any of the Property;
- e. All cruise reports of existing timber on the Property;
- f. All plans and specifications for Property improvements, including without limitation, diagrams of any outdoor irrigation system;
- g. All existing leases and subleases (including concession and license agreements for use of space within the Property) and any amendments and letter agreements relating thereto, together with all correspondence to and from tenants, and a written summary of any leases currently in negotiation, specifying the tenant, premises to be leased, rents, and term and outlining all other material deal points;

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- h. All current insurance policies, together with a written summary of insurance coverage and premiums by policy type;
- i. All certificates of occupancy;
- j. All contractor, vendor, manufacturer and other warranties with respect to all real property improvements, fixtures, equipment and personal property to be conveyed;
- k. All equipment leases and services and vendor contracts (including all amendments and side-letter agreements relating thereto);
- l. All environmental (hazardous substances), engineering, physical inspection, marketing and feasibility studies, assessments and reports, including any wetlands reports;
- m. A current rent roll for the Property together with monthly income and expense reports for the period of Seller's ownership of the Property (or for the previous 36 months if shorter);
- n. A written summary of all pending or threatened litigation, insurance claims and notices of legal violations, together with the pertinent notices, demands, pleadings and other documents;
- o. All reports, assessments or studies regarding actions required to bring the Property into compliance with the Americans with Disabilities Act or any similar state statute or local ordinance or code;
- p. A schedule of special assessment districts and assessment amounts, if any;
- q. A schedule of impact fees paid or owing on the Property, if any;
- r. A schedule of allowances or rebates due on tenant improvements, if any, and proof of insurance from individual tenants (including, as tenants, any space concessionaires of licensees);
- s. All maintenance records for the Property;
- t. All municipal, county, state or federal permits, licenses and authorizations affecting the use, operation and maintenance of the Property;
- u. All assignments, sales documentation or lease documents concerning mineral and/or air rights; and
- v. Other documents which are reasonably requested by a potential buyer during the Due Diligence Period.

4. Marketing.

Firm may advertise the Property for sale in all media and may photograph and/or videotape the Property and use the photographs and/or videotapes in connection with Firm's marketing efforts. Firm is also hereby authorized to place Firm's "For Sale" sign on the Property. Firm is authorized to procure buyers to purchase the Property in cooperation with other real estate brokers and their affiliated licensees. Firm is hereby granted the authority to advertise this listing on the Internet. Firm is additionally permitted to file this listing with any Multiple Listing Services (MLS(es)) or similar service(s) of which Firm is a member. Seller understands and agrees that by placing the listing on the MLS or these similar services, the listing may be included in a searchable database provided by the MLS or similar service which can be viewed on other agents' websites. Seller also agrees that the listing may also appear on publicly accessible websites sponsored by and/or affiliated with the MLS, the local association of Realtors®, or similar listing services and those who lawfully receive listing information from said entities. Firm may distribute listing and sales information (including the sales price) to buyers, other real estate brokers and their affiliated licensees, and/or multiple listing services or similar services. Firm and other real estate brokers and their affiliated licensees may show the Property without first notifying Seller.

5. Compensation.

A. Terms. Seller agrees to pay Firm, no later than at closing, a real estate commission of _____ percent (____%) of the Purchase Price of the Property or \$_____ in the event that during the Listing Period,

- (a) Firm procures a ready, willing, and able buyer who has entered into a purchase agreement or an agreement of exchange for the Property at the price described above;
- (b) Seller enters into an enforceable contract for the sale or exchange of the Property with any buyer procured by Firm; or
- (c) Seller enters into an option to purchase agreement procured by Firm during the Listing Period and buyer exercises said option.

Compensation is not due to the Firm in the event that Seller or another agent, without the assistance of Firm, secures the sale, exchange, transfer or exercised option of the Property. However, compensation as outlined above will be due to the Firm for any sale, exchange, transfer or exercised option of the Property that is procured by the Firm.

B. Cooperating Compensation. Firm shall share this compensation with a cooperating broker, if any, who procures the buyer of the Property by paying such cooperating broker _____% of Firm's commission or \$_____. Said cooperating broker is the agent and/or facilitator who represents the interests of and/or is working with the buyer. Cooperating brokers are expressly intended to be third-party beneficiaries under this Agreement only for the purposes of enforcing their commission rights as cooperating brokers.

C. Carry Over. Should the Seller contract to sell or exchange or an option agreement is executed for the Property within _____ days after the expiration of this Agreement to any buyer (or anyone acting on buyer's behalf) who has been introduced to the Property, directly or indirectly, by the Firm during the term hereof, as extended, the Seller agrees to pay the compensation as set forth herein at the closing of the sale or exchange of the Property. This includes but is not limited to any introduction or exposure to the Property by advertisements or postings appearing in any medium which originated as a result of listing the Property with Firm. Notwithstanding the above, in the event that the Property is sold to the prospective buyer by or through another licensed broker with whom Seller has signed an exclusive right to sell contract or exclusive agency contract, after the date of expiration of the Listing Period, then no compensation shall be owed to Firm by virtue of this Agreement. The compensation obligations set forth herein shall survive the termination of this Agreement.

D. Seller Breach or Failure to Close. In the event that a ready, willing, and able buyer is produced by Firm and a contract results, Seller is obligated to compensate the Firm in the event that Seller unlawfully fails to close by Seller's breach of the contract. In the event that this occurs, Seller agrees to compensate Firm in an amount equal to the compensation which would have been due and owing Firm had the transaction closed. Such compensation will be payable without demand. Should the Firm consent to release the Listing prior to the expiration of the Listing Period, Seller agrees to pay all costs incurred by the Firm to market the Property as a cancellation fee or other amount as agreed to by the parties, in addition to any other sums that may be due to the Firm. Seller agrees to pay all reasonable attorney's fees together with any court costs and expenses which real estate firm incurs in enforcing any of Seller's obligations under this Listing Agreement.

E. Buyer Breach or Failure to Close. Seller and Firm hereby agree that in the event of a failure of buyer to close under an enforceable contract, actual compensation earned by the Firm would be extremely difficult or impractical to ascertain. Accordingly, the parties agree that Firm shall be entitled to collect fifty percent (50%) of any earnest money/trust money remitted to Seller up to the amount of compensation that would have been earned had the contract closed, which the parties agree is a reasonable sum considering all of the circumstances existing as of the date of this Agreement. The parties agree that said amount does not constitute a penalty. Moreover, such partial compensation shall be credited against any future compensation due under this Agreement or any extensions thereof. Notwithstanding the foregoing, if Seller prevails in a specific performance lawsuit then the Firm shall be entitled to full compensation as outlined herein. However, compensation shall only be due to Firm if the buyer who failed to close was procured solely by the efforts of Firm. The parties hereby agree that all remedies are fair and equitable and neither party will assert the lack of mutuality of remedies as a defense in the event of a dispute.

6. Earnest Money/Trust Money. Firm is authorized to accept from buyer a deposit as Earnest Money/Trust Money to be applied to the purchase price for the Property. Such deposit is to be held by Firm in an escrow or trustee account or forwarded to party authorized to hold said funds as set forth in an executed contract for the purchase, lease, exchange, or option agreement until disbursed in accordance with the terms of said agreement.

7. Seller Indemnity. Seller agrees that Firm is only responsible to pay compensation under the terms of this Agreement to agents within the Firm or cooperating brokers who have dealt directly with the Firm in the sale of this Property. Seller further agrees to hold Firm harmless and indemnify it from any claim, demand, action, liability or proceedings resulting from claims for compensation made by anyone other than Firm or said cooperating brokers who have dealt directly with the Firm in the sale of this Property and to provide for defense costs including reasonable attorney's fee for agents and Firm in such an event. This indemnification shall survive the Closing and any other termination of this Agreement.

8. Limits on Firm's Authority and Responsibility. Seller acknowledges and agrees that Firm: (a) may show other properties to prospective buyers who are interested in Seller's Property; (b) is not an expert with regard to matters that could be revealed through a survey, title search, or inspection; the condition of the Property; for the condition of the Property, any portion thereof, or any item therein; for any geological issues present on the Property; for the necessity or cost of repairs to the Property; for hazardous or toxic materials; for the availability and cost of utilities, septic or community amenities; for any conditions existing off the Property that may affect the Property; for uses and zoning of the Property, whether permitted or proposed; for applicable boundaries of school districts or other school information; for proposed or pending condemnation actions involving the Property; for the appraised or future value of the Property; for termites and wood destroying organisms; for building products and construction techniques; for the tax or legal consequences of a contemplated transaction; or for matters relating to financing (Seller acknowledges that Firm (including its broker and affiliated licensees) is not an expert with respect to the above matters and is hereby advised to seek independent expert advice on any of these matters which are of concern to Seller. Seller further acknowledges that he has not relied upon any advice, representations or statements of Firm (including its broker and affiliated licensees) and waives and shall not assert any claims against Firm (including its broker and affiliated licensees) involving same); (c) shall owe no duties to Seller nor have any authority to act on behalf of Seller other than what is set forth in this Agreement and those duties contained

in the Tennessee Real Estate Broker License Act of 1973, and the Tennessee Real Estate Commission Rules, as amended; (d) may make all disclosures required by law or the Realtors® Code of Ethics; and (e) may disclose all information about the Property to others.

Seller agrees to hold Firm (including its broker and affiliated licensees) harmless from any and all claims, causes of action, or damages (and shall indemnify Firm (including its broker and affiliated licensees) therefore) arising out of or relating to: (a) Seller providing Firm incomplete and/or inaccurate information; (b) the handling of Earnest money/Trust money by anyone other than Broker (if such Earnest money/Trust money is entrusted to such person by Seller); or (c) any injury to persons on the Property and/or loss of or damage to the Property or anything contained therein.

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.

9. Foreign Investment in Real Property Tax Act ("FIRPTA") Disclosure.

Seller is hereby notified to consult with his/her own closing attorney and tax professional concerning the applicability of the Foreign Investment in Real Property Tax Act ("FIRPTA") which may require tax withholding to be collected from Seller at the Closing of any sale of the Property. Examples of this may include if Seller can be classified as one of the following:

Non United States citizen;

Non resident alien; or

Foreign corporation, partnership, trust or estate.

It is Seller's Responsibility to seek independent tax advice prior to any Closing Date regarding such tax matters.

10. Extension. If during the term of this Agreement, Seller and a prospective Buyer who was introduced to the Property by Firm or any other real estate agent working on behalf of Seller enter into a real estate sales contract which is not consummated for any reason whatsoever, then the original expiration date of this Agreement shall be extended for the number of days that the Property was under contract.

11. Required State Law Disclosures.

(a) Firm agrees to keep confidential all information which Seller asks to be kept confidential by express request or instruction unless Seller permits such disclosure in writing, by Seller's subsequent work or conduct, or such disclosure is required by law.

(b) Firm may not knowingly give customers false information.

(c) In the event of a conflict between Firm's duty not to give customers false information and the duty to keep the confidences of Seller, the duty not to give customers false information shall prevail.

(d) Unless specified below in Special Stipulations, Firm has no other known agency relationships with other parties which would conflict with any interests of Seller (except that Firm may represent other buyers, sellers, landlords, and tenants in buying, selling or leasing property).

12. Types of Agency.

A. Definitions

1. Designated Agent for the Seller. The individual licensee that has been assigned by his/her Managing Broker and is working as an agent for the Seller or Property Owner in this consumer's prospective transaction, to the exclusion of all other licensees in his/her company. Even if someone else in the licensee's company represents a possible buyer for this Seller's Property, the Designated Agent for the Seller will continue to work as an advocate for the best interests of the Seller or Property Owner. An agency relationship of this type cannot, by law, be established without a written agency agreement.

2. Agent for the Seller. The licensee's company is working as an agent for the Property Seller and owes primary loyalty to the Seller. Even if the licensee is working with a prospective buyer to locate property for sale, rent, or lease, the licensee and his/her company are legally bound to work in the best interests of any Property Owners whose Property is shown to this prospective buyer. An agency relationship of this type cannot, by law, be established without a written agency agreement.

3. **Facilitator / Transaction Broker (not an agent for either party).** The licensee is not working as an agent for either party in this consumer's prospective transaction. A Facilitator may advise either or both of the parties to a transaction but cannot be considered a representative or advocate of either party. "Transaction Broker" may be used synonymously with, or in lieu of, "Facilitator" as used in any disclosures, forms or agreements. [By law, any licensee or company who has not entered into a written agency agreement with either party in the transaction is considered a Facilitator or Transaction Broker until such time as an agency agreement is established.]
4. **Dual agency.** The licensee has agreements to provide services as an agent to more than one (1) party in a specific transaction and in which the interests of such parties are adverse. This agency status may only be employed upon full disclosure to each party and with each party's informed consent.

B. Seller's Authorizations:

1. Designated Agency

- a. **Appointment of Subsequent Designated Agent.** Seller hereby authorizes the Managing Broker, if necessary, to appoint a licensee, other than the licensee named above, as Designated Agent for the Seller, to the exclusion of any other licensees associated with Firm. This shall be accomplished through an amendment to this Agreement, if necessary.
- b. **Default to Facilitator in the event both parties are represented by the same Designated Agent.** The Designated Agent shall default to Facilitator status for all showings or transactions *involving the same Designated Agent for both the Seller and a prospective buyer*, immediately notifying (verbally) the buyer and the Seller of the need to default to this Facilitator status to be confirmed in writing prior to the execution of the contract. Upon any default to Facilitator status, the former Designated Agent must assume a neutral position and will not be an advocate for either the Seller or any prospective buyers.
- c. **Resumption of Agency Status.** In the event that the Designated Agent defaults to a Facilitator status, this Facilitator status will only be temporary. The Facilitator status will only last until any transaction or contemplated transaction in which the parties are all assisted by the same Facilitator is resolved (either because the transaction is closed or the transaction or contemplated transaction between these parties is terminated or not accepted and no further negotiations occur between the parties). At that time, the agent will immediately revert to Designated Agency status for the Seller.

2. Seller Agency

- a. **Assignment of Designated Agent.** Seller hereby authorizes the Managing Broker to appoint the Listing Licensee as the Designated Agent for the Seller, to the exclusion of any other licensee associated with Firm, in the event another licensee affiliated with the Firm represents the buyer. A Designated Agent for the Seller can and will continue to advocate Seller's interests in a transaction even if an Agent or Designated Agent for the buyer (other than the Listing Licensee) is also associated with Firm.
- b. **Default to Facilitator.** Seller hereby authorizes Firm and Listing Licensee to default to Facilitator status (representing the interests of neither the Seller nor the buyer) in any Property showings, negotiations, or transactions in which the Firm may also have a representation agreement with the buyer who is also being assisted by the Listing Licensee. In such event, Agent shall immediately notify (verbally) both the buyer and the Seller of the need to default to this Facilitator status and notification shall be confirmed in writing prior to the execution of the contract. As a Facilitator, Firm and Firm's licensee may assist the parties and provide information in subsequent negotiations in that transaction.
- c. **Resumption of Agency Status.** In the event that Firm and Listing Licensee default to a Facilitator status, this Facilitator status will only be temporary. The Facilitator status will only last until any transaction or contemplated transaction in which the parties are all represented by the Facilitator is resolved (either because the transaction is closed or contemplated transaction between the parties is terminated or not accepted and no further negotiations occur between the parties). At that time, the Firm and Listing Licensee shall immediately revert back to their status as Agent for the Seller.

13. **Agency.** Pursuant to Firm policy, Firm shall practice _____ (Designated Agency or Seller Agency – choose one) in this transaction.

14. Other Provisions.

- A. **Binding Effect, Entire Agreement, Modification, and Assignment.** This Agreement shall be for the benefit of, and be binding upon, the parties hereto, their heirs, successors, legal representatives and permitted assigns. This Agreement may only be assigned with the written consent of both parties. This Agreement constitutes the sole and entire agreement between the parties hereto and no modification of this Agreement shall be binding unless signed by

all parties or assigns to this Agreement. No representation, promise, or inducement not included in this Agreement shall be binding upon any party hereto. Any assignee shall fulfill all the terms and conditions of this Agreement.

B. Time of Essence. Time is of the essence in this Agreement.

C. Terminology. As the context may require in this Agreement: (1) the singular shall mean the plural and vice versa, (2) all pronouns shall mean and include the person, entity, firm, or corporation to which they relate, (3) the masculine shall mean the feminine and vice versa, and (4) the term day(s) used throughout this Agreement shall be deemed to be calendar day(s) ending at 11:59 p.m. local time unless otherwise specified in this Agreement. Local time shall be determined by the location of Property.

D. Governing Law and Venue. This Agreement is intended as a contract for the listing of real property and shall be governed by and interpreted in accordance with the laws and in the courts of the State of Tennessee.

E. Severability. If any portion or provision of this Agreement is held or adjudicated to be invalid or unenforceable for any reason, each such portion or provision shall be severed from the remaining portions or provisions of this Agreement, and the remaining portions or provisions shall be unaffected and remain in full force and effect.

F. Party Information.

Seller's address:

Firm's address:

_____, _____

_____, _____

Email: _____

Email: _____

G. Fair Housing. Firm shall not deny services to, nor discriminate against, any person on the basis of race, color, creed, religion, sex, handicap, familial status, national origin, sexual orientation, or gender identity and will not honor any request to do so.

15. Exhibits and Addenda. All exhibits and/or addenda attached hereto, listed below, or referenced herein are made a part of this Agreement. If any such exhibit or addendum conflicts with any preceding section, said exhibit or addendum shall control:

Exhibit "A" Legal Description

16. Special Stipulations. The following Special Stipulations, if conflicting with any preceding section, shall control:

☐ (Mark box if additional pages are attached.)

LEGAL DOCUMENTS: This is an important legal document creating valuable rights and obligations. If you have questions about it, you should review it with your attorney. Neither the Broker nor any Agent or Facilitator is authorized or qualified to give you any advice about the advisability or legal effect of its provisions.

NOTE: Any provisions of this Agreement which are preceded by a box "☐" must be marked to be a part of this Agreement. By affixing your signature below, you also acknowledge that you have reviewed each page and have received a copy of this Agreement.

The above is hereby accepted, _____ o'clock ____ M. on the ____ day of _____, _____.

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

BY: Broker or Licensee Authorized by Broker

BROKER/FIRM

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

Address

Print/Type Name

Phone: _____

Email: _____

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

SELLER/OWNER

SELLER/OWNER

By: _____

By: _____

Title: _____

Title: _____

Entity: _____

Entity: _____

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

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

Address

Address

Phone: _____ (H) _____ (Cell)

Phone: _____ (H) _____ (Cell)

_____ (W) Email: _____

_____ (W) Email: _____

NOTE: This form is provided by TAR 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 TAR logo in conjunction with any form other than standardized forms created by TAR 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.

COMMERCIAL EXCLUSIVE LEASING AGREEMENT

For and in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged,

_____ (hereinafter referred to as "Owner"),
and _____ as broker/firm and its affiliated
licensees (hereinafter collectively referred to as "Broker") do hereby enter into this Commercial Exclusive Leasing Agreement
("Agreement"), this _____ day of _____, _____ ("Effective Date").

WHEREAS, Owner owns that certain real estate property described as follows: All that tract of land known as:
_____ (Address),
_____ (City), Tennessee, _____ (Zip), as recorded in _____
County Register of Deeds Office, _____ deed book(s) _____ page(s) and/or
_____ instrument number, _____ and _____ further described as:

_____ together with all fixtures, landscaping, improvements, and appurtenances, all being hereinafter collectively referred to as the
"Property", as more particularly described in Exhibit "A", or if no Exhibit "A" is attached as is recorded with the Register of
Deeds of the county in which the Property is located and is made a part of this Agreement by reference.

1. TERM. Broker shall have the exclusive right to market the Property for lease for the period of _____
beginning on _____, _____ and shall continue through and including _____,
("Agreement Term"). The Property may be occupied by a tenant obtained by Broker on or after
_____. If Owner terminates this Agreement, Owner shall pay Broker all fees which would
be due both from the present and future months by virtue of any unexpired rental agreement in effect at the time of
termination. Broker may deduct the full amount of such fees from any monies coming to Broker which would be due
Owner.

2. LEASES. Any lease agreement will be in writing, with the basic terms being: a lease period of _____ months at a
monthly rental rate of \$ _____ (_____ Dollars), or such other terms agreeable to
Owner.

3. BROKER'S DUTIES. Owner hereby gives Broker the following duties and responsibilities in connection with this
Agreement (*Check all that apply. Items not marked are not a part of this Agreement*):

- ☐ **A.** Broker is authorized to solicit an offer to lease the Property.
- ☐ **B.** Broker is authorized to enter into a lease of the Property on Owner's behalf if it is for a term of no more than
_____ months or less than _____ months at a monthly rental of at least \$ _____.
- ☐ **C.** Broker is authorized to renew leases for the Property on Owner's behalf; to collect rents due or to become due
(including any late fees, insufficient funds fees, and/or interest) and give receipts therefore; and to provide notices
of termination of tenancies at the end of the lease terms and/or in a month-to-month tenancy situation according
to the terms of the lease agreement; and to disseminate such other notices as are appropriate.
- ☐ **D.** Broker is authorized to collect the rents (including any late fees, insufficient funds fees, and/or interest), deduct
compensation due Broker, and deduct any other fees that may have been paid on behalf of Owner by Broker and
disperse the remaining funds to Owner. Owner is hereby aware that Broker may deduct these expenses from the
monies coming to Broker that are due to Owner.
- ☐ **E.** See Special Stipulations

4. OWNER'S DUTIES. Owner represents that Owner: (a) presently has title to the Property or has full authority to enter
into this Agreement; (b) will cooperate with Broker to lease the Property to prospective tenants; (c) will make the Property
available for showing at reasonable times as requested by Broker; and (d) will provide Broker with accurate information
regarding the Property (including information concerning all adverse material facts pertaining to the physical condition of
the Property).

5. MARKETING.

Broker may advertise the Property for lease in all media and may photograph and/or videotape the Property and use the photographs and/or videotapes in connection with Broker's marketing efforts. Owner agrees not to place any advertisements on the Property or to advertise the Property for lease in any media except with the prior written consent of Broker. Broker is also hereby authorized to place Broker's "For Lease" sign or equivalent signage on the Property. Broker is authorized to procure tenants to lease the Property in cooperation with other real estate brokers and their affiliated licensee. Broker is hereby granted the authority to advertise this listing on the Internet. Broker is additionally permitted to file this listing with any Multiple Listing Services (MLS(es)) or similar service(s) of which Broker is a member. Owner understands and agrees that by placing the listing on the MLS or these similar services, the listing may be included in a searchable database provided by the MLS or similar service which can be viewed on other agents' websites. Owner also agrees that the listing may also appear on publicly accessible websites sponsored by and/or affiliated with the MLS, the local association of Realtors®, or similar listing services and those who lawfully receive listing information from said entities. Broker may distribute leasing information (including the rent price) to tenants, other real estate brokers and their affiliated licensees, and/or multiple listing services or similar services. Broker and other real estate brokers and their affiliated licensees may show the Property without first notifying Owner.

6. COMPENSATION. Broker shall be compensated on the following basis:

A. Terms. In the event that the Property is leased to a tenant during the Agreement Term, Owner agrees to pay Broker a commission of *[Check one. The sections not marked shall not be a part of this Agreement.]*:

- ☐ 1. \$ _____ or _____ % of the base rents to be paid, which shall be due and payable upon occupancy by a tenant. This compensation amount shall be based on the total amount of base rent to be paid over the lease term.
- ☐ 2. \$ _____ or _____ % of the base rents paid, which shall be due and payable upon a tenant's monthly payment of rent. This compensation amount shall be based on the total amount of base rent to be paid and shall be payable over the lease term.
- ☐ 3. Other.

B. Transfer of Lease Property. If Broker's commission is paid overtime, Owner shall include in the lease agreement a provision providing for Owner's payment of commission to Broker, as stated herein. Owner agrees that if Owner transfers title to property, such transfer shall be contingent upon the successor owner assuming Owner's obligations to pay commission to Broker under this Agreement. Owner shall remain jointly and severally liable to Broker for the payment of commission to Broker. Broker reserves the right to file a "Notice of Agreement to Pay Leasing Commission" (Form CF 704) or other equivalent written documentation in the Register of Deeds Office in the county in which the Property is located.

C. Cooperating Compensation. Broker may share this commission with a cooperating broker, if any, who procures a tenant for Property by paying such cooperating broker _____ % of Broker's commission or \$ _____, or as determined in the Special Stipulations section of this Agreement. Said cooperating broker is the agent or facilitator who represents the interests of and/or is working with the tenant. Cooperating brokers are expressly intended to be third-party beneficiaries under this Agreement only for the purposes of enforcing their commission rights as cooperating brokers.

D. Renewal or Extension of Lease. If Owner renews or extends a lease to a tenant (or a related person or entity of that tenant) originally secured during the Agreement Term, Owner will pay Broker \$ _____ or _____ % of each additional month's rent.

E. Carry Over Clause. Should the Owner lease or contract to lease the Property within _____ days after the expiration of this Agreement to any tenant (or a related person or entity of that tenant) who has been introduced to the Property, directly or indirectly during the Agreement Term hereof, as extended, the Owner agrees to pay the compensation as set forth herein. This includes but is not limited to any introduction or exposure to Property by advertisements or postings appearing in any medium which originated as a result of listing the Property with Broker. Notwithstanding the above, in the event that the Property is leased to the prospective tenant through another licensed broker with whom the Owner has signed an exclusive leasing agreement after the date of expiration of this Agreement, then no

compensation shall be owed to Broker by virtue of this Agreement. The compensation obligations set forth herein shall survive the termination of this Agreement.

F. Enforcement. Owner agrees to pay all reasonable attorney's fees together with any court costs and expenses which real estate firm incurs in enforcing any of Owner's obligations to pay compensation under this Agreement. The parties hereby agree that all remedies are fair and equitable and neither party will assert the lack of mutuality of remedies as a defense in the event of a dispute.

7. SALE OF PROPERTY. If Owner sells the Property to a tenant (or related person or entity of such tenant) obtained by Broker, either during the term of the lease or thereafter, Owner will pay Broker compensation of _____% of the price for which the Property is sold at closing, or as determined in the Special Stipulations section of this Agreement. This obligation shall survive the expiration or termination of this Agreement.

8. NONDISCRIMINATION. Broker shall not deny services to, nor discriminate against, any person on the basis of race, color, creed, religion, sex, handicap, familial status, national origin, sexual orientation, or gender identity and will not honor any request to do so.

9. DEPOSIT MONEY. Broker is authorized to accept from tenant(s) a security deposit as set forth in the lease agreement. Broker shall deposit the funds into an escrow or trustee account or forward funds to the party authorized to hold such funds as set forth in the executed lease agreement until disbursed in accordance with the terms of the lease agreement.

10. CONDITION OF PROPERTY. Owner certifies that unless provided otherwise herein, all systems and fixtures are in working condition. Upon the execution of this Agreement, Owner will provide two sets of keys for the Property and ensure that the Property is clean and the grounds are in good condition. Owner shall maintain adequate fire and extended insurance coverage on the Property, and Owner will, at all times, maintain landlord's liability insurance for Owner and will cause Broker to be named as additionally insured under such liability insurance. Owner will provide Broker with evidence of such insurance coverage prior to date of occupancy of tenant.

EXCEPTIONS:

11. RECEIPT AND PAYMENT OF FUNDS. Broker is authorized to deposit all rent and security deposit(s) received related to the Property in a trustee or escrow account maintained by Broker. However, Broker will not be held liable in event of bankruptcy or failure of a depository. Broker shall distribute deposits funds in accordance with the executed lease agreement. Broker shall distribute any rent received as follows:

12. TYPES OF AGENCY.

A. Definitions

1. Designated Agent for the Owner. The individual licensee that has been assigned by his/her Managing Broker and is working as an agent for the Owner in this consumer's prospective transaction, to the exclusion of all other licensees in his/her company. Even if someone else in the licensee's company represents a possible tenant for this Owner's Property, the Designated Agent for the Owner will continue to work as an advocate for the best interests of the Owner. An agency relationship of this type cannot, by law, be established without a written agency agreement.

2. Agent for the Owner. The licensee's company is working as an agent for the Owner and owes primary loyalty to the Owner. Even if the licensee is working with a prospective tenant to locate property for sale, rent, or lease, the licensee and his/her company are legally bound to work in the best interests of any Owner whose Property is

shown to this prospective tenant. An agency relationship of this type cannot, by law, be established without a written agency agreement.

3. **Facilitator / Transaction Broker (not an agent for either party).** The licensee is not working as an agent for either party in this consumer's prospective transaction. A Facilitator may advise either or both of the parties to a transaction but cannot be considered a representative or advocate of either party. "Transaction Broker" may be used synonymously with, or in lieu of, "Facilitator" as used in any disclosures, forms or agreements. [By law, any licensee or company who has not entered into a written agency agreement with either party in the transaction is considered a Facilitator or Transaction Broker until such time as an agency agreement is established.]
4. **Dual agency.** The licensee has agreements to provide services as an agent to more than one (1) party in a specific transaction and in which the interests of such parties are adverse. This agency status may only be employed upon full disclosure to each party and with each party's informed consent.

B. Owner's Authorizations:

1. Designated Agency

- a. **Appointment of Designated Agent.** Owner hereby authorizes Managing Broker to appoint the Listing Licensee as Designated Agent for the Owner, to the exclusion of any other licensees associated with Broker. A Designated Agent for the Owner can and will continue to advocate Owner's interests in a transaction even if a Designated Agent for the tenant (other than the licensee below) is also associated with Broker. The Managing Broker hereby appoints _____ to be the Designated Agent to the Owner in this transaction.
- b. **Appointment of Subsequent Designated Agent.** Owner hereby authorizes the Managing Broker, if necessary, to appoint a licensee, other than the licensee named above, as Designated Agent for the Owner, to the exclusion of any other licensees associated with Broker. This shall be accomplished through an amendment to this Agreement, if necessary.
- c. **Default to Facilitator in the event both parties are represented by the same Designated Agent.** The Designated Agent shall default to Facilitator status for all showings or transactions *involving the same Designated Agent for both the Owner and a prospective tenant*, immediately notifying (verbally) the Owner and tenant of the need to default to this Facilitator status to be confirmed in writing prior to the execution of the contract. Upon any default to Facilitator status, the Designated Agent must assume a neutral position and will not be an advocate for either the Owner or any prospective tenants.
- d. **Resumption of Agency Status.** In the event that the Designated Agent defaults to a Facilitator status, this Facilitator status will only be temporary. The Facilitator status will only last until any transaction or contemplated transaction in which the parties are all assisted by the same Facilitator is resolved (either because the transaction is completed or the transaction or contemplated transaction between these parties is terminated or not accepted and no further negotiations occur between the parties). At that time, the agent will immediately revert to Designated Agency status for the Owner.

2. Landlord/Seller Agency

- a. **Default to Facilitator.** Owner hereby authorizes Broker and Listing Licensee to default to Facilitator status (representing the interests of neither the Owner nor the tenant) in any Property showings, negotiations, or transactions, in which the Broker may also have a representation agreement with the tenant who is also being assisted by the Listing Licensee. In such event, Agent shall immediately notify (verbally) both the Owner and the tenant of the need to default to this Facilitator status and notification shall be confirmed in writing prior to the execution of the contract. As a Facilitator, Broker and Broker's licensee may assist the parties and provide information in subsequent negotiations in that transaction.
- c. **Resumption of Agency Status.** In the event that Broker and Listing Licensee default to a Facilitator status, this Facilitator status will only be temporary. The Facilitator status will only last until any transaction or contemplated transaction in which the parties are all represented by the Facilitator is resolved (either because the transaction is completed or contemplated transaction between the parties is terminated or not accepted and no further negotiations occur between the parties). At that time, the Broker and Listing Licensee shall immediately revert back to their status as Agent for the Owner.

13. **AGENCY.** Pursuant to Broker policy, Broker shall practice _____
(Designated Agency or Landlord/Seller Agency – choose one) in this transaction.

14. REQUIRED STATE LAW DISCLOSURES.

- A. Broker agrees to keep all information which Owner asks to be kept confidential by express request or instruction unless Owner permits such disclosure in writing, by subsequent work or conduct or such disclosure is required by law or the Realtors® Code of Ethics.

- B.** Broker may not knowingly give customers false information.
- C.** In the event of a conflict between Broker's duty not to give customers false information and the duty to keep the confidences of Owner, the duty not to give customers false information shall prevail.
- D.** Unless specified below, Broker has no other known agency relationships with other parties which would conflict with any interests of Owner (except that Broker may represent other buyers, sellers, landlords, and tenants in buying, selling or leasing property).

15. LIMITS ON BROKER'S DUTIES AND RESPONSIBILITIES AND DISCLAIMER. It is understood and agreed that the real estate firms and real estate licensee(s) representing or assisting Owner or the tenant are not parties to any lease agreement between Owner and the tenant and do not have or assume liability for the performance or nonperformance of Owner or tenant.

Owner acknowledges and agrees that Broker: (a) may show other properties to prospective tenants who are interested in Owner's Property; (b) is not an expert with regard to matters that could be revealed through a survey, title search, or inspection of the Property; for the condition of Property, any portion thereof, or any item therein; for any geological issues present on the Property; for the necessity, or cost of repairs; for hazardous or toxic materials; for the availability and cost of utilities, septic or community amenities; for conditions existing off the Property that may affect the Property; for uses and zoning of the Property, whether permitted or proposed; for applicable boundaries of school districts or other school information; for proposed or pending condemnation actions involving the Property; for the appraised or future value of the Property; for termites and wood destroying organisms; for building products and construction techniques; for the tax or legal consequences of a contemplated transaction; or for matters relating to financing (Owner acknowledges that Broker is not an expert with respect to the above matters and is hereby advised to seek independent expert advice on any of these matters of concern to Owner. Owner further acknowledges that he has not relied upon any advice, representations or statements of Brokers (including their firms and affiliated licensees) and waives and shall not assert any claims against Brokers (including their firms and affiliated licensees) involving same); (c) shall owe no duties to Owner nor have any authority to act on behalf of Owner other than what is set forth in this Agreement and those duties contained in the Tennessee Real Estate Broker License Act of 1973 and the Tennessee Real Estate Commission Rules, as amended; (d) may make all disclosures required by law and the Realtors® Code of Ethics; and (e) may disclose all information about the Property to others.

Owner agrees to hold Broker (including firm and affiliated licensees) harmless from any and all claims, causes of action, or damages (and shall indemnify Broker (including firm and affiliated licensees) therefrom) arising out of or relating to: (a) Owner providing Broker incomplete and/or inaccurate information; (b) the handling of deposit money by anyone other than Broker (if such deposit money is entrusted to such person by Owner); or (c) any injury to persons on the Property and/or loss of or damage to the Property or anything contained therein.

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

16. INDEMNITY. Owner agrees to hold Broker harmless from all damage suits in connection with the leasing of the Property and from liability from injury suffered by an employee or other person whomsoever, and to carry, at his own expense, necessary public liability and worker's compensation insurance adequate to protect the interest of the parties hereto, which policies shall be so written as to protect Broker in the same manner and to the same extent they protect the Owner, and will name Broker as coinsured. Broker shall not be liable for any error of judgment or any mistake, in fact or in law, or for anything which it may do or refrain from doing hereinafter, except in cases of willful misconduct or gross negligence. Notwithstanding any other provisions to the contrary, Broker shall under no circumstances have any liability greater than the compensation actually paid to Broker hereunder including commissions, excluding any commission amount paid to a cooperating real estate broker, if any.

17. OTHER PROVISIONS.

A. Binding Effect, Entire Agreement, Modification, and Assignment. This Agreement shall be for the benefit of, and be binding upon, the parties hereto, their heirs, successors, legal representatives and permitted assigns. This Agreement may only be assigned with the written consent of both parties. This Agreement constitutes the sole and entire agreement between the parties hereto and no modification of this Agreement shall be binding unless signed by all parties or assigns to this Agreement. No representation, promise, or inducement not included in this Agreement shall be binding upon any party hereto. Any assignee shall fulfill all the terms and conditions of this Agreement.

B. Governing Law and Venue. This Agreement is intended as a contract for the lease listing of real property and shall be interpreted in accordance with the laws and in the courts of the State of Tennessee.

D. Terminology. As the context may require in this Agreement: (1) the singular shall mean the plural and vice versa; (2) all pronouns shall mean and include the person, entity, firm, or corporation to which they relate; (3) the masculine shall mean the feminine and vice versa; and (4) the term day(s) used throughout this Agreement shall be deemed to be calendar day(s) ending at 11:59 p.m. local time unless otherwise specified in this Agreement. Local time shall be determined by the location of Property.

F. Notices. Except as otherwise provided herein, all notices, including demands, offers, counteroffers, acceptances, and amendments required or permitted hereunder shall be in writing, signed by the party giving the notice and delivered to the party at the address set forth below (or at such other address as the party may provide in writing) either: (1) in person, (2) by an overnight delivery service, prepaid, (3) facsimile transmission (FAX) (provided that an original of the notice shall be promptly sent thereafter if so requested by the party receiving the same), (4) by the United States Postal Service, postage prepaid, registered or certified return receipt requested or (5) Email. The parties agree that a faxed or emailed signature of a party constitutes an original signature binding upon that party. Notice shall be deemed to have been given as of the date and time it is actually received. Notwithstanding the above, notice by FAX shall be deemed to have been given as of the date and time it is transmitted if the sending FAX produces a written confirmation with the date, time, and telephone number to which the notice was sent.

Email: _____

18. SPECIAL STIPULATIONS. The following Special Stipulations, if conflicting with any preceding section, shall control:

DRAFT

BY SIGNING THIS AGREEMENT, OWNER ACKNOWLEDGES THAT: (1) OWNER HAS READ ALL PROVISIONS MADE HEREIN; (2) OWNER UNDERSTANDS ALL SUCH PROVISIONS AND DISCLOSURES AND HAS ENTERED INTO THIS AGREEMENT VOLUNTARILY; AND (3) OWNER IS NOT SUBJECT TO A CURRENT LEASING AGREEMENT WITH ANY OTHER BROKER.



LEGAL DOCUMENTS: This is an important legal document creating valuable rights and obligations. If you have questions about it, you should review it with your attorney. Neither the Broker nor any Agent or Facilitator is authorized or qualified to give you any advice about the advisability or legal effect of its provisions.

NOTE: Any provisions of this Agreement which are preceded by a box "☐" must be marked to be a part of this Agreement. By affixing your signature below, you also acknowledge that you have reviewed each page and have received a copy of this Agreement.

The above proposition is hereby accepted at _____ o'clock ____ M. on the _____ day of _____, _____.

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

BY: Broker or Licensee Authorized by Broker

BROKER/FIRM

_____ at _____ o'clock ☐ am/ ☐ pm

Date

Address

Print/Type Name

Phone: _____

Email: _____

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

OWNER/SELLER

OWNER/SELLER

By: _____

By: _____

Title: _____

Title: _____

Entity: _____

Entity: _____

_____ at _____ o'clock ☐ am/ ☐ pm

_____ at _____ o'clock ☐ am/ ☐ pm

Date

Date

Address

Address

Phone: _____ (H) _____ (Cell)

Phone: _____ (H) _____ (Cell)

_____ (W) Email: _____

_____ (W) Email: _____

NOTE: This form is provided by TAR 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 TAR logo in conjunction with any form other than standardized forms created by TAR 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.

This form is copyrighted and may only be used in real estate transactions in which _____ is involved as a TAR authorized user. Unauthorized use of the form may result in legal sanctions being brought against the user and should be reported to the Tennessee Association of Realtors® at 615- 321-1477.



COMMERCIAL OPEN LISTING AGREEMENT (FOR LEASE)

For and in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, _____ (hereinafter referred to as "Owner"), and _____ as broker and its licensees (hereinafter collectively referred to as "Broker") do hereby enter into this Agreement, this _____ day of _____, _____ ("Effective Date").

1. Open Listing Agreement. Owner hereby grants to Broker the non-exclusive right and privilege to show and offer for lease the following described property as the real estate broker for Owner:

All that tract of land known as: _____ (Address), _____ (City), Tennessee, _____ (Zip), as recorded in _____ County Register of Deeds Office, _____ deed book(s) _____ page(s), and/or _____ instrument number, and further described as:

_____ together with all fixtures, landscaping, improvements, and appurtenances, all being hereinafter collectively referred to as the "Property", as more particularly described in Exhibit "A", or if no Exhibit "A" is attached as is recorded with the Register of Deeds of the county in which the Property is located and is made a part of this Agreement by reference. The term of this Agreement shall begin on _____, _____ and shall continue through _____, _____ (hereinafter referred to as "Authorization Period").

2. Leases. Any lease agreement will be in writing.

3. Broker's Duties to Owner. Broker's sole duties to Owner shall be to: (a) use Broker's best efforts to procure a tenant ready, willing, and able to lease the Property at a rental price of \$ _____ per month (including commission) or any other price acceptable to Owner, for a term of at least _____ months; (b) assist, to the extent requested by Owner, in negotiating the terms of and filling out a preprinted real estate lease agreement; and (c) comply with all applicable laws and regulations in performing its duties hereunder including the Tennessee Real Estate License Act of 1973 and the Tennessee Real Estate Commission Rules and Policies, as amended.

4. Owner's Duties. Owner represents that Owner: (a) presently has title to the Property or has full authority to enter into this Agreement; (b) will cooperate with Broker to lease the Property to prospective tenants; (c) will make the Property available for showing at reasonable times as requested by Broker; and (d) will provide Broker with accurate information regarding the Property (including information concerning all adverse material facts pertaining to the physical condition of the Property).

5. Marketing. Broker may advertise the Property for lease in all media and may photograph and/or videotape the Property and use the photographs and/or videotapes in connection with Broker's marketing efforts. Broker is also hereby authorized to place Broker's "For Lease" sign or equivalent signage on the Property. Broker is authorized to procure tenants to lease the Property in cooperation with other real estate brokers and their affiliated licensees. Broker is hereby granted the authority to advertise this listing on the Internet. Broker is additionally permitted to file this listing with any Multiple Listing Services (MLS(es)) or similar service(s) of which Broker is a member. Owner understands and agrees that by placing the listing on the MLS or these similar services, the listing may be included in a searchable database provided by the MLS or similar service which can be viewed on other agents' websites. Owner also agrees that the listing may also appear on publicly accessible websites sponsored by and/or affiliated with the MLS, the local association of Realtors®, or similar listing services and those who lawfully receive listing information from said entities. Broker may distribute leasing information (including the rent price) to tenants, other real estate brokers and their affiliated licensees, and/or multiple listing services or similar services. Broker and other real estate brokers and their affiliated licensees may show the Property without first notifying Owner.

6. Early Termination. Broker or Owner shall have the right to terminate this Agreement at any time by giving the other party written notice; however this shall not limit Broker's remedies under the Compensation section.

7. Compensation. Broker shall be compensated on the following basis:

A. Terms. If any prospective tenant introduced to the Property by Broker enters into an enforceable contract to lease the Property during the Authorization Period, Owner agrees to pay Broker a commission of *[Check one. The section not marked shall not be a part of this Agreement]*:

- ☐ 1. \$_____ or _____% of the base rents to be paid, which shall be due and payable upon occupancy by a tenant. This compensation amount shall be based on the total amount of base rent to be paid over the lease term.
- ☐ 2. \$_____ or _____% of the base rents paid, which shall be due and payable upon a tenant's monthly payment of rent. This compensation amount shall be based on the total amount of base rent to be paid and shall be payable over the lease term.
- ☐ 3. Other.

Commission is not due to the Broker in the event that Owner or another agent, without the assistance of Broker, directly or indirectly secures the lease of the property. However, commission as outlined above will be due to the Broker for any lease of the Property that is procured by the Broker.

B. Transfer of Lease Property. If Broker's commission is paid overtime, Owner shall include in the lease agreement a provision providing for Owner's payment of commission to Broker, as stated herein. Owner agrees that if Owner transfers title to Property, such transfer shall be contingent on the successor owner assuming Owner's obligations to pay commission to Broker under this Agreement. Owner shall remain joint and severally liable to Broker for the payment of commission to Broker. Broker reserves the right to file a "Notice of Agreement to Pay Leasing Commission" (Form CF 704) or other equivalent written documentation in the Register of Deeds Office in the county in which the Property is located.

C. Cooperating Compensation. Broker may share this commission with a cooperating broker, if any, who procures a tenant for the Property by paying such cooperating broker _____% of Broker's commission or \$_____. Said cooperating broker is the agent or facilitator who represents the interests of and/or is working with the tenant. Cooperating brokers are expressly intended to be third-party beneficiaries under this Agreement only for the purposes of enforcing their commission rights as cooperating brokers.

D. Renewal or Extension of Lease. If Owner renews or extends a lease to a tenant (or a related person or entity of that tenant) procured by Broker, Owner will pay Broker \$_____ or _____% of each additional month's rent.

E. Carry Over Clause. In the event that Owner leases or contracts to lease the Property, or a portion thereof, to any tenant introduced to the Property by Broker or any affiliate of said tenant within _____ days after the expiration of the Authorization Period, then Owner shall pay the commission to Broker pursuant to the terms stated herein. This includes but is not limited to any introduction or exposure to Property by advertisements or postings appearing in any medium which originated as a result of listing the Property with Broker. Notwithstanding the above, in the event that the Property is leased to the prospective tenant by or through another licensed broker with whom Owner has signed an exclusive leasing/management agreement, then no commission shall be owed to Broker by virtue of this Agreement. The compensation obligations set forth herein shall survive the termination of this Agreement.

F. Enforcement. Owner agrees to pay all reasonable attorney's fees together with any court costs and expenses which real estate firm incurs in enforcing any of Owner's obligations to pay compensation under this Agreement. The parties hereby agree that all remedies are fair and equitable and neither party will assert the lack of mutuality of remedies as a defense in the event of a dispute.

8. Sale of Property. If Owner sells Property to a tenant (or related person or entity of such tenant) obtained by Broker, either during the term of the lease or thereafter, Owner will pay Broker compensation of _____% of the price for which the Property is sold at closing. This obligation shall survive the expiration or termination of this Agreement.

9. Nondiscrimination. Broker shall not deny services to, nor discriminate against, any person on the basis of race, color, religion, sex, handicap, familial status, national origin, sexual orientation, or gender identity and will not honor any request to do so.

10. Limits on Owner's Responsibility. It is understood that this Agreement in no way prohibits Owner from leasing the Property directly to a tenant obtained by Owner or anyone other than Broker. Owner retains the right to lease to any party not first contacted by the Broker. Owner also retains the right to list the Property for lease with any other broker or brokers.

11. Deposit Money. Broker is authorized to accept from tenant(s) a security deposit as set forth in the lease agreement. Broker shall deposit the funds into an escrow or trustee account or forward funds to the party authorized to hold such funds as set forth in the executed lease agreement until disbursed in accordance with the terms of the lease agreement.

12. Condition of Property. Owner certifies that unless provided otherwise herein, all systems and fixtures are in working condition. Upon the execution of this Agreement, Owner will provide two sets of keys for the Property and ensure that the Property is clean and the grounds are in good condition. Owner shall maintain adequate fire and extended insurance coverage on the Property, and Owner will, at all times, maintain landlord's liability insurance for Owner and will cause Broker to be named as additionally insured under such liability insurance. Owner will provide Broker with evidence of such insurance coverage prior to date of occupancy of tenant.

EXCEPTIONS:

13. Receipt and Payment of Funds. Broker is authorized to deposit all rent and security deposit(s) received related to the Property in a trustee or escrow account maintained by Broker. However, Broker will not be held liable in event of bankruptcy or failure of a depository. Broker shall distribute deposit funds in accordance with the executed lease agreement. Broker shall distribute any rent received as follows:

14. Types of Agency.

A. Definitions

- 1. Designated Agent for the Owner.** The individual licensee that has been assigned by his/her Managing Broker and is working as an agent for the Owner in this consumer's prospective transaction, to the exclusion of all other licensees in his/her company. Even if someone else in the licensee's company represents a possible tenant for this Owner's Property, the Designated Agent for the Owner will continue to work as an advocate for the best interests of the Owner. An agency relationship of this type cannot, by law, be established without a written agency agreement.
- 2. Agent for the Owner.** The licensee's company is working as an agent for the Owner and owes primary loyalty to the Owner. Even if the licensee is working with a prospective tenant to locate property for sale, rent, or lease, the licensee and his/her company are legally bound to work in the best interests of any Owners whose Property is shown to this prospective tenant. An agency relationship of this type cannot, by law, be established without a written agency agreement.
- 3. Facilitator / Transaction Broker (not an agent for either party).** The licensee is not working as an agent for either party in this consumer's prospective transaction. A Facilitator may advise either or both of the parties to a transaction but cannot be considered a representative or advocate of either party. "Transaction Broker" may be used synonymously with, or in lieu of, "Facilitator" as used in any disclosures, forms or agreements. [By law, any licensee or company who has not entered into a written agency agreement with either party in the transaction is considered a Facilitator or Transaction Broker until such time as an agency agreement is established.]
- 4. Dual agency.** The licensee has agreements to provide services as an agent to more than one (1) party in a specific transaction and in which the interests of such parties are adverse. This agency status may only be employed upon full disclosure to each party and with each party's informed consent.

B. Seller's Authorizations:

1. Designated Agency

- a. **Appointment of Designated Agent.** Owner hereby authorizes the Managing Broker to appoint the Listing Licensee as the Designated Agent for the Owner, to the exclusion of any other licensees associated with Broker. A Designated Agent for the Owner can and will continue to advocate Owner's interests in a transaction even if a Designated Agent for the tenant (other than the licensee below) is also associated with Broker. The Managing Broker appoints _____ to be the Designated Agent to the Owner in this transaction.
- b. **Appointment of Subsequent Designated Agent.** Owner hereby authorizes the Managing Broker, if necessary, to appoint a licensee, other than the licensee named above, as Designated Agent for the Owner, to the exclusion of any other licensees associated with Broker. This shall be accomplished through an amendment to this Agreement, if necessary.
- c. **Default to Facilitator in the event both parties are represented by the same Designated Agent.** The Designated Agent shall default to Facilitator status for all showings or transactions *involving the same Designated Agent for both the Owner and a prospective tenant*, immediately notifying (verbally) the Owner and tenant of the need to default to this Facilitator status to be confirmed in writing prior to the execution of the contract. Upon any default to Facilitator status, the Designated Agent must assume a neutral position and will not be an advocate for either the Owner or any prospective tenants.
- d. **Resumption of Agency Status.** In the event that the Designated Agent defaults to a Facilitator status, this Facilitator status will only be temporary. The Facilitator status will only last until any transaction or contemplated transaction in which the parties are all assisted by the same Facilitator (either because the transaction is completed or the transaction or contemplated transaction between the parties is terminated or not accepted and no further negotiations occur between the parties). At that time, the agent will immediately revert to Designated Agency status for the Owner.

2. Landlord/Seller Agency

- a. **Default to Facilitator.** Owner hereby authorizes Broker and Listing Licensee to default to Facilitator status (representing the interests of neither the Owner nor the tenant) in any Property showings, negotiations, or transactions, in which the Broker may also have a representation agreement with the tenant who is also being assisted by the Listing Licensee. In such event, Agent shall immediately notify (verbally) both the Owner and the tenant of the need to default to this Facilitator status and notification shall be confirmed in writing prior to the execution of the contract. As a Facilitator, Broker and Broker's licensee may assist the parties and provide information in subsequent negotiations in that transaction.
- b. **Resumption of Agency Status.** In the event that the Broker and Listing Licensee default to a Facilitator status, this Facilitator status will only be temporary. The Facilitator status will only last until any transaction or contemplated transaction in which the parties are all assisted by the same Facilitator (either because the transaction is completed or the contemplated transaction between the parties is terminated or not accepted and no further negotiations occur between the parties). At that time, the Broker and Listing Licensee will immediately revert to Agent for the Owner status.

15. Agency. Pursuant to Broker policy, Broker shall practice _____ (Designated or Landlord/Seller Agency – choose one) in this transaction.

16. Required State Law Disclosures.

- A. Broker agrees to keep confidential all information which Owner asks to be kept confidential by express request or instruction unless the Owner permits such disclosure in writing, by Owner's subsequent work or conduct or such disclosure is required by law or the Realtor® Code of Ethics.
- B. Broker may not knowingly give customers false information.
- C. In the event of a conflict between Broker's duty not to give customers false information and the duty to keep the confidences of Owner, the duty not to give customers false information shall prevail.
- D. Unless specified below, Broker has no other known agency relationships with other parties which would conflict with any interest of Owner (except that Broker may represent other buyers, sellers, landlords and tenants in buying, selling or leasing property).

17. Limits on Broker's Authority and Responsibility and Disclaimer. It is understood and agreed that the real estate firms and real estate licensee(s) representing or assisting Owner or the tenant are not parties to any lease agreement between Owner and the tenant and do not have or assume liability for the performance or nonperformance of Owner or tenant.

This form is copyrighted and may only be used in real estate transactions in which _____ is involved as a Tennessee REALTORS® authorized user. Unauthorized use of the form may result in legal sanctions being brought against the user and should be reported to the Tennessee REALTORS® at 615- 321-1477.

Owner acknowledges and agrees that Broker: (a) may show other properties to prospective tenants who are interested in Owner's Property; (b) is not an expert with regard to matters that could be revealed through a survey, title search, or inspection; for the condition of Property, any portion thereof, or any item therein; for any geological issues present on the Property; for the necessity, or cost of repairs; for hazardous or toxic materials; for the availability and cost of utilities, septic or community amenities; for conditions existing off the Property that may affect the Property; for uses and zoning of the Property, whether permitted or proposed; for applicable boundaries of school districts or other school information; for proposed or pending condemnation actions involving the Property; for the appraised or future value of the Property; for termites and wood destroying organisms; for building products and construction techniques; for the tax or legal consequences of a contemplated transaction; or for matters relating to financing (Owner acknowledges that Broker is not an expert with respect to the above matters and is hereby advised to seek independent expert advice on any of these matters of concern to Owner. Owner further acknowledges that he has not relied upon any advice, representations or statements of Broker (including their firms and affiliated licensees) and waives and shall not assert any claims against Broker (including their firms and affiliated licensees) involving same); (c) shall owe no duties to Owner nor have any authority to act on behalf of Owner other than what is set forth in this Agreement and those duties contained in the Tennessee Real Estate Broker License Act of 1973 and the Tennessee Real Estate Commission Rules, as amended; (d) may make all disclosures required by law and the Realtor® Code of Ethics; and (e) may disclose all information about the Property to others.

Owner agrees to hold Broker (including firm and affiliated licensees) harmless from any and all claims, causes of action, or damages (and shall indemnify Broker (including firm and affiliated licensees) therefore) arising out of or relating to: (a) Owner providing Broker incomplete and/or inaccurate information; (b) the handling of Earnest Money/Trust Money or Security Deposit by anyone other than Broker (if such Earnest Money/Trust Money or Security Deposit is entrusted to such person by Owner); or (c) any injury to persons on the Property and/or loss of or damage to the Property or anything contained therein.

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

- 18. Indemnity.** Owner agrees to hold Broker harmless from all damage suits in connection with the leasing of the Property and from liability from injury suffered by an employee or other person whomsoever, and to carry, at his own expense, necessary public liability and worker's compensation insurance adequate to protect the interest of the parties hereto, which policies shall be so written as to protect Broker in the same manner and to the same extent they protect the Owner, and will name Broker as coinsured. Broker shall not be liable for any error of judgment or any mistake, in fact or in law, or for anything which it may do or refrain from doing hereinafter, except in cases of willful misconduct or gross negligence. Notwithstanding any other provisions to the contrary, Broker shall under no circumstances have any liability greater than the compensation actually paid to Broker hereunder including commissions, excluding any commission amount paid to a cooperating real estate broker, if any.

19. Other Provisions.

A. Binding Effect, Entire Agreement, Modification, and Assignment. This Agreement shall be for the benefit of, and be binding upon, the parties hereto, their heirs, successors, legal representatives and permitted assigns. This Agreement may only be assigned with the written consent of both parties. This Agreement constitutes the sole and entire agreement between the parties hereto and no modification of this Agreement shall be binding unless signed by all parties or assigns to this Agreement. No representation, promise, or inducement not included in this Agreement shall be binding upon any party hereto. Any assignee shall fulfill all the terms and conditions of this Agreement.

B. Time of Essence. Time is of the essence in this Agreement.

C. Terminology. As the context may require in this Agreement: (1) the singular shall mean the plural and vice versa; (2) all pronouns shall mean and include the person, entity, firm, or corporation to which they relate; (3) the masculine shall mean the feminine and vice versa; and (4) the term day(s) used throughout this Agreement shall be deemed to be calendar day(s) ending at 11:59 p.m. local time unless otherwise specified in this Agreement. Local time shall be determined by the location of Property.

D. Notices. Except as otherwise provided herein, all notices and demands required or permitted hereunder shall be in writing and delivered either (1) in person; (2) by a prepaid overnight delivery service; (3) by facsimile transmission (FAX); (4) by the United States Postal Service, postage prepaid, registered or certified, return receipt requested; or (5) Email. **NOTICE** shall be deemed to have been given as of the date and time it is actually received. Receipt of notice by the real estate licensee or their Broker assisting a party as a client or customer shall be deemed to be notice to that party for all purposes under this Agreement as may be amended, unless otherwise provided in writing.

Broker's address:

Email: _____

H. Discrimination. Firm shall not deny services to, nor discriminate against, any person on the basis of race, color, creed, religion, sex, handicap, familial status, national origin, sexual orientation, or gender identity and will not honor any request to do so.

20. Special Stipulations. The following Special Stipulations, if conflicting with any preceding section, shall control:

☐ (Mark box if additional pages are attached.)

LEGAL DOCUMENTS: This is an important legal document creating valuable rights and obligations. If you have questions about it, you should review it with your attorney. Neither the Broker nor any Agent or Facilitator is authorized or qualified to give you any advice about the advisability or legal effect of its provisions.

NOTE: Any provisions of this Agreement which are preceded by a box "☐" must be marked to be a part of this Agreement. By affixing your signature below, you also acknowledge that you have reviewed each page and have received a copy of this Agreement.

308 The above proposition is hereby accepted, _____ o'clock ____M. on the _____ day of _____.

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

310	_____	_____
311	BY: Broker or Licensee Authorized by Broker	BROKER/FIRM
312	_____ at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm	_____
313	Date	Address
314	_____	Phone: _____
315	Print/Type Name	Email: _____

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

317	_____	_____
318	OWNER/LESSOR	OWNER/LESSOR
319	By: _____	By: _____
320	Title: _____	Title: _____
321	Entity: _____	Entity: _____
322	_____ at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm	_____ at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm
323	Date	Date
324	_____	_____
325	Address	Address
326	Phone: _____ (H) _____ (Cell)	Phone: _____ (H) _____ (Cell)
327	_____ (W) Email: _____	_____ (W) Email: _____

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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COMMERCIAL EXCLUSIVE BUYER / TENANT REPRESENTATION AGREEMENT

1 **FIRM:** _____

2 **ADDRESS OF COMPANY:** _____

3 **Buyer/Tenant ("Client"):** _____

4 For and in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and
5 sufficiency of which is hereby acknowledged, _____
6 as Client and _____ (firm) and its licensees (hereinafter collectively
7 referred to as "Firm") do hereby enter into this Agreement, this ____ day of _____, _____ ("Effective Date").

8 **1. TERM.**

9 Client hereby grants to Firm the exclusive right and privilege as the Agent of the Client to locate property for Client's
10 purchase, lease, exchange, or option (collectively "Acquisition") during the term of this agreement and to advocate the
11 Client's best interests in the negotiation of terms and conditions of any such Acquisition. This Representation Agreement
12 ("Agreement") begins on this date and terminates at 11:59 p.m. local time on _____, _____ unless
13 otherwise extended by all parties.

14 **2. TYPE OF PROPERTY SOUGHT BY CLIENT.**

15 **A. General Description, Size and Location:** _____

16 _____

17 **B. Price Range & Terms:** _____

18 **C. Sources to be Searched for Property:** _____

19 _____

20 **D. Other Terms/Conditions:** _____

21 **E. Properties Specifically Exempted from this Agreement:** _____

22 _____

23 **3. CLIENT DUTIES.**

24 Client agrees:

- 25 **A.** To Acquire property exclusively through the Firm during the term of this Agreement;
- 26 **B.** To furnish Firm on a timely basis with any necessary personal and/or financial information to ensure Client's ability
27 to Acquire property;
- 28 **C.** That he/she is not under an exclusive right to buy/lease contract or exclusive buyer/tenant representation agreement
29 with any other firm or agent at this time;
- 30 **D.** That if Client utilizes the services of another real estate firm or deals solely with a Seller's/Landlord's Agent or the
31 Seller/Landlord directly at any time during the effective period of this Agreement and/or any extensions thereof and
32 then enters into an agreement with a Seller/Landlord to Acquire any property(ies) described above, the Client still
33 owes a commission to the Firm provided herein;
- 34 **E.** To authorize the Firm to negotiate for a fee paid by the Seller and/or the Seller's agent, the payment of which will be
35 fully disclosed to Client. If a fee is not offered or paid to the Firm, as could occur, for example, in the purchase of an
36 unlisted property, Client agrees to pay the Firm a total of \$ _____ or _____% compensation based
37 on the total sale price.

- F. To authorize the Firm to negotiate for a fee paid by the Landlord or the Landlord's agent, the payment of which will be fully disclosed to Client. If a fee is not offered or paid to Firm, Client agrees to pay the Firm the following compensation:

NOTICE: Real estate fees are not fixed by law. They are set by each broker individually and are negotiable between Client and Firm. The payment of any fee by Seller/Landlord will not make Firm either the Agent or Subagent of the Seller/Landlord.

- G. **Carry-Over Clause.** Should the Client contract to buy or exchange, or contract to lease a property within _____ days after the expiration of this Agreement with any Seller/Landlord (or anyone acting on Seller's/Landlord's behalf) who has been introduced to Client, directly or indirectly, during the term hereof, as extended, the Client agrees to pay the compensation as set forth above. This carry-over clause shall not apply if the Client is subject to a buyer's/tenant's representation agreement with another licensed real estate broker at the time of such contract.

- H. That he/she has reviewed this Agreement and agrees with the terms herein.

4. AGENCY.

A. Definitions

1. **Broker.** In this Agreement, the term "Broker" shall mean a licensed Tennessee real estate broker or brokerage firm and where the context would indicate, the Broker's affiliated licensees, including but not limited to the Designated Agent.
2. **Designated Agent for the Buyer/Tenant.** The individual licensee that has been assigned by the Managing Broker and is working as an agent for the Buyer/Tenant in this consumer's prospective transaction, to the exclusion of all other licensees in his/her company. Even if someone else in the licensee's company represents a Seller/Landlord of a prospective property, the Designated Agent for the Buyer/Tenant will continue to work as an advocate for the best interests of the Buyer/Tenant. An agency relationship, by law, can only be established by a written agency agreement.
3. **Agent for the Buyer/Tenant.** The licensee's company is working as an agent for the Property Buyer/Tenant, owes primary loyalty to the Buyer/Tenant, and will work as an advocate of the best interests of the Buyer/Tenant. An agency relationship of this type cannot, by law, be established without a written buyer/tenant agency agreement.
4. **Facilitator/Transaction Broker (not an agent for either party).** The licensee is not working as an agent for either party in this consumer's prospective transaction. A Facilitator may advise either or both of the parties to a transaction but cannot be considered a representative or advocate of either party. By law, any licensee or company who has not entered into a written agency agreement with either party in the transaction is considered a Facilitator or Transaction Broker until such time as an agency agreement is established.
5. **Dual agency.** The licensee has agreements to provide services as an agent to more than one (1) party in a specific transaction and in which the interests of such parties are adverse. This agency status may only be employed upon full disclosure to each party and with each party's informed consent.

B. Client's Authorizations:

1. Designated Agency

- a. **Appointment of Designated Agent.** Client hereby authorizes Managing Broker to appoint the Selling Licensee as Designated Agent for the Client, to the exclusion of any other licensees associated with Firm. A Designated Agent for the Client can and will continue to advocate Client's interest in a transaction even if Designated Agent for the Seller/Landlord (other than the licensee below) is also associated with Firm. The Managing Broker hereby appoints _____

_____ to be the Designated Agent to the Client in this transaction.

b. Appointment of Subsequent Designated Agent. Client hereby authorizes the Managing Broker, if necessary, to appoint a licensee, other than the licensee named above, as Designated Agent for the Client, to the exclusion of any other licensees associated with Firm. This shall be accomplished through an amendment to this Agreement, if necessary.

c. Default to Facilitator in the event both parties are represented by the same Designated Agent. The Designated Agent shall default to Facilitator status for all showings or transactions *involving the same Designated Agent for both the Seller/Landlord and Client*, immediately notifying (verbally) the Client and Seller/Landlord of the need to default to this Facilitator status to be confirmed in writing prior to the execution of the contract/lease. Upon any default to Facilitator status, the Designated Agent must assume a neutral position and will not be an advocate for either the Client or any prospective sellers/landlords.

d. Resumption of Agency Status. In the event that the Designated Agent defaults to a Facilitator status, this Facilitator status will only be temporary. The Facilitator status will only last until any transaction or contemplated transaction in which the parties are all assisted by the same Facilitator is resolved (either because the transaction is closed or lease has expired/terminated or the transaction or contemplated transaction between these parties is terminated or not accepted and no further negotiations occur between the parties). At that time, the agent will immediately revert to Designated Agency status for the Client.

2. Buyer/Tenant Agency

a. Default to Facilitator. Client hereby authorizes Firm and Selling Licensee to default to Facilitator status (representing the interests of neither the Client nor the Seller/Landlord) in any Property showings, negotiations, or transactions, in which the Firm may also have a representation agreement with the Seller/Landlord who is also being assisted by the Selling Licensee. In such event, Agent shall immediately notify (verbally) both the Client and the Seller/Landlord of the need to default to this Facilitator status and notification shall be confirmed in writing prior to the execution of the contract. As a Facilitator, Firm and Firm's licensee may assist the parties and provide information in subsequent negotiations in that transaction.

b. Resumption of Agency Status. In the event that the Designated Agent defaults to a Facilitator status, this Facilitator status will only be temporary. The Facilitator status will only last until any transaction or contemplated transaction in which the parties are all assisted by the same Facilitator is resolved (either because the transaction is closed or lease has expired/terminated or the transaction or contemplated transaction between these parties is terminated or not accepted and no further negotiations occur between the parties). At that time, the agent will immediately revert to Designated Agency status for the Client.

C. Agent Disclosure. Pursuant to Tennessee Real Estate Commission Rule 1260-2-.36, Firm must disclose certain things to Client prior to the execution of this Agreement. Client hereby agrees that Firm has disclosed the following and that this Agreement constitutes written confirmation of same:

During the effective period of this Agreement:

1. Client should not contact listing agents directly and should make all arrangements to view and inspect property through Firm;
2. In the event Client comes into contact with a Seller's/Landlord's Agent(s) (for example, at an open house viewing), Client shall immediately inform the Seller's/Landlord's Agent(s) that he/she is represented by Firm; and
3. If Client acquires property(ies) covered by this Agreement through another real estate licensee or a Seller's/Landlord's Agent(s) or directly from a Seller/Landlord, Client understands that he/she still owes a commission to the Firm as set forth in this Agreement.

5. AGENCY.

Pursuant to Firm policy, Firm shall practice _____ (Designated Agency or Buyer/Tenant Agency - choose one) in this transaction.

6. EARNEST MONEY/TRUST MONEY.

Firm is authorized to accept a deposit of earnest money/trust money to be applied to the purchase price for a property. In the event of a lease, Firm is authorized to accept a security deposit. Such deposit is to be held by Firm in an escrow or

trustee account or forwarded to party authorized to hold said funds as set forth in an executed contract for purchase, lease, exchange or option agreement until disbursed in accordance with the terms of said agreement.

7. LIMITATIONS ON FIRM'S AUTHORITY AND RESPONSIBILITY.

Client acknowledges and agrees that Firm: (a) may show the same properties to other prospective buyers/tenants; (b) is not an expert with regard to matters that could be revealed through a survey, title search, or inspection; for the condition of the property, any portion thereof, or any item therein; for any geological issues present on the property; for the insurability of the property or cost to insure the property; for the necessity or cost of any repairs to the property; for hazardous or toxic materials; for the availability and cost of utilities or community amenities; for any conditions existing off the property that may affect the property; for uses and zoning of the property, whether permitted or proposed; for applicable boundaries of school districts or other school information; for proposed or pending condemnation actions involving the property; for the appraised or future value of the property; for termites and wood-destroying organisms; for building products and construction techniques; for the tax or legal consequences of a contemplated transaction; or for matters relating to financing (Client acknowledges that Firm (including its broker and affiliated licensees) is not an expert with respect to the above matters and is hereby advised to seek independent expert advice on any of these matters which are of concern to Client. Client further acknowledges that he has not relied upon any advice, representations or statements of Firm (including its broker and affiliated licensees) and waives and shall not assert any claims against Firm (including its broker and affiliated licensees) involving same); (c) shall owe no duties to Client nor have any authority to act on behalf of Client other than what is set forth in this Agreement and those duties contained in the Tennessee Real Estate Broker License Act of 1973 and the Tennessee Real Estate Commission Rules, as amended; (d) and may make all disclosures required by law and the Realtor® Code of Ethics.

Client agrees to hold Firm (including its broker and affiliated licensees) harmless from any and all claims, causes of action, or damages (and shall indemnify the Firm (including its broker and affiliated licensees) therefore) arising out of or relating to: (a) Client providing Firm incomplete and/or inaccurate information; or (b) the handling of Earnest Money/Trust Money or security deposits by anyone other than Firm (if such Earnest Money/Trust Money or security deposits is entrusted to such person by Client).

Firm hereby advises Client of the possibility that some properties may utilize security devices that record physical movements or audio conversations. Therefore, Client should limit making comments concerning the value, features, or condition while viewing any property.

8. EXTENSION.

If during the term of this Agreement, Client and a seller/landlord enter into a real estate sales contract which is not consummated for any reason whatsoever, then the original expiration date of this Agreement shall be extended for the number of days that the property was under contract.

9. REQUIRED STATE LAW DISCLOSURES.

(a) Firm agrees to keep confidential all information which Client asks to be kept confidential by express request or instruction unless the Client permits such disclosure in writing, by Client's subsequent work or conduct, or such disclosure is required by law or the Realtors®'s Code of Ethics.

(b) Firm may not knowingly give customers false information.

(c) In the event of a conflict between Firm's duty not to give customers false information and the duty to keep the confidence of a Client, the duty not to give customers false information shall prevail.

(d) Unless specified below in Special Stipulations, Firm has no other known agency relationships with other parties which would conflict with any interests of Client (except that Firm may represent other buyers, sellers, landlords, and tenants in buying, selling or leasing property).

10. OTHER PROVISIONS.

A. Binding Effect, Entire Agreement, Modification, and Assignment. This Agreement shall be for the benefit of, and be binding upon, the parties hereto, their heirs, successors, legal representatives and permitted assigns. This Agreement may only be assigned with the written consent of both parties. This Agreement constitutes the sole and entire agreement between the parties hereto and no modification of this Agreement shall be binding unless signed by all parties or assigns to this Agreement. No representation, promise, or inducement not included in this Agreement shall be binding upon any party hereto. Any assignee shall fulfill all the terms and conditions of this Agreement.

B. Time is of Essence. Time is of the essence in this Agreement.

C. Terminology. As the context may require in this Agreement: (1) the singular shall mean the plural and vice versa; (2) all pronouns shall mean and include the person, entity, firm or corporation to which they relate; (3) the masculine

193 **D. Governing Law and Venue.** This Agreement is intended as a contract for buyer's/tenant's agency representation
194 and shall be governed by and interpreted in accordance with the laws and in the courts of the state of Tennessee.

195 E. **Severability.** If any portion or provision of this Agreement is held or adjudicated to be invalid or unenforceable for
196 any reason, each such portion or provision shall be severed from the remaining portions or provisions of this
197 Agreement, and the remaining portions or provisions shall be unaffected and remain in full force and effect.

198 **F. Fair Housing.** Firm shall not deny services to, nor discriminate against, any person on the basis of race, color, creed,
199 religion, sex handicap, familial status, national origin, sexual orientation, or gender identity and will not honor any
200 request to do so.

201 **G. Party Information**

202	Client's address:	Firm's address:
203	_____	_____
204	_____	_____
205	_____, _____	_____, _____
206	Email: _____	Email: _____

207 **11. SPECIAL STIPULATIONS.**

The following Special Stipulations, if conflicting with any preceding section, shall control:

232 ☐ (Mark box if additional pages are attached.)

233 **LEGAL DOCUMENTS:** This is an important legal document creating valuable rights and obligations. If you have
234 questions about it, you should review it with your attorney. Neither the Broker nor any Agent or Facilitator is
235 authorized or qualified to give you any advice about the advisability or legal effect of its provisions.

236 **NOTE: Any provisions of this Agreement which are preceded by a box “□” must be marked to be a part of this**
237 **Agreement. By affixing your signature below, you also acknowledge that you have reviewed each page and have**
238 **received a copy of this Agreement.**

239 The above is hereby accepted, _____ o'clock ____ M. on the ____ day of _____, ____.

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

241	_____	_____
242	BY: Broker or Licensee Authorized by Broker	BROKER/FIRM
243	_____ at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm	_____
244	Date	Address
245	_____	Phone: _____
246	Print/Type Name	Email: _____

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

248	CLIENT	CLIENT
249	By: _____	By: _____
250	Title: _____	Title: _____
251	Entity: _____	Entity: _____
252	_____	_____
253	Print/Type Name	Print/Type Name
254	_____ at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm	_____ at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm
255	Date	Date
256	_____	_____
257	Address	Address
258	Phone: _____ (H) _____ (Cell)	Phone: _____ (H) _____ (Cell)
259	_____ (W) Email: _____	_____ (W) Email: _____

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Version 01/01/2021

COMMERCIAL LISTING / AGENCY MUTUAL RELEASE AGREEMENT

1 Firm/Company: _____
 2 Client/Customer: _____
 3 Property: _____ MLS # _____

4 This is a Mutual Release between the "Client/Customer" and the real estate "Firm/Company."

5 Whereas, the Client/Customer and Firm/Company have entered into a marketing / listing / and/or agency agreement
 6 ("Agreement") dated with an Effective Date of _____ and all parties desire to terminate the Agreement(s)
 7 regarding the Property listed above.

8 NOW, THEREFORE, it is hereby agreed by and among the parties as follows (select one box):

9 ☐ If the Client/Customer enters into an agreement for the sale or exchange or contract to lease with option to buy within
 10 _____ days after the date of this Mutual Release of the Agreement with any buyer (or anyone acting on buyer's behalf)
 11 who has been introduced to the Property directly or indirectly, during the term of the Agreement and any extensions thereof
 12 without the services of a licensed broker or agent, the Client/Customer agrees to pay compensation for a total of
 13 \$_____ or _____% of the purchase price to the Firm/Company. This includes but is not limited to any
 14 introduction or exposure to Property by advertisements or postings appearing in any medium which originated as a result
 15 of listing the Property with Firm/Company. Client/Customer agrees to pay a cancellation fee of
 16 \$_____, receipt of which is hereby acknowledged. This paragraph shall not apply if the Property is
 17 listed with another licensed real estate broker at the time of such contract.

18 **OR**

19 ☐ Agency Agreement in conjunction with the aforementioned Client and Firm/Company is hereby mutually canceled.

20 **OR**

21 ☐ Other.

22 _____
 23 _____
 24 _____
 25 _____
 26 _____
 27 _____
 28 _____
 29 _____
 30 _____

31 For and in consideration of the agreement set forth herein and in consideration of the mutual releases granted herein, the receipt
 32 and adequacy of which is hereby acknowledged, the Client/Customer and Firm/Company do hereby release, acquit and forever
 33 discharge each other, and all other persons acting through them from all of the terms, conditions, responsibilities and obligations
 34 of the Agreement(s).

The parties to this Mutual Release have read its entire contents and it is agreed that all terms and conditions pertinent hereto are included in this writing and no verbal agreements or understandings of any kind shall be binding upon the parties. This Mutual Release now contains the entire agreement between the parties.

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

MANAGING BROKER

FIRM / COMPANY

_____ at _____ o'clock ☐ am/ ☐ pm

_____ at _____ o'clock ☐ am/ ☐ pm

Date

Date

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

CLIENT / CUSTOMER

CLIENT / CUSTOMER

By: _____

By: _____

Title: _____

Title: _____

Entity: _____

Entity: _____

_____ at _____ o'clock ☐ am/ ☐ pm

_____ at _____ o'clock ☐ am/ ☐ pm

Date

Date

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AGREEMENT TO SHOW COMMERCIAL PROPERTY

1. Permission to Show Property. In consideration of the services and efforts of

_____, a licensed real estate firm (hereinafter “Broker”), the undersigned seller / owner (hereinafter “Seller”) enters into this Agreement with Broker on _____, 20____ (“Effective Date”) ~~hereby grants to~~ granting Broker the right and privilege to show and offer for sale or lease to _____ (hereinafter “Prospect”), from _____ to _____ (hereinafter the “Authorization Period”), the following described property: _____ (Address), _____ (City), Tennessee, _____ (Zip), as recorded in _____ County Register of Deeds Office, _____ deed book(s), _____ page(s) _____ instrument number, and further described as: _____ together with all fixtures, landscaping, improvements and appurtenances, all being hereinafter collectively referred to as the “Property”.

2. Purchase / Lease Price. A purchase price of \$_____ or a lease period of _____ months at a monthly rental rate of \$_____ may be quoted for the Property, which amount includes the real estate compensation, terms of which are more fully set forth below.

3. Brokerage Compensation. Seller agrees to pay to Broker, at the closing of the sale or as agreed to below, a real estate compensation (hereinafter “Compensation”) of _____ percent (____%) of the negotiated sales price or the base rents to be paid should Prospect enter into, during the Authorization Period, an enforceable Purchase and Sale Agreement or Lease Agreement to purchase or lease the Property, and Seller acknowledges that in such event, Broker shall have been the procuring cause of such sale or lease. In the event that the Property is sold or leased directly by Seller to Prospect within _____ [insert time period] after the expiration of the Authorization Period, then Seller agrees to pay the Compensation to Broker at the closing of the sale or

4. Representation. This Agreement is not an agency engagement, but rather, is limited to Seller’s permission given to Broker to show the above Property to Prospect, in exchange for compensation to Broker as set forth above. This Agreement shall not be construed to create an agency relationship between Seller and Broker. The parties understand and agree that although Broker is not Seller’s agent, Broker will treat Seller honestly and may perform ministerial acts for Seller. It is understood that this Agreement in no way prohibits Seller from selling the Property directly to a buyer other than Prospect.

5. Good and Marketable Title. Seller warrants that Seller (1) presently has title to the Property or has full authority to enter into this Agreement, and (2) will in good faith cooperate with Broker in the showing of the Property to Prospect. Seller authorizes submission of information to Multiple Listing Service when Property has closed (evidenced by delivery of warranty deed and payment of purchase price) or upon occupancy by a Tenant (evidenced by a signed lease agreement and payment of one month’s rent).

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.

7. Other Provisions.

A. Binding Effect, Entire Agreement, Modification, and Assignment.

This Agreement shall be for the benefit of, and be binding upon, the parties hereto, their heirs, successors, legal representatives and assigns. This Agreement constitutes the sole and entire agreement between the parties hereto and no modification of this Agreement shall be binding unless signed by all parties or assigns to this Agreement. No representation, promise, or inducement not included in this Agreement shall be binding upon any party hereto. Any assignee shall fulfill all the terms and conditions of this Agreement.

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- B. Governing Law and Venue.** This Agreement is intended as a contract to show real property and shall be governed by and interpreted in accordance with the laws and in the courts of the State of Tennessee.
- C. Equal Housing.** This Property is being sold or leased without regard to race, color, sex, religion, handicap, familial status, or national origin.
- D. Severability.** If any portion or provision of this Agreement is held or adjudicated to be invalid or unenforceable for any reason, each such portion or provision shall be severed from the remaining portions or provisions of this Agreement, and the remaining portions or provisions shall be unaffected and remain in full force and effect.
- E. Default.** Seller agrees to pay all reasonable attorney's fees together with any court costs and expenses which Broker incurs in enforcing any of Seller's obligations to pay compensation under this Agreement to Show Commercial Property. The parties hereby agree that all remedies are fair and equitable and neither party will assert the lack of mutuality of remedies as a defense in the event of a dispute.
- F. Time of Essence.** Time is of the essence in this Agreement.
- G. Method of Execution.** The parties agree that signatures and initials transmitted by facsimile, other photocopy transmittal, or by transmittal of digital signature as defined by the applicable State or Federal law will be acceptable and may be treated as originals and that the final Purchase and Sale Agreement containing all signatures and initials may be executed partially by original signature and partially on facsimile, other photocopy documents, or by digital signature as defined by the applicable State or Federal law.

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

By: Broker or Licensee Authorized by Broker

BROKER/FIRM

_____ at _____ o'clock ☐ am/ ☐ pm

Date

ADDRESS

PHONE:

PRINT/TYPE NAME

EMAIL:

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

SELLER / OWNER

SELLER / OWNER

By:

By:

Entity:

Entity:

Title:

Title:

_____ at _____ o'clock ☐ am/ ☐ pm

_____ at _____ o'clock ☐ am/ ☐ pm

Date

Date

ADDRESS:

ADDRESS:

Phone(H): _____ Phone(W): _____

Phone(H): _____ Phone(W): _____

Cell: _____ Email: _____

Cell: _____ Email: _____

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COMMERCIAL PURCHASE AND SALE AGREEMENT

1. Purchase and Sale. For and in consideration of the mutual covenants herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned buyer

seller _____ ("Buyer") agrees to buy and the undersigned _____ ("Seller") agrees to sell all that tract or parcel of land, with such improvements as are located thereon, described as follows: All that tract of land known as:

(Address) _____ (City), Tennessee, _____ (Zip), as recorded in _____ County Register of Deeds Office, _____ deed book(s), _____ page(s), and/or _____ instrument no. and as further described as:

_____ together with all fixtures, landscaping, improvements, and appurtenances, all being hereinafter collectively referred to as the "Property", as more particularly described in Exhibit "A" or if Exhibit A is not attached as is recorded with the Register of Deeds of the county in which the Property is located and is made a part of this Commercial Purchase and Sale Agreement ("Purchase and Sale Agreement" or "Agreement") by reference.

2. Purchase Price. The total purchase price for the Property shall be

_____ U.S. Dollars, (\$ _____) ("Purchase Price"), and is subject to all prorations and adjustments and shall be paid by Buyer at the Closing by cash, a Federal Reserve Bank wire transfer of immediately available funds, cashier's check or certified check.

3. Earnest Money/Trust Money. Buyer has paid or will pay within _____ business days after the Binding Agreement Date, the sum of \$ _____ with _____ ("Holder") located at _____ (Address of Holder). Additional Earnest Money/Trust Money, if any, to be tendered and applied as follows:

_____ This sum ("Earnest Money/Trust Money") is to be applied as part of the Purchase Price at Closing.

A. Failure to Receive Earnest Money/Trust Money. In the event Earnest Money/Trust Money is not timely received by Holder or Earnest Money/Trust Money check or other instrument is not honored for any reason by the financial institution from which it is drawn, Holder shall promptly notify Buyer and Seller. Buyer shall have three (3) business days after notice to deliver good funds to Holder. In the event Buyer does not timely deliver good funds to Holder, this Agreement shall automatically terminate and Holder shall notify the parties of the same. Holder shall disburse Earnest Money/Trust Money only as follows:

- (a) at Closing to be applied as a credit toward Buyer's Purchase Price;
- (b) upon a subsequent written agreement signed by Buyer and Seller; or
- (c) as set forth below in the event of a dispute regarding Earnest Money/Trust Money.

No party shall seek damages from Holder, nor shall Holder be liable for any such damages, and all parties agree to defend and hold harmless Holder for any matter arising out of or related to the performance of Holder's duties hereunder.

B. Disputes Regarding Earnest Money/Trust Money. In the event Buyer or Seller notifies Holder of a dispute regarding disposition of Earnest Money/Trust Money that Holder cannot resolve, Buyer and Seller agree to interplead Earnest Money/Trust Money into a court of competent jurisdiction. Holder shall be reimbursed for, and may deduct from any funds interpleaded, its costs and expenses, including reasonable attorney's fees. The prevailing party in the interpleader action shall be entitled to collect from the other party the costs and expenses reimbursed to Holder, and upon payment of

such funds into the court clerk's office, Holder shall be released from all further liability in connection with the funds delivered.

- 4. Inspection.** Prior to Closing, Buyer and Buyer's agents shall have the right to enter upon the Property at Buyer's expense and at reasonable times to inspect, survey, examine, and test the Property as Buyer may deem necessary as part of Buyer's acquisition of the Property. Buyer may, for a fee, obtain a septic system inspection letter from the Tennessee Department of Environment and Conservation, Division of Ground Water Protection. Buyer shall indemnify and hold Seller and all Brokers harmless from and against any and all claims, injuries, and damages to persons and/or property arising out of or related to the exercise of Buyer's rights hereunder. Buyer shall have _____ days after the Binding Agreement Date ("Due Diligence Period") to evaluate the Property, the feasibility of the transaction, the availability and cost of financing, and any other matter of concern to Buyer. During the Due Diligence Period, Buyer shall have the right to terminate this Agreement upon notice to Seller if Buyer determines, based on a reasonable and good faith evaluation of the above, that it is not desirable to proceed with the transaction, and Buyer will be entitled to a refund of the Earnest Money/Trust Money. Within _____ days after the Binding Agreement Date, Seller shall deliver to Buyer copies of the materials concerning the Property referenced in Exhibit "B" (collectively "Due Diligence Materials"), which materials shall be promptly returned by Buyer if Agreement does not Close for any reason. If Buyer fails to timely notify Seller that it is not proceeding with the transaction, Buyer shall waive its rights to terminate this Agreement pursuant to this paragraph.

5. Title.

- A. Warranties of Seller.** Seller warrants that at Closing Seller shall convey good and marketable, fee simple title to the Property to Buyer, subject only to the following exceptions ("Permitted Exceptions"):

- (1) Liens for ad valorem taxes not yet due and payable.
- (2) Those exceptions to which Buyer does not object or which Buyer waives in accordance with the Title Issues and Objections paragraph below. "Good and marketable, fee simple title" with respect to the Property shall be such title:
 - (a) as is classified as "marketable" under the laws of Tennessee; and
 - (b) as is acceptable to and insurable by a title company doing business in Tennessee ("Title Company"), at standard rates on an American Land Title Association Owner's Policy ("Title Policy").

- B. Title Issues and Objections.** Buyer shall have _____ days after the Binding Agreement Date to furnish Seller with a written statement of any title objections, UCC-1 or UCC-2 Financing Statements, and encroachments, and other facts affecting the marketability of the Property as revealed by a current title examination. Seller shall have _____ days after the receipt of such objections (the "Title Cure Period") to cure all valid title objections. Seller shall satisfy any existing liens or monetary encumbrances identified by Buyer as title objections which may be satisfied by the payment of a sum certain prior to or at Closing. Except for Seller's obligations in the preceding sentence, if Seller fails to cure any other valid title objections of Buyer within the Title Cure Period (and fails to provide Buyer with evidence of Seller's cure satisfactory to Buyer and to Title Company), then within five (5) days after the expiration of the Title Cure Period, Buyer may as Buyer's sole remedies: (1) rescind the transaction contemplated hereby, in which case Buyer shall be entitled to the return of Buyer's Earnest Money/Trust Money; (2) waive any such objections and elect to Close the transaction contemplated hereby irrespective of such title objections and without reduction of the Purchase Price; or (3) extend the Closing Date period for a period of up to fifteen (15) days to allow Seller further time to cure such valid title objections. Failure to act in a timely manner under this paragraph shall constitute a waiver of Buyer's rights hereunder. Buyer shall have the right to reexamine title prior to Closing and notify Seller at Closing of any title objections which appear of record after the date of Buyer's initial title examination and before Closing.

6. Closing.

- A. Closing Date.** This transaction shall be consummated at the office of _____ on _____, _____, (the "Closing Date") or at such other time and place(s) the parties may agree upon in writing.

- B. Possession.** Seller shall deliver possession and occupancy of the Property to Buyer at Closing, subject only to the rights of tenants in possession and the Permitted Exceptions.

7. Seller's Obligations at Closing. At Closing, Seller shall deliver to Buyer:

- (a) a Closing Statement;
- (b) deed (mark the appropriate deed below)

☐ General Warranty Deed
 ☐ Special Warranty Deed

95 ☐ Quit Claim Deed ☐ Other: _____

96 (c) all documents which Seller must execute under the terms of this Agreement to cause the Title Company to deliver to
 97 Buyer the Title Policy including, without limitation, a title affidavit from Seller to Buyer and to the Title Company in
 98 the form customarily used in Tennessee commercial real estate transactions so as to enable the Title Company to issue
 99 Buyer the Title Policy with all standard exceptions deleted and subject only to Permitted Exceptions; and

100 (d) evidence reasonably satisfactory to Buyer at Closing of all documents/items indicated in Exhibit "C", if any (all
 101 documents to be delivered by Seller under this paragraph, including all documents/items indicated in Exhibit "C" are
 102 collectively "Seller's Closing Documents").

103 **8. Conditions to Closing.**

104 _____
 105 _____
 106 _____
 107 _____
 108 _____
 109 _____
 110 _____
 111 _____
 112 _____
 113 _____

114 **9. Costs.**

115 **A. Seller's Costs.** Seller shall pay all existing loans and/or liens affecting the Property; the cost of recording any title
 116 curative documents, including without limitation, satisfactions of deeds to secure debt, quitclaim deeds and financing
 117 statement termination; any accrued and/or outstanding association dues or fees; fee (if any) to obtain lien
 118 payoff/estoppel letters/statement of accounts from any and all associations, property management companies,
 119 mortgage holders or other liens affecting the Property; all applicable deed recording fees; the fees of Seller's counsel
 120 and, if checked, ☐ all transfer taxes, otherwise Buyer is responsible for transfer taxes.

121 **In the event Seller is subject to Tax Withholding as required by the Foreign Investment in Real Property Tax**
 122 **Act, (hereinafter "FIRPTA"), Seller additionally agrees that such Tax Withholding must be collected from**
 123 **Seller by Buyer's Closing Agent at the time of Closing.** In the event Seller is not subject to FIRPTA, Seller shall be
 124 required as a condition of Closing to sign appropriate affidavits certifying that Seller is not subject to FIRPTA. *It is*
 125 *Seller's responsibility to seek independent tax advice or counsel prior to the Closing Date regarding such tax*
 126 *matters.*

127 **B. Buyer's Costs.** Buyer shall pay the cost of Buyer's counsel and consultants; any costs in connection with Buyer's
 128 inspection of the Property and any costs associated with obtaining financing for the acquisition of the Property
 129 (including any intangibles tax, ~~all deed~~ recording fees for deed of conveyance and deed of trust and cost of recording
 130 Buyer's loan documents.)

131 **C. Additional Costs.** In addition to the costs identified above, the following costs shall be paid by the parties hereto as
 132 indicated below:

<u>Item to be Paid</u>	<u>Paid by Seller</u>	<u>Paid by Buyer</u>
Survey	<input type="checkbox"/>	<input type="checkbox"/>
Title Examination	<input type="checkbox"/>	<input type="checkbox"/>
Premium for Standard Owner's Title Insurance Policy	<input type="checkbox"/>	<input type="checkbox"/>
Other: _____	<input type="checkbox"/>	<input type="checkbox"/>
Other: _____	<input type="checkbox"/>	<input type="checkbox"/>
Other: _____	<input type="checkbox"/>	<input type="checkbox"/>

140 **10. Taxes and Prorations.** Real estate taxes on the Property for the calendar year in which the Closing takes place shall be
 141 prorated as of 12:01 a.m. local time on the Closing Date. Seller shall be responsible (even after Closing) for paying all
 142 taxes (including previous reassessments) on the Property for the time period during which Seller owned the Property and
 143 shall indemnify the Buyer therefore. In addition, the following items shall also be prorated as of 12:01 a.m. local time on
 144 the Closing Date *[Select only those that apply to this transaction; the items not checked do not apply to this Agreement]:*

145 ☐ Utilities ☐ Service Contracts ☐ Tenant Improvement Costs

- 146 ☐ Rents ☐ Leasing Commissions ☐ Other: _____
- 147 ☐ Other: _____ ☐ Other: _____

11. Representations and Warranties.

A. Seller's Representations and Warranties. As of the Binding Agreement Date and the Closing Date, Seller represents and warrants to Buyer that Seller has the right, power, and authority to enter into this Agreement and to convey the Property in accordance with the terms and conditions of this Agreement. The persons executing this Agreement on behalf of Seller have been duly and validly authorized by Seller to execute and deliver this Agreement and shall have the right, power, and authority to enter into this Agreement and to bind Seller. Seller also makes the additional representations and warranties to Buyer, if any, as indicated on Exhibit "D".

B. Buyer's Representations and Warranties. As of the Binding Agreement Date and the Closing Date, Buyer represents and warrants to Seller that Buyer has the right, power, and authority to enter into this Agreement and to consummate the transaction contemplated by the terms and conditions of this Agreement. The persons executing this Agreement on behalf of Buyer have been duly and validly authorized by Buyer to execute and deliver this Agreement and shall have the right, power, and authority to enter into this Agreement and bind Buyer. Upon Seller's request, Buyer shall furnish such documentation evidencing signor's authority to bind Buyer.

12. Agency and Brokerage.

A. Agency.

- (1) In this Agreement, the term "Broker" shall mean a licensed Tennessee real estate broker or brokerage firm and, where the context would indicate, the Broker's affiliated licensees. No Broker in this transaction shall owe any duty to Buyer or Seller greater than what is set forth in their brokerage engagements, the Tennessee Real Estate Broker License Act of 1973, as amended, and the Tennessee Real Estate Commission rules and regulations.
- (2) A Designated Agent is one who has been assigned by his/her Managing Broker and is working as an agent for the Seller or Buyer in a prospective transaction, to the exclusion of all other licensees in his/her company.
- (3) An Agent for the Seller or Buyer is a type of agency in which the licensee's company is working as an agent for the Seller or Buyer and owes primary loyalty to that Seller or Buyer.
- (4) A Facilitator relationship occurs when the licensee is not working as an agent for either party in this consumer's prospective transaction. A Facilitator may advise either or both of the parties to a transaction but cannot be considered a representative or advocate for either party. "Transaction Broker" may be used synonymously with, or in lieu of, "Facilitator" as used in any disclosures, forms or agreements. [By law, any licensee or company who has not entered into a written agency agreement with either party in the transaction is considered a Facilitator or Transaction Broker until such time as an agency agreement is established.]
- (5) A dual agency situation arises when an agent (in the case of designated agency) or a real estate firm (wherein the entire real estate firm represents the client) represents both the Buyer and Seller.
- (6) If one of the parties is not represented by a Broker, that party is solely responsible for their own interests, and that Broker's role is limited to performing ministerial acts for the unrepresented party.

B. Agency Disclosure.

- (1) The Broker, if any, working with the Seller is identified on the signature page as the "Listing Company"; and said Broker is (Select One. The items not selected are not part of this Agreement):
 - ☐ the Designated Agent for the Seller,
 - ☐ the agent for the Seller,
 - ☐ a Facilitator for the Seller, OR
 - ☐ a dual agent.
- (2) The Broker, if any, working with the Buyer is identified on the signature page as the "Selling Company", and said Broker is (Select One. The items not selected are not part of this Agreement):
 - ☐ the Designated Agent for the Buyer,
 - ☐ the agent for the Buyer,
 - ☐ a Facilitator for the Buyer, OR
 - ☐ a dual agent.

(3) **Dual Agency Disclosure.** *[Applicable only if dual agency has been selected above]* Seller and Buyer are aware that Broker is acting as a dual agent in this transaction and consent to the same. Seller and Buyer have been advised that:

1. In serving as a dual agent the Broker is representing two clients whose interests are, or at times could be, different or even adverse.
2. The 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 another client which is not otherwise required to be disclosed by law.
3. The Buyer and Seller do not have to consent to dual agency, and
4. The consent of the Buyer and Seller to dual agency has been given voluntarily and the parties have read and understand their brokerage engagement agreements.
5. Notwithstanding any provision to the contrary contained herein, Seller and Buyer each hereby direct Broker, if 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 unless otherwise prohibited by law.

(4) **Material Relationship Disclosure.** *[Required with dual Agency]* The Broker and/or affiliated licensees have no material relationship with either client except as follows: _____. A material relationship means one of a personal, familial or business nature between the Broker and affiliate licensees and a client which would impair their ability to exercise fair judgment relative to another client.

Seller Initials _____ Buyer Initials _____

C. Brokerage. Seller agrees to pay Listing Broker at Closing the compensation specified by separate agreement. The Listing Broker will direct the closing agency/attorney to pay the Selling Broker, from the commission received, an amount, if any, in accordance with the terms and provisions specified by separate agreement. The parties agree and acknowledge that the Brokers involved in this transaction may receive compensation from more than one party. All parties to this Agreement agree and acknowledge that any real estate firm involved in this transaction shall be deemed a third party beneficiary only for the purposes of enforcing their commission rights, and as such, shall have the right to maintain an action on this Agreement for any and all compensations due and any reasonable attorney's fees and court costs.

13. Disclaimer. It is understood and agreed that the real estate firms and real estate licensee(s) representing or assisting Seller or Buyer and their brokers (collectively referred to as "Brokers") are not parties to this Agreement and do not have or assume liability for the performance or nonperformance of Seller or Buyer. Buyer and Seller agree that Brokers shall not be responsible for any of the following, including but not limited to, those matters which could have been revealed through a survey, title search or inspection of the Property; the insurability of the Property or cost to insure the Property; for the condition of the Property, any portion thereof, or any item therein; for any geological issues present on the Property; for any issues arising out of Buyer's failure to physically inspect the Property prior to entering into this Agreement and/or Closing; for building products and construction techniques; for the necessity or cost of any repairs to the Property; for hazardous or toxic materials; for the tax or legal consequences of this transaction; for the availability, capability, and/or cost of utility, sewer, septic, or community amenities; for proposed or pending condemnation actions involving the Property; for applicable boundaries of school districts or other school information; for the appraised or future value of the Property; for any condition(s) existing off the Property which may affect the Property; for the terms, conditions and availability of financing; and for the uses and zoning of the Property whether permitted or proposed. Buyer and Seller acknowledge that Brokers are not experts with respect to the above matters and that they have not relied upon any advice, representations or statements of Brokers (including their firms and affiliated licensees) and waive and shall not assert any claims against Brokers (including their firms and affiliated licensees) involving same. Buyer and Seller understand that it has been strongly recommended that if any of these or any other matters concerning the Property are of concern to them, that they secure the services of appropriately credentialed experts and professionals of Buyer's or Seller's choice for the independent expert advice and counsel relative thereto. **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 of which the Broker is not in control.**

14. Destruction of Property Prior to Closing. If the Property is destroyed or substantially destroyed prior to Closing, Seller shall give Buyer prompt notice thereof, which notice shall include Seller's reasonable estimate of: (1) the cost to restore and repair the damage; (2) the amount of insurance proceeds, if any, available for the same; and (3) whether the damage will be repaired prior to Closing. Upon notice to Seller, Buyer may terminate this Agreement within seven (7) days after

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receiving such notice from Seller. If Buyer does not terminate this Agreement, Buyer shall be deemed to have accepted the Property with the damage and shall receive at Closing (1) any insurance proceeds which have been paid to Seller but not yet spent to repair the damage and (2) an assignment of all unpaid insurance proceeds on the claim. Buyer may request in writing, and Seller shall provide within five (5) business days, all documentation necessary to confirm insurance coverage and/or payment or assignment of insurance proceeds.

15. Other Provisions.

A. Exhibits, Binding Effect, Entire Agreement, Modification, Assignment, and Binding Agreement Date. This Agreement shall be for the benefit of, and be binding upon, the parties hereto, their heirs, successors, legal representatives and assigns. This Agreement constitutes the sole and entire agreement between the parties hereto and no modification of this Agreement shall be binding unless signed by all parties or assigns to this Agreement. No representation, promise, or inducement not included in this Agreement shall be binding upon any party hereto. Any assignee shall fulfill all the terms and conditions of this Agreement. It is hereby agreed by both Buyer and Seller that any real estate agent working with or representing either party shall not have the authority to bind the Buyer, Seller or any assignee to any contractual agreement unless specifically authorized in writing within this Agreement. The parties hereby authorize either licensee to insert the time and date of the receipt of notice of acceptance of the final offer and further agree to be bound by such as the Binding Agreement Date following the signatory section of this Agreement, or Counter Offer, if applicable.

B. Survival Clause. Any provision herein contained, which by its nature and effect, is required to be performed after Closing shall survive the Closing and delivery of the deed and shall remain binding upon the parties to this Agreement and shall be fully enforceable thereafter. Notwithstanding the above, the representations and warranties made in Exhibit "D" shall survive the Closing for a period of _____ after the date of Closing.

C. Governing Law and Venue. This Agreement is intended as a contract for the purchase and sale of real property and shall be interpreted in accordance with the laws and in the courts of the State of Tennessee.

D. Time of Essence. Time is of the essence in this Agreement.

E. Terminology. As the context may require in this Agreement: (1) the singular shall mean the plural and vice versa; (2) all pronouns shall mean and include the person, entity, firm, or corporation to which they relate; (3) the feminine shall mean the masculine and vice versa; and (4) the term day(s) used throughout this Agreement shall be deemed to be calendar day(s) ending at 11:59 p.m. local time unless otherwise specified in this Agreement. Local time is to be determined by the location of the Property. All references to time are deemed to be local time. **In the event a performance deadline**, other than the Closing Date (as defined in herein), Day of Possession (as defined herein), and Offer Expiration date (as defined herein), occurs on a Saturday, Sunday or legal holiday, the performance deadline shall be extended to the next following business day. Holidays as used herein are those days deemed federal holidays pursuant to 5 U.S.C. § 6103. In calculating any time period under this Agreement, the commencement day shall be the day following the initial date (e.g. Binding Agreement Date).

F. Responsibility to cooperate. Buyer and Seller agree to timely take such actions and produce, execute, and/or deliver such information and documentation as is reasonably necessary to carry out the responsibilities and obligations of this Agreement. Except as to matters which are occasioned by clerical errors or omissions or erroneous information, the approval of the Closing documents by the parties shall constitute their approval of any differences between this Agreement and the Closing. The Buyer and Seller agree that if requested after Closing they will correct any documents and pay any amounts due where such corrections or payments are appropriate by reason of mistake, clerical errors or omissions, or the result of erroneous information.

G. Notices. Except as otherwise provided herein, all notices and demands required or permitted hereunder shall be in writing and delivered either (1) in person, (2) by a prepaid overnight delivery service, (3) by facsimile transmission (FAX), (4) by the United States Postal Service, postage prepaid, registered or certified return receipt requested or (5) Email. **NOTICE** shall be deemed to have been given as of the date and time it is actually received. Receipt of notice by the real estate licensee or their Broker assisting a party as a client or customer shall be deemed to be notice to that party for all purposes under this Agreement as may be amended, unless otherwise provided in writing.

H. Remedies. In the event of a breach of this Agreement, the non-breaching party may pursue all remedies available at law or in equity except where the parties have agreed to arbitrate. Notwithstanding the above, if Buyer breaches Buyer's obligations or warranties herein Seller shall have the option to request that Holder pay the Earnest Money/Trust Money to Seller, which if disbursed to Seller by Holder shall constitute liquidated damages in full settlement of all claims by Seller. Such liquidated damages are agreed to by the parties not to be a penalty and to be a good faith estimate of Seller's actual damages, which damages are difficult to ascertain. In the event that any party hereto shall file suit for breach or enforcement of this Agreement (including suits filed after Closing which are based

307 **J. Termination by Buyer.** In the event that Buyer legally and properly invokes his right to terminate this Agreement
308 under any of the provisions contained herein, Buyer shall pay the sum of one hundred dollars (\$100.00) to Seller as
309 consideration for Buyer's said right to terminate, the sufficiency and adequacy of which is hereby acknowledged.
310 Earnest Money/Trust Money shall be disbursed according to the terms stated herein.

314 L. **Construction.** This Agreement or any uncertainty or ambiguity herein shall not be construed against any party but
315 shall be construed as if all parties to this Agreement jointly prepared this Agreement.

319 □ Exhibit “A” Legal Description
320 □ Exhibit “B” Due Diligence Documents
321 □ Exhibit “C” Addition to Seller’s Closing Documents
322 □ Exhibit “D” Seller’s Warranties and Representations

323 _____

324 _____

325 _____

326 _____

327 _____

328 _____

329 _____

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345 **18. Method of Execution.** The parties agree that signatures and initials transmitted by a facsimile, other photocopy
346 transmittal, or by transmittal of digital signature as defined by the applicable State or Federal Law will be acceptable and
347 may be treated as originals and that the final Commercial Purchase and Sale Agreement containing all signatures and
348 initials may be executed partially by original signature and partially on facsimile, other photocopy documents, or by digital
349 signature as defined by the applicable State or Federal Law.

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LEGAL DOCUMENTS: This is an important legal document creating valuable rights and obligations. If you have any questions about it, you should review it with your attorney. Neither the Broker nor any Agent or Facilitator is authorized or qualified to give you any advice about the advisability or legal effect of its provisions.

NOTE: Any provisions of this Agreement which are preceded by a box "☐" must be marked to be a part of this Agreement. By affixing your signature below, you also acknowledge that you have reviewed each page and have received a copy of this Agreement.

Buyer hereby makes this offer.

BUYER

By: _____

Title: _____

Entity: _____

_____ at _____ o'clock ☐ am/ ☐ pm

Offer Date

BUYER

By: _____

Title: _____

Entity: _____

_____ at _____ o'clock ☐ am/ ☐ pm

Offer Date

Seller hereby:

- ☐ **ACCEPTS** – accepts this offer.
- ☐ **COUNTERS** – accepts this offer subject to the attached Counter Offer(s).
- ☐ **REJECTS** this offer and makes no counter offer.

SELLER

By: _____

Title: _____

Entity: _____

_____ at _____ o'clock ☐ am/ ☐ pm

Date

SELLER

By: _____

Title: _____

Entity: _____

_____ at _____ o'clock ☐ am/ ☐ pm

Date

394 **Binding Agreement Date.** This instrument shall become a “Binding Agreement” on the date (“Binding Agreement Date”)
 395 the last offeror, or licensee of offeror, receives notice of offeree’s acceptance. Notice of acceptance of the final offer was
 396 received by _____ on _____ at _____ o’clock ☐ am/ ☐ pm

For Information Purposes Only:

 Listing Company

 Selling Company

 Independent Licensee

 Independent Licensee

 Licensee Email

 Licensee Email

 Licensee Cellphone No.

 Licensee Cellphone No.

NOTE: This form is provided by TAR 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 TAR logo in conjunction with any form other than standardized forms created by TAR 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.

COMMERCIAL LOT/LAND PURCHASE AND SALE AGREEMENT

1. Purchase and Sale. For and in consideration of the mutual covenants herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned buyer

_____ (“Buyer”) agrees to buy and the undersigned seller _____ (“Seller”) agrees to sell all that tract or parcel of land, with such improvements as are located thereon, described as follows:

All that tract of land known as: _____

(Address) _____ (City), Tennessee, _____ (Zip), as recorded in _____ County Register of Deeds Office,

_____ deed book(s), _____ page(s), _____ and/or instrument number and as further described as:

_____ together with all fixtures, landscaping, improvements, and appurtenances, all being hereinafter collectively referred to as the “Property”, as more particularly described in Exhibit “A” or if Exhibit A is not attached as is recorded with the Register of Deeds of the county in which the Property is located and is made a part of this Commercial Lot/ Land Purchase and Sale Agreement (“Agreement”) by reference.

2. Purchase Price. The purchase price to be paid is: \$ _____,

_____ U.S. Dollars, (“Purchase Price”), and is subject to all prorations and adjustments and shall be paid by Buyer at the Closing by cash, a Federal Reserve Bank wire transfer of immediately available funds, cashier’s check or certified check.

This price is based (Select one. The sections not checked are not a part of this Agreement.):

- ☐ for entire Property as a tract, and not by the acre **OR**
- ☐ per acre with the Purchase Price to be determined by the actual amount of acreage of the Property, \$ _____ per acre based on a current or mutually acceptable survey **OR**
- ☐ for entire Property as a tract but with the Purchase Price to be adjusted upward or downward at \$ _____ per acre in the event the actual amount of acreage of the Property based on a current or mutually acceptable survey should vary more or less than _____ acre(s) from the _____ estimated acreage.

3. Earnest Money/Trust Money. Buyer has paid or will pay within _____ business days after the Binding Agreement Date, the sum of \$ _____ with _____ (“Holder”) located at _____ (address of Holder). Additional Earnest Money / Trust Money, if any, to be tendered and applied as follows:

A. Failure to Receive Earnest Money/Trust Money. In the event Earnest Money/Trust Money is not timely received by Holder or Earnest Money/Trust Money check or other instrument is not honored, for any reason by the financial institution upon which it is drawn, Holder shall promptly notify Buyer and Seller. Buyer shall have three (3) business days after notice to deliver good funds to Holder. In the event Buyer does not timely deliver good funds to Holder, this Agreement shall automatically terminate and Holder shall notify the parties of the same. Holder shall disburse Earnest Money/Trust Money only as follows:

- (a) at Closing to be applied as a credit toward Buyer’s Purchase Price;
- (b) upon a subsequent written agreement signed by Buyer and Seller; or
- (c) as set forth below in the event of a dispute regarding Earnest Money/Trust Money.

No party shall seek damages from Holder, nor shall Holder be liable for any such damages, and all parties agree to defend and hold harmless Holder for any matter arising out of or related to the performance of Holder’s duties hereunder.

B. Disputes Regarding Earnest Money/Trust Money. In the event Buyer or Seller notifies Holder of a dispute regarding disposition of Earnest Money/Trust Money that Holder cannot resolve, Buyer and Seller agree to interplead

Earnest Money/Trust Money into a court of competent jurisdiction. Holder shall be reimbursed for, and may deduct from, any funds interpleaded, its costs and expenses, including reasonable attorney's fees. The prevailing party in the interpleader action shall be entitled to collect from the other party the costs and expenses reimbursed to Holder, and upon payment of such funds into the court clerk's office, Holder shall be released from all further liability in connection with the funds delivered.

4. Inspection. Prior to closing, Buyer and Buyer's agents shall have the right to enter upon the Property at Buyer's expense and at reasonable times, to inspect, survey, examine, and test the Property as Buyer may deem necessary as part of Buyer's acquisition of the Property. Buyer may, for a fee, obtain a septic system inspection letter from the Tennessee Department of Environment and Conservation, Division of Ground Water Protection. Buyer shall indemnify and hold Seller and all Brokers harmless from and against any and all claims, injuries, and damages to persons and/or property arising out of or related to the exercise of Buyer's rights hereunder. Buyer shall have _____ days after the Binding Agreement Date ("Due Diligence Period") to evaluate the Property, the feasibility of the transaction, the availability and cost of financing, and any other matter of concern to Buyer. During the Due Diligence Period, Buyer shall have the right to terminate this Agreement upon notice to Seller if Buyer determines, based on an evaluation of the above, that it is not desirable to proceed with the transaction, and Buyer will be entitled to a refund of the Earnest Money/ Trust Money. Within _____ days after the Binding Agreement Date, Seller shall deliver to Buyer copies of materials concerning the Property referenced in Exhibit "B" (collectively "Due Diligence Materials"), which materials shall be promptly returned by Buyer if Agreement does not close for any reason. If Buyer fails to timely notify Seller that it is not proceeding with the transaction, Buyer shall waive its rights to terminate this Agreement pursuant to this section.

☐ **A. Building Permit.** This Agreement is contingent upon Buyer's ability to acquire all required licenses and permits from the appropriate governmental authority to make specific improvements on the Property. If Buyer provides a copy of the governmental report along with written notification to Seller and/or Seller's Broker within _____ days after the Binding Agreement Date that Buyer is unable to acquire all required licenses and permits from the appropriate governmental authority to make specific improvements on the Property, then in such event this Agreement shall automatically terminate and Holder shall promptly refund the Earnest Money/ Trust Money to Buyer. If Buyer fails to provide said report and notice, then this contingency shall be deemed to have been waived by Buyer.

☐ **B. Permit for Sanitary Septic Disposal System.** This Agreement is contingent upon the Buyer's ability to obtain a permit for a sanitary septic disposal system from the respective Tennessee Ground Water Protection Office for the county in which the Property is located (generally, located at the local Health Department) to be placed on the Property in a location consistent with Buyer's planned improvements. If Buyer is unable to meet this condition, Buyer must notify Seller and/or Seller's Broker in writing within _____ days after the Binding Agreement Date along with documentation reflecting denial of permit from the appropriate governmental entity. With proper notice, the Agreement is voidable by Buyer and Earnest Money/ Trust Money refunded. If Buyer fails to provide said notice, this contingency shall be deemed to have been waived by Buyer.

☐ **C. Rezoning.** This Agreement is contingent upon the Property being rezoned to _____ by the appropriate governmental authorities on or before _____. (Buyer or Seller) _____ shall be responsible for pursuing such rezoning, and paying all associated cost. All rezoning applications shall be submitted to Seller for Seller's approval prior to filing, which approval shall not be unreasonably withheld. All parties agree to cooperate, to sign the necessary documentation and to support the rezoning application. If Buyer provides documentation and written notification to Seller and/or Seller's Broker within 48 hours after the above date that the Property cannot be so zoned, then in such event this Agreement shall automatically terminate, and Holder shall promptly refund the Earnest Money/ Trust Money to Buyer. If Buyer fails to provide said documentation and notice, then this contingency shall be deemed to have been waived by Buyer.

☐ **D. Other Inspections.** See Special Stipulations for additional inspections required by Buyer.

5. Title.

A. Warranties of Seller. Seller warrants that at Closing Seller shall convey good and marketable, fee simple title to the Property to Buyer, subject only to the following exceptions ("Permitted Exceptions"):

- (1) Liens for ad valorem taxes not yet due and payable.
- (2) Those exceptions to which Buyer does not object or which Buyer waives in accordance with the Title Issues and Objections section below. "Good and marketable, fee simple title" with respect to the Property shall be such title:
 - (a) as is classified as "marketable" under the laws of Tennessee; and
 - (b) as is acceptable to and insurable by a title company doing business in Tennessee ("Title Company"), at

standard rates on an American Land Title Association Owner's Policy ("Title Policy").

B. Title Issues and Objections. Buyer shall have _____ days after the Binding Agreement Date to furnish Seller with a written statement of any title objections, UCC-1 or UCC-2 Financing Statements, and encroachments, and other facts affecting the marketability of the Property as revealed by a current title examination. Seller shall have _____ days after the receipt of such objections (the "Title Cure Period") to cure all valid title objections. Seller shall satisfy any existing liens or monetary encumbrances identified by Buyer as title objections which may be satisfied by the payment of a sum certain prior to or at Closing. Except for Seller's obligations in the preceding sentence, if Seller fails to cure any other valid title objections of Buyer within the Title Cure Period (and fails to provide Buyer with evidence of Seller's cure satisfactory to Buyer and to Title Company), then within five (5) days after the expiration of the Title Cure Period, Buyer may as Buyer's sole remedies: (1) rescind the transaction contemplated hereby, in which case Buyer shall be entitled to the return of Buyer's Earnest Money/Trust Money; (2) waive any such objections and elect to Close the transaction contemplated hereby irrespective of such title objections and without reduction of the Purchase Price; or (3) extend the Closing Date period for a period of up to fifteen (15) days to allow Seller further time to cure such valid title objections. Failure to act in a timely manner under this section shall constitute a waiver of Buyer's rights hereunder. Buyer shall have the right to reexamine title prior to Closing and notify Seller at Closing of any title objections which appear of record after the date of Buyer's initial title examination and before Closing.

6. Closing.

A. Closing Date. This transaction shall be consummated at the office of _____ on _____, _____, (the "Closing Date") or at such other time and place(s) the parties may agree upon in writing.

B. Possession. Seller shall deliver possession and occupancy of the Property to Buyer at Closing, subject only to the rights of tenants in possession and the Permitted Exceptions.

7. Seller's Obligations at Closing.

At Closing, Seller shall deliver to Buyer:

- (a) a Closing Statement;
- (b) deed (mark the appropriate deed below)
 - ☐ General Warranty Deed ☐ Special Warranty Deed
 - ☐ Quit Claim Deed ☐ Other: _____
- (c) all documents which Seller must execute under the terms of this Agreement to cause the Title Company to deliver to Buyer the Title Policy including, without limitation, a title affidavit from Seller to Buyer and to the Title Company in the form customarily used in Tennessee commercial real estate transactions so as to enable the Title Company to issue Buyer the Title Policy with all standard exceptions deleted and subject only to Permitted Exceptions; and
- (d) evidence reasonably satisfactory to Buyer at Closing of all documents/items indicated in Exhibit "C", if any (all documents to be delivered by Seller under this section, including all documents/items indicated in Exhibit "C" are collectively "Seller's Closing Documents").

8. Conditions to Closing.

9. Costs.

A. Seller's Costs. Seller shall pay all existing loans and/or liens affecting the Property; the cost of recording any title curative documents, including without limitation, satisfactions of deeds to secure debt, quitclaim deeds and financing statement termination; any accrued and/or outstanding association dues or fees; fee (if any) to obtain lien payoff/estoppel letters/statement of accounts from any and all associations, property management companies,

mortgage holders or other liens affecting the Property; all deed recording fees; the fees of Seller's counsel and, if checked, ☐ all transfer taxes, otherwise Buyer is responsible for transfer taxes.

In the event Seller is subject to Tax Withholding as required by the Foreign Investment in Real Property Tax Act, (hereinafter "FIRPTA"), Seller additionally agrees that such Tax Withholding must be collected from Seller by Buyer's Closing Agent at the time of Closing. In the event Seller is not subject to FIRPTA, Seller shall be required as a condition of Closing to sign appropriate affidavits certifying that Seller is not subject to FIRPTA. *It is Seller's responsibility to seek independent tax advice or counsel prior to the Closing Date regarding such tax matters.*

B. Buyer's Costs. Buyer shall pay the cost of Buyer's counsel and consultants; any costs in connection with Buyer's inspection of the Property and any costs associated with obtaining financing for the acquisition of the Property (including any intangibles tax, all deed recording fees and the cost of recording Buyer's loan documents.)

C. Additional Costs. In addition to the costs identified above, the following costs shall be paid by the parties hereto as indicated below:

<u>Item to be Paid</u>	<u>Paid by Seller</u>	<u>Paid by Buyer</u>
Survey	<input type="checkbox"/>	<input type="checkbox"/>
Title Examination	<input type="checkbox"/>	<input type="checkbox"/>
Premium for Standard Owner's Title Insurance Policy	<input type="checkbox"/>	<input type="checkbox"/>
Other: _____	<input type="checkbox"/>	<input type="checkbox"/>
Other: _____	<input type="checkbox"/>	<input type="checkbox"/>
Other: _____	<input type="checkbox"/>	<input type="checkbox"/>

10. Taxes and Prorations. Real estate taxes on the Property for the calendar year in which the Closing takes place shall be prorated as of 12:01 a.m. local time on the Closing Date. Seller shall be responsible (even after Closing) for paying all taxes (including previous reassessments) on the Property for the time period during which Seller owned the Property and shall indemnify the Buyer therefore. In addition, the following items shall also be prorated as of 12:01 a.m. local time on the Closing Date *[Select only those that apply to this transaction; the items not checked do not apply to this Agreement]:*

- | | | |
|---------------------------------------|----------------------------------------------|---------------------------------------------------|
| <input type="checkbox"/> Utilities | <input type="checkbox"/> Service Contracts | <input type="checkbox"/> Tenant Improvement Costs |
| <input type="checkbox"/> Rents | <input type="checkbox"/> Leasing Commissions | <input type="checkbox"/> Other: _____ |
| <input type="checkbox"/> Other: _____ | <input type="checkbox"/> Other: _____ | |

11. Greenbelt. If property is currently classified by the property tax assessor as "Greenbelt" (minimum of 15 acres or otherwise qualifies), does the Buyer intend to keep the property in the Greenbelt? **(Select the appropriate boxes below. Unselected items will not be part of this Agreement):**

- ☐ Buyer intends to maintain the property's Greenbelt classification and acknowledges that it is Buyer's responsibility to make timely and proper application to insure such status. Buyer's failure to timely and properly make application will result in the assessment of rollback taxes for which Buyer shall be obligated to pay. Buyer should consult the tax assessor for the county where the property is located prior to making this offer to verify that their intended use will qualify for greenbelt classification.
- ☐ Buyer does not intend to maintain the property's Greenbelt status and Rollback taxes shall be payable by the Seller at time of closing.

12. Representations and Warranties.

A. Seller's Representations and Warranties. As of the Binding Agreement Date and the Closing Date, Seller represents and warrants to Buyer that Seller has the right, power, and authority to enter into this Agreement and to convey the Property in accordance with the terms and conditions of this Agreement. The persons executing this Agreement on behalf of Seller have been duly and validly authorized by Seller to execute and deliver this Agreement and shall have the right, power, and authority to enter into this Agreement and to bind Seller. Seller also makes the additional representations and warranties to Buyer, if any, as indicated on Exhibit "D".

B. Buyer's Representations and Warranties. As of the Binding Agreement Date and the Closing Date, Buyer represents and warrants to Seller that Buyer has the right, power, and authority to enter into this Agreement and to consummate the transaction contemplated by the terms and conditions of this Agreement. The persons executing this Agreement on behalf of Buyer have been duly and validly authorized by Buyer to execute and deliver this Agreement and shall have the right, power, and authority to enter into this Agreement and bind Buyer. Upon Seller's request, Buyer shall furnish such documentation evidencing signor's authority to bind Buyer.

This form is copyrighted and may only be used in real estate transactions in which _____ is involved as a TAR authorized user. Unauthorized use of the form may result in legal sanctions being brought against the user and should be reported to the Tennessee Association of Realtors® at 615- 321-1477.

13. Disclaimer. It is understood and agreed that the real estate firms and real estate licensee(s) representing or assisting Seller and/or Buyer and their brokers (collectively referred to as “Brokers”) are not parties to this Agreement and do not have or assume liability for the performance or nonperformance of Seller or Buyer. Buyer and Seller agree that Brokers shall not be responsible for any of the following, including but not limited to, those matters which could have been revealed through a survey, flood certification, title search or inspection of the Property; the insurability of the Property or cost to insure the Property; for the condition of the Property, any portion thereof, or any item therein; for building products and construction techniques; for any geological issues present on the Property; for any issues arising out of the failure to physically inspect the Property prior to entering into this Agreement and/or Closing; for the necessity or cost of any repairs to the Property; for hazardous or toxic materials; for the tax or legal consequences of this transaction; for the availability, capability, and/or cost of utility, sewer, septic, or community amenities; for any proposed or pending condemnation actions involving the Property; for acreage or square footage; for applicable boundaries of school districts or other school information; for the appraised or future value of the Property; for any condition(s) existing off the Property which may affect the Property; for the terms, conditions, and availability of financing; and for the uses and zoning of the Property whether permitted or proposed. Buyer and Seller acknowledge that Brokers are not experts with respect to the above matters and that they have not relied upon any advice, representations or statements of Brokers (including their firms and affiliated licensees) and waive and shall not assert any claims against Brokers (including their firms and affiliated licensees) involving same. Buyer and Seller understand that it has been strongly recommended that if any of these or any other matters concerning the Property are of concern to them, that they secure the services of appropriately credentialed experts and professionals of Buyer’s or Seller’s choice for the independent expert advice and counsel relative thereto. **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 of which the Broker is not in control.**

14. Agency and Brokerage.

A. Agency.

- (1) In this Agreement, the term “Broker” shall mean a licensed Tennessee real estate broker or brokerage firm and, where the context would indicate, the Broker’s affiliated licensees. No Broker in this transaction shall owe any duty to Buyer or Seller greater than what is set forth in their brokerage engagements, the Tennessee Real Estate Broker License Act of 1973, as amended, and the Tennessee Real Estate Commission rules and regulations.
- (2) A Designated Agent is one who has been assigned by his/her Managing Broker and is working as an agent for the Seller or Buyer in a prospective transaction, to the exclusion of all other licensees in his/her company.
- (3) An Agent for the Seller or Buyer is a type of agency in which the licensee’s company is working as an agent for the Seller or Buyer and owes primary loyalty to that Seller or Buyer.
- (4) A Facilitator relationship occurs when the licensee is not working as an agent for either party in this consumer’s prospective transaction. A Facilitator may advise either or both of the parties to a transaction but cannot be considered a representative or advocate for either party. “Transaction Broker” may be used synonymously with, or in lieu of, “Facilitator” as used in any disclosures, forms or agreements. [By law, any licensee or company who has not entered into a written agency agreement with either party in the transaction is considered a Facilitator or Transaction Broker until such time as an agency agreement is established.]
- (5) A dual agency situation arises when an agent (in the case of designated agency) or a real estate firm (wherein the entire real estate firm represents the client) represents both the Buyer and Seller.
- (6) If one of the parties is not represented by a Broker, that party is solely responsible for their own interests, and that Broker’s role is limited to performing ministerial acts for the unrepresented party.

B. Agency Disclosure.

- (1) The Broker, if any, working with the Seller is identified on the signature page as the “Listing Company”; and said Broker is (Select One. The items not selected are not part of this Agreement):
 - ☐ the Designated Agent for the Seller,
 - ☐ the agent for the Seller,
 - ☐ a Facilitator for the Seller, OR
 - ☐ a dual agent.
- (2) The Broker, if any, working with the Buyer is identified on the signature page as the “Selling Company”, and said Broker is (Select One. The items not selected are not part of this Agreement):
 - ☐ the Designated Agent for the Buyer,

- ☐ the agent for the Buyer,
- ☐ a Facilitator for the Buyer, OR
- ☐ a dual agent.

(3) **Dual Agency Disclosure.** *[Applicable only if dual agency has been selected above]* Seller and Buyer are aware that Broker is acting as a dual agent in this transaction and consent to the same. Seller and Buyer have been advised that:

1. In serving as a dual agent the Broker is representing two clients whose interests are, or at times could be, different or even adverse.
2. The 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 another client which is not otherwise required to be disclosed by law.
3. The Buyer and Seller do not have to consent to dual agency, and
4. The consent of the Buyer and Seller to dual agency has been given voluntarily and the parties have read and understand their brokerage engagement agreements.
5. Notwithstanding any provision to the contrary contained herein, Seller and Buyer each hereby direct Broker, if 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 unless otherwise prohibited by law.

(4) **Material Relationship Disclosure.** *[Required with dual Agency]* The Broker and/or affiliated licensees have no material relationship with either client except as follows: _____. A material relationship means one of a personal, familial or business nature between the Broker and affiliate licensees and a client which would impair their ability to exercise fair judgment relative to another client.

Seller Initials _____ Buyer Initials _____

C. Brokerage. Seller agrees to pay Listing Broker at Closing the compensation specified by separate agreement. The Listing Broker will direct the closing agency/attorney to pay the Selling Broker, from the commission received, an amount, if any, in accordance with the terms and provisions specified by separate agreement. The parties agree and acknowledge that the Brokers involved in this transaction may receive compensation from more than one party. All parties to this Agreement agree and acknowledge that any real estate firm involved in this transaction shall be deemed a third party beneficiary only for the purposes of enforcing their commission rights, and as such, shall have the right to maintain an action on this Agreement for any and all compensations due and any reasonable attorney's fees and court costs.

15. Destruction of Property Prior to Closing. If the Property is destroyed or substantially destroyed prior to Closing, Seller shall give Buyer prompt notice thereof, which notice shall include Seller's reasonable estimate of: (1) the cost to restore and repair the damage; (2) the amount of insurance proceeds, if any, available for the same; and (3) whether the damage will be repaired prior to Closing. Upon notice to Seller, Buyer may terminate this Agreement within seven (7) days after receiving such notice from Seller. If Buyer does not terminate this Agreement, Buyer shall be deemed to have accepted the Property with the damage and shall receive at Closing (1) any insurance proceeds which have been paid to Seller but not yet spent to repair the damage and (2) an assignment of all unpaid insurance proceeds on the claim. Buyer may request in writing, and Seller shall provide within five (5) business days, all documentation necessary to confirm insurance coverage and/or payment or assignment of insurance proceeds.

16. Other Provisions.

A. Binding Effect, Entire Agreement, Modification, Assignment, and Binding Agreement Date. This Agreement shall be for the benefit of, and be binding upon, the parties hereto, their heirs, successors, legal representatives and assigns. This Agreement constitutes the sole and entire agreement between the parties hereto and no modification of this Agreement shall be binding unless signed by all parties or assigns to this Agreement. No representation, promise, or inducement not included in this Agreement shall be binding upon any party hereto. It is hereby agreed by both Buyer and Seller that any real estate agent working with or representing either party shall not have the authority to bind the Buyer, Seller, or any assignee to any contractual agreement unless specifically authorized in writing within this Agreement. Any assignee shall fulfill all the terms and conditions of this Agreement. The parties hereby authorize either licensee to insert the time and date of receipt of the notice of acceptance of the final offer. The foregoing time and date will be referred to for convenience as the Binding Agreement Date for purposes of establishing performance deadlines.

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- B. Survival Clause.** Any provision contained herein, which by its nature and effect is required to be performed after Closing shall survive the Closing and delivery of the deed, and shall remain binding upon the parties to this Agreement and shall be fully enforceable thereafter. Notwithstanding the above, the representations and warranties made in Exhibit "D" shall survive the Closing for a period of _____ after the date of Closing.
- C. Governing Law and Venue.** This Agreement is intended as a contract for the purchase and sale of real property and shall be interpreted in accordance with the laws and in the courts of the State of Tennessee.
- D. Time of Essence.** Time is of the essence in this Agreement.
- E. Terminology.** As the context may require in this Agreement: (1) the singular shall mean the plural and vice versa; (2) all pronouns shall mean and include the person, entity, firm or corporation to which they relate; (3) the masculine shall mean the feminine and vice versa; and (4) the term day(s) used throughout this Agreement shall be deemed to be calendar day(s) ending at 11:59 p.m. local time unless otherwise specified in this Agreement. Local time shall be determined by the location of Property. **In the event a performance deadline**, other than the Closing Date (as defined herein), Date of Possession (as defined herein), and Offer Expiration Date (as defined herein), occurs on a Saturday, Sunday or legal holiday, the performance deadline shall extend to the next following business day. Holidays as used herein are those days deemed federal holidays pursuant to 5 U.S.C. § 6103. In calculating any time period under this Agreement, the commencement day shall be the day following the initial date (e.g. Binding Agreement Date).
- F. Responsibility to Cooperate.** Buyer and Seller agree to timely take such actions and produce, execute, and/or deliver such information and documentation as is reasonably necessary to carry out the responsibilities and obligations of this Agreement. Except as to matters which are occasioned by clerical errors or omissions or erroneous information, the approval of the closing documents by the parties shall constitute their approval of any differences between this Agreement and the Closing. Buyer and Seller agree that if requested after Closing, they will correct any documents and pay any amounts due where such corrections or payments are appropriate by reason of mistake, clerical errors or omissions, or the result of erroneous information.
- G. Notices.** Except as otherwise provided herein, all notices and demands required or permitted hereunder shall be in writing and delivered either (1) in person; (2) by a prepaid overnight delivery service; (3) by facsimile transmission (FAX); (4) by the United States Postal Service, postage prepaid, registered or certified, return receipt requested; or (5) Email. **NOTICE** shall be deemed to have been given as of the date and time it is actually received. Receipt of notice by the real estate licensee or the Broker assisting a party as a client or customer shall be deemed to be notice to that party for all purposes under this Agreement as may be amended, unless otherwise provided in writing.
- H. Remedies.** In the event of a breach of this Agreement, the non-breaching party may pursue all remedies available at law or in equity except where the parties have agreed to arbitrate. Notwithstanding the above, if Buyer breaches Buyer's obligations or warranties herein Seller shall have the option to request that Holder pay the Earnest Money/Trust Money to Seller, which if disbursed to Seller by Holder shall constitute liquidated damages in full settlement of all claims by Seller. Such liquidated damages are agreed to by the parties not to be a penalty and to be a good faith estimate of Seller's actual damages, which damages are difficult to ascertain. In the event that any party hereto shall file suit for breach or enforcement of this Agreement (including suits filed after Closing which are based on or related to the Agreement), the prevailing party shall be entitled to recover all costs of such enforcement, including reasonable attorney's fees. The parties hereby agree that all remedies are fair and equitable and neither party will assert the lack of mutuality of remedies as a defense in the event of a dispute.
- I. Equal Opportunity.** This Property is being sold without regard to race, color, creed, sex, religion, handicap, familial status, or national origin.
- J. Termination by Buyer.** In the event that Buyer legally and properly invokes his right to terminate this Agreement under any of the provisions contained herein, Buyer shall pay the sum of one hundred dollars (\$100.00) to Seller as consideration for Buyer's said right to terminate, the sufficiency and adequacy of which is hereby acknowledged. Earnest Money/Trust Money shall be disbursed according to the terms stated herein.
- K. Severability.** If any portion or provision of this Agreement is held or adjudicated to be invalid or unenforceable for any reason, each such portion or provision shall be severed from the remaining portions or provisions of this Agreement, and the remaining portions or provisions shall be unaffected and remain in full force and effect.
- L. Contract Construction.** This Agreement or any uncertainty or ambiguity herein shall not be construed against any party but shall be construed as if all parties to this Agreement jointly prepared this Agreement.
- 17. Method of Execution.** The parties agree that signatures and initials transmitted by facsimile, other photocopy transmittal, or by transmittal of digital signature as defined by the applicable State or Federal law will be acceptable and may be treated as originals and that the final Lot/Land Purchase and Sale Agreement containing all signatures and initials may be executed partially by original signature and partially on facsimile, other photocopy documents, or by digital signature as defined by the applicable State or Federal law.

18. Exhibits and Addenda. All exhibits and/or addenda attached hereto, listed below, or referenced herein are made a part of this Agreement. If any such exhibit or addendum conflicts with any preceding section, said exhibit or addendum shall control:

- ☐ Exhibit "A" Legal Description
- ☐ Exhibit "B" Due Diligence Documents
- ☐ Exhibit "C" Addition to Seller's Closing Documents
- ☐ Exhibit "D" Seller's Warranties and Representations

19. Special Stipulations. The following Special Stipulations, if conflicting with any preceding section, shall control:

☐ (Mark box if additional pages are attached.)

20. Time Limit of Offer. This Offer may be withdrawn at any time before acceptance with Notice. Offer terminates if not countered or accepted by _____ o'clock ☐ a.m./ ☐ p.m. on the _____ day of _____.

LEGAL DOCUMENTS: This is an important legal document creating valuable rights and obligations. If you have any questions about it, you should review it with your attorney. Neither the Broker nor any Agent or Facilitator is authorized or qualified to give you any advice about the advisability or legal effect of its provisions.

NOTE: Any provisions of this Agreement which are preceded by a box "☐" must be marked to be a part of this Agreement. By affixing your signature below, you also acknowledge that you have reviewed each page and have received a copy of this Agreement.

Buyer hereby makes this offer.

BUYER

By: _____

Title: _____

Entity: _____

_____ at _____ o'clock ☐ am/ ☐ pm

Offer Date

BUYER

By: _____

Title: _____

Entity: _____

_____ at _____ o'clock ☐ am/ ☐ pm

Offer Date

Seller hereby:

- ☐ **ACCEPTS** – accepts this offer.
- ☐ **COUNTERS** – accepts this offer subject to the attached Counter Offer(s).
- ☐ **REJECTS** this offer and makes no counter offer.

SELLER

By: _____

Title: _____

Entity: _____

_____ at _____ o'clock ☐ am/ ☐ pm

SELLER

By: _____

Title: _____

Entity: _____

_____ at _____ o'clock ☐ am/ ☐ pm

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409 **Date** _____ **Date** _____
 410 **Acknowledgement of Receipt.** _____ hereby acknowledges receipt of the final accepted offer
 411 on _____ at _____ o'clock ☐ am/ ☐ pm, and this shall be referred to as the Binding Agreement Date for
 412 purposes of establishing performance deadlines as set forth in the Agreement.
 413

For Information Purposes Only:

Listing Company: _____

Selling Company: _____

Independent Licensee: _____

Independent Licensee: _____

Licensee Email: _____

Licensee Email: _____

Licensee Cellphone No.: _____

Licensee Cellphone No. _____

NOTE: This form is provided by TAR 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 TAR logo in conjunction with any form other than standardized forms created by TAR 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.

COMMERCIAL LEASE TO PURCHASE

(To be used pursuant to a Commercial Lease Agreement, Single Tenant)

For and in consideration of the mutual covenants set forth herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, _____ (herein after referred to as "Buyer/Tenant") hereby agrees to purchase from _____ (herein after referred to as "Seller/ Landlord") all that tract of land known as: _____ (Address) _____ (City), Tennessee, _____ (Zip), as recorded in _____ County Register of Deeds Office, _____ deed book(s) _____ page(s), and/or _____ instrument no. and further described as: _____ together with all fixtures, landscaping, improvements, and appurtenances, all being hereinafter collectively referred to as the "Property", as more particularly described in Exhibit "A" or if Exhibit "A" is not attached as is recorded with the Register of Deeds of the county in which the Property is located and is made a part of this Commercial Lease to Purchase Agreement (or "Agreement") by reference. This Agreement is pursuant to the Lease Agreement between the above referenced parties dated _____ ("Lease Agreement").

1. Closing Date. This transaction shall be consummated at the office of _____ on _____, _____, (the "Closing Date") or at such other time and place(s) the parties may agree upon in writing.

2. Purchase Price. The total Purchase Price for the Property pursuant to this Agreement is _____ U.S. Dollars, (\$ _____). Buyer/Tenant hereafter agrees to pay as Base Rent to Seller/Landlord beginning _____ and continuing on the same day of each succeeding month as Base Rent is due and payable under the terms of the Lease Agreement the amount of \$ _____ payable in _____ equal monthly installments of \$ _____ with \$ _____ being applied toward the balance of the Purchase Price and the remaining balance of _____ will be due and payable at Closing. Any rent payments made prior the execution of this Agreement are not applied toward the reduction of the Purchase Price.

3. Obligations at Closing. At Closing, Seller/Landlord shall deliver to Buyer/ Tenant:

(a) A Closing Statement;

(b) Deed (mark the appropriate deed below):

☐ General Warranty Deed

☐ Special Warranty Deed

☐ Other: _____

(c) All documents which Seller/Landlord must execute under the terms of this Agreement to cause the Title Company to deliver to Buyer/ Tenant the Title Policy including, without limitation, a title affidavit from Seller/Landlord to Buyer/Tenant and to the Title Company in the form customarily used in Tennessee commercial real estate transactions so as to enable the Title Company to issue Buyer/Tenant the Title Policy with all standard exceptions deleted and subject only to Permitted exceptions; and

(d) Evidence reasonably satisfactory to Buyer/Tenant at Closing of all documents/ items indicated in Exhibit "C", if any (all documents to be delivered by Seller/Landlord under this section, including all documents/items indicated in Exhibit "C" are collectively "Seller's Closing Documents").

4. Conditions to Closing.

5. Title Search. Buyer/Tenant acknowledges that he has been advised that he should obtain a thorough and complete title examination of the Property and that he has:

☐ chosen not obtain a title search, or

☐ chosen to obtain a title search

and that he takes same subject to all deeds of trust, easements and encumbrances of record against the Property.

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6. Costs.

A. Seller/Landlord's Costs. Seller/Landlord shall pay all existing loans and/or liens affecting the Property; the cost of recording any title curative documents, including without limitation, satisfactions of deeds to secure debt, quitclaim deeds and financing statement termination; any accrued and/or outstanding association dues or fees; fee (if any) to obtain lien payoff/estoppel letters/statement of accounts from any and all associations, property management companies, mortgage holders or other liens affecting the Property; all deed recording fees; the fees of Seller/Landlord's counsel and, **if checked**, ☐ **all transfer taxes**, otherwise Buyer/Tenant is responsible for transfer taxes.

In the event Seller/Landlord is subject to Tax Withholding as required by the Foreign Investment in Real Property Tax Act, (hereinafter "FIRPTA"), Seller/Landlord additionally agrees that such Tax Withholding must be collected from Seller/Landlord by Buyer/Tenant's Closing Agent at the time of Closing. In the event Seller/Landlord is not subject to FIRPTA, Seller/Landlord shall be required as a condition of Closing to sign appropriate affidavits certifying that Seller/Landlord is not subject to FIRPTA. ***It is Seller/Landlord's responsibility to seek independent tax advice or counsel prior to the Closing Date regarding such tax matters.***

B. Buyer/Tenant's Costs. Buyer/Tenant shall pay the cost of Buyer/Tenant's counsel and consultants; any costs in connection with Buyer/Tenant's inspection of the Property and any costs associated with obtaining financing for the acquisition of the Property (including any intangibles tax, all deed recording fees and the cost of recording Buyer/Tenant's loan documents.)

C. Additional Costs. In addition to the costs identified above, the following costs shall be paid by the parties hereto as indicated below:

<u>Item to be Paid</u>	<u>Paid by Seller/Landlord</u>	<u>Paid by Buyer/Tenant</u>
Survey	<input type="checkbox"/>	<input type="checkbox"/>
Title Examination	<input type="checkbox"/>	<input type="checkbox"/>
Premium for Standard Owner's Title Insurance Policy	<input type="checkbox"/>	<input type="checkbox"/>
Other: _____	<input type="checkbox"/>	<input type="checkbox"/>
Other: _____	<input type="checkbox"/>	<input type="checkbox"/>
Other: _____	<input type="checkbox"/>	<input type="checkbox"/>

7. Taxes and Prorations. Real estate taxes on the Property for the calendar year in which the Closing takes place shall be prorated as of 12:01 a.m. local time on the Closing Date. In addition, the following items shall also be prorated as of 12:01 a.m. local time on the Closing Date *[Select only those that apply to this transaction; the items not checked do not apply to this Agreement]*:

- ☐ Utilities ☐ Service Contracts ☐ Tenant Improvement Costs ☐ Rents
- ☐ Leasing Commissions ☐ Other: _____
- ☐ Other: _____ ☐ Other: _____

8. Representations and Warranties.

A. Seller/Landlord's Representations and Warranties. As of the Binding Agreement Date and the Closing Date, Seller/Landlord represents and warrants to Buyer/Tenant that Seller/Landlord has the right, power, and authority to enter into this Agreement and to convey the Property in accordance with the terms and conditions of this Agreement. The persons executing this Agreement on behalf of Seller/Landlord have been duly and validly authorized by Seller/Landlord to execute and deliver this Agreement and shall have the right, power, and authority to enter into this Agreement and to bind Seller/Landlord. Seller/Landlord also makes the additional representations and warranties to Buyer/Tenant, if any, as indicated on Exhibit "D".

B. Buyer/Tenant's Representations and Warranties. As of the Binding Agreement Date and the Closing Date, Buyer/Tenant represents and warrants to Seller/Landlord that Buyer/Tenant has the right, power, and authority to enter into this Agreement and to consummate the transaction contemplated by the terms and conditions of this Agreement. The persons executing this Agreement on behalf of Buyer/Tenant have been duly and validly authorized by Buyer/Tenant to execute and deliver this Agreement and shall have the right, power, and authority to enter into this Agreement and bind Buyer/Tenant. Upon Seller/Landlord's request, Buyer/Tenant shall furnish such documentation evidencing signor's authority to bind Buyer/Tenant.

9. Agency and Brokerage.

A. Agency.

- (1) In this Agreement, the term "Broker" shall mean a licensed Tennessee real estate broker or brokerage firm and, where the context would indicate, the Broker's affiliated licensees. No Broker in this transaction shall owe any

duty to Buyer/Tenant or Seller/Landlord greater than what is set forth in their brokerage engagements, the Tennessee Real Estate Broker License Act of 1973, as amended, and the Tennessee Real Estate Commission rules and regulations.

- (2) A Designated Agent is one who has been assigned by his/her Managing Broker and is working as an agent for the Seller/Landlord or Buyer/Tenant in a prospective transaction, to the exclusion of all other licensees in his/her company.
- (3) An Agent for the Seller/Landlord or Buyer/Tenant is a type of agency in which the licensee's company is working as an agent for the Seller/Landlord or Buyer/Tenant and owes primary loyalty to that Seller/Landlord or Buyer/Tenant.
- (4) A Facilitator relationship occurs when the licensee is not working as an agent for either party in this consumer's prospective transaction. A Facilitator may advise either or both of the parties to a transaction but cannot be considered a representative or advocate for either party. "Transaction Broker" may be used synonymously with, or in lieu of, "Facilitator" as used in any disclosures, forms or agreements. [By law, any licensee or company who has not entered into a written agency agreement with either party in the transaction is considered a Facilitator or Transaction Broker until such time as an agency agreement is established.]
- (5) A dual agency situation arises when an agent (in the case of designated agency) or a real estate firm (wherein the entire real estate firm represents the client) represents both the Buyer/Tenant and Seller/Landlord.
- (6) If one of the parties is not represented by a Broker, that party is solely responsible for their own interests, and that Broker's role is limited to performing ministerial acts for the unrepresented party.

B. Agency Disclosure.

- (1) The Broker, if any, working with the Seller/Landlord is identified on the signature page as the "Listing Company"; and said Broker is (Select One. The items not selected are not part of this Agreement):

- ☐ the Designated Agent for the Seller/Landlord,
- ☐ the agent for the Seller/Landlord,
- ☐ a Facilitator for the Seller/Landlord, OR
- ☐ a dual agent.

- (2) The Broker, if any, working with the Buyer/Tenant is identified on the signature page as the "Selling Company", and said Broker is (Select One. The items not selected are not part of this Agreement):

- ☐ the Designated Agent for the Buyer/Tenant,
- ☐ the agent for the Buyer/Tenant,
- ☐ a Facilitator for the Buyer/Tenant, OR
- ☐ a dual agent.

- (3) **Dual Agency Disclosure.** *[Applicable only if dual agency has been selected above]* Seller/Landlord and Buyer/Tenant are aware that Broker is acting as a dual agent in this transaction and consent to the same. Seller/Landlord and Buyer/Tenant have been advised that:

1. In serving as a dual agent the Broker is representing two clients whose interests are, or at times could be, different or even adverse.
2. The 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 another client which is not otherwise required to be disclosed by law.
3. The Buyer/Tenant and Seller/Landlord do not have to consent to dual agency, and
4. The consent of the Buyer/Tenant and Seller/Landlord to dual agency has been given voluntarily and the parties have read and understand their brokerage engagement agreements.
5. Notwithstanding any provision to the contrary contained herein, Seller/Landlord and Buyer/Tenant each hereby direct Broker, if 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 unless otherwise prohibited by law.

- (4) **Material Relationship Disclosure.** [Required with dual Agency] The Broker and/or affiliated licensees have no material relationship with either client except as follows: _____. A material

relationship means one of a personal, familial or business nature between the Broker and affiliate licensees and a client which would impair their ability to exercise fair judgment relative to another client.

Seller/Landlord Initials _____ Buyer/Tenant Initials _____

C. Brokerage. Seller/Landlord agrees to pay Listing Broker at Closing the compensation specified by separate agreement. The Listing Broker will direct the closing agency/attorney to pay the Selling Broker, from the commission received, an amount, if any, in accordance with the terms and provisions specified by separate agreement. The parties agree and acknowledge that the Brokers involved in this transaction may receive compensation from more than one party. All parties to this Agreement agree and acknowledge that any real estate firm involved in this transaction shall be deemed a third party beneficiary only for the purposes of enforcing their commission rights, and as such, shall have the right to maintain an action on this Agreement for any and all compensations due and any reasonable attorney's fees and court costs.

10. Disclaimer. It is understood and agreed that the real estate firms and real estate licensee(s) representing or assisting Seller/Landlord or Buyer/Tenant and their brokers (collectively referred to as "Brokers") are not parties to this Agreement and do not have or assume liability for the performance or nonperformance of Seller/Landlord or Buyer/Tenant. Buyer/Tenant and Seller/Landlord agree that Brokers shall not be responsible for any of the following, including but not limited to, those matters which could have been revealed through a survey, title search or inspection of the Property; the insurability of the Property or cost to insure the Property; for the condition of the Property, any portion thereof, or any item therein; for any geological issues present on the Property; for any issues arising out of Buyer/Tenant's failure to physically inspect the Property prior to entering into this Agreement and/or Closing; for building products and construction techniques; for the necessity or cost of any repairs to the Property; for hazardous or toxic materials; for the tax or legal consequences of this transaction; for the availability, capability, and/or cost of utility, sewer, septic, or community amenities; for proposed or pending condemnation actions involving the Property; for applicable boundaries of school districts or other school information; for the appraised or future value of the Property; for any condition(s) existing off the Property which may affect the Property; for the terms, conditions and availability of financing; and for the uses and zoning of the Property whether permitted or proposed. Buyer/Tenant and Seller/Landlord acknowledge that Brokers are not experts with respect to the above matters and that they have not relied upon any advice, representations or statements of Brokers (including their firms and affiliated licensees) and waive and shall not assert any claims against Brokers (including their firms and affiliated licensees) involving same. Buyer/Tenant and Seller/Landlord understand that it has been strongly recommended that if any of these or any other matters concerning the Property are of concern to them, that they secure the services of appropriately credentialed experts and professionals of Buyer/Tenant's or Seller/Landlord's choice for the independent expert advice and counsel relative thereto. 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 of which the Broker is not in control.

11. Other Provisions.

A. Exhibits, Binding Effect, Entire Agreement, Modification, Assignment, and Binding Agreement Date. This Agreement shall be for the benefit of, and be binding upon, the parties hereto, their heirs, successors, legal representatives and assigns. No modification of this Agreement shall be binding unless signed by all parties or assigns to this Agreement. No representation, promise, or inducement not included in this Agreement shall be binding upon any party hereto. Any assignee shall fulfill all the terms and conditions of this Agreement. It is hereby agreed by both Buyer/Tenant and Seller/Landlord that any real estate agent working with or representing either party shall not have the authority to bind the Buyer/Tenant, Seller/Landlord or any assignee to any contractual agreement unless specifically authorized in writing within this Agreement. The parties hereby authorize either licensee to insert the time and date of the receipt of notice of acceptance of the final offer. The foregoing time and date will be referred to for convenience as the Binding Agreement Date for purposes of establishing performance deadlines.

B. Survival Clause. Any provision herein contained, which by its nature and effect, is required to be performed after Closing shall survive the Closing and delivery of the deed and shall remain binding upon the parties to this Agreement and shall be fully enforceable thereafter. Notwithstanding the above, the representations and warranties made in Exhibit "D" shall survive the Closing for a period of _____ days after the date of Closing.

C. Governing Law and Venue. This Agreement is intended as a contract for the purchase and sale of real property and shall be interpreted in accordance with the laws and in the courts of the State of Tennessee.

D. Time of Essence. Time is of the essence in this Agreement.

E. Terminology. As the context may require in this Agreement: (1) the singular shall mean the plural and vice versa; (2) all pronouns shall mean and include the person, entity, firm, or corporation to which they relate; (3) the feminine shall mean the masculine and vice versa; and (4) the term day(s) used throughout this Agreement shall be deemed to

be calendar day(s) ending at 11:59 p.m. local time unless otherwise specified in this Agreement. Local time is to be determined by the location of the Property. All references to time are deemed to be local time. **In the event a performance deadline**, other than the Closing Date and Offer Expiration Date, occurs on a Saturday, Sunday or legal holiday, the performance deadline shall be extended to the next following business day. Holidays as used herein are those days deemed federal holidays pursuant to 5 U.S.C. § 6103. In calculating any time period under this Agreement, the commencement day shall be the day following the initial date (e.g. Binding Agreement Date).

- F. Responsibility to cooperate.** Buyer/Tenant and Seller/Landlord agree to timely take such actions and produce, execute, and/or deliver such information and documentation as is reasonably necessary to carry out the responsibilities and obligations of this Agreement. Except as to matters which are occasioned by clerical errors or omissions or erroneous information, the approval of the Closing documents by the parties shall constitute their approval of any differences between this Agreement and the Closing. The Buyer/Tenant and Seller/Landlord agree that if requested after Closing they will correct any documents and pay any amounts due where such corrections or payments are appropriate by reason of mistake, clerical errors or omissions, or the result of erroneous information.
- G. Notices.** Except as otherwise provided herein, all notices and demands required or permitted hereunder shall be in writing and delivered either (1) in person, (2) by a prepaid overnight delivery service, (3) by facsimile transmission (FAX), (4) by the United States Postal Service, postage prepaid, registered or certified return receipt requested or (5) Email. **NOTICE** shall be deemed to have been given as of the date and time it is actually received. Receipt of notice by the real estate licensee or their Broker assisting a party as a client or customer shall be deemed to be notice to that party for all purposes under this Agreement as may be amended, unless otherwise provided in writing.
- H. Default.** Should Buyer/Tenant default under the terms of the Lease Agreement, this Agreement shall be deemed null and void and any monies collected as Base Rent under this Agreement, including those to be applied to the balance of the Purchase Price will be forfeited by Buyer/Tenant as damages to Seller/ Landlord. Should Seller/Landlord default under the terms of the Lease Agreement, this Agreement shall be deemed null and void and monies collected which were applied to the balance of the Purchase Price shall be refunded to Buyer/ Tenant.
- I. Remedies.** In the event of a breach of this Agreement, the non-breaching party may pursue all remedies available at law or in equity except where the parties have agreed to arbitrate. In the event that any party hereto shall file suit for breach or enforcement of this Agreement (including suits filed after Closing which are based on or related to the Agreement), the prevailing party shall be entitled to recover all costs of such enforcement, including reasonable attorney's fees. The parties hereby agree that all remedies are fair and equitable and neither party will assert the lack of mutuality of remedies as a defense in the event of a dispute.
- J. Equal Opportunity.** This Property is being sold without regard to race, color, creed, sex, religion, handicap, familial status, or national origin.
- K. Severability.** If any portion or provision of this Agreement is held or adjudicated to be invalid or unenforceable for any reason, each such portion or provision shall be severed from the remaining portions or provisions of this Agreement, and the remaining portions or provisions shall be unaffected and remain in full force and effect.
- L. Construction.** This Agreement or any uncertainty or ambiguity herein shall not be construed against any party but shall be construed as if all parties to this Agreement jointly prepared this Agreement.
- M. Conflict.** Should the terms of this Agreement conflict with the terms of the Lease Agreement referenced above or any other documents executed prior to or simultaneous to the execution of this Commercial Lease to Purchase Agreement, the terms of this Commercial Lease to Purchase Agreement shall control, and the conflicting terms are hereby considered deleted and expressly waived by both Seller and Buyer. In all other respects, the Lease Agreement between the parties shall remain in full force and effect.

12. Exhibited and Addenda. All exhibits and/or addenda attached hereto, listed below, or referenced herein are made a part of this Agreement. If any such exhibit or addendum conflicts with any preceding section, said exhibit or addendum shall control:

- ☐ Exhibit "A" Legal Description
- ☐ Exhibit "B" Due Diligence Documents
- ☐ Exhibit "C" Addition to Seller's Closing Documents
- ☐ Exhibit "D" Seller's Warranties and Representations

13. Special Stipulations. The following Special Stipulations, if conflicting with any preceding section, shall control:

259 _____

260 _____

261 _____

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287 _____

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290 _____

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292 _____

☐ (Mark box if additional pages are attached.)

14. Method of Execution. The parties agree that signatures and initials transmitted by a facsimile, other photocopy transmittal, or by transmittal of digital signature as defined by the applicable State or Federal Law will be acceptable and may be treated as originals and that the Agreement containing all signatures and initials may be executed partially by original signature and partially on facsimile, other photocopy documents, or by digital signature as defined by the applicable State or Federal Law.

15. Time Limit of Offer. This Offer may be withdrawn at any time before acceptance with Notice. Offer terminates if not countered or accepted by _____ o'clock ☐ a.m./ ☐ p.m. local time on the _____ day of _____, _____.

LEGAL DOCUMENTS: This is an important legal document creating valuable rights and obligations. If you have any questions about it, you should review it with your attorney. Neither the Broker nor any Agent or Facilitator is authorized or qualified to give you any advice about the advisability or legal effect of its provisions.

NOTE: Any provisions of this Agreement which are preceded by a box "□" must be marked to be a part of this Agreement. By affixing your signature below, you also acknowledge that you have reviewed each page and have received a copy of this Agreement.

308

Buyer/Tenant hereby makes this offer.

309

310

BUYER/TENANT**BUYER/TENANT**

311

By:**By:**

312

Title:**Title:**

313

Entity:**Entity:**

314

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

315

Offer Date**Offer Date**

316

Seller/Landlord hereby:

317

☐ **ACCEPTS** – accepts this offer.

318

☐ **COUNTERS** – accepts this offer subject to the attached Counter Offer(s).

319

☐ **REJECTS** this offer and makes no counter offer.

320

321

SELLER/LANDLORD**SELLER/LANDLORD**

322

By:**By:**

323

Title:**Title:**

324

Entity:**Entity:**

325

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

326

Date**Date**

327

Acknowledgement of Receipt. _____ hereby acknowledges receipt of the final accepted offer on _____ at _____ o'clock ☐ am/ ☐ pm, and this shall be referred to as the Binding Agreement Date for purposes of establishing performance deadlines as set forth in the Agreement.

328

329

For Information Purposes Only:

Listing Company

Selling Company

Independent Licensee

Independent Licensee

Licensee Email

Licensee Email

Licensee Cellphone No.

Licensee Cellphone No.

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AMENDMENT TO THE COMMERCIAL LISTING AGREEMENT (SALE)

1 Property: _____
 2 Owner/Seller: _____
 3 Date of Listing: _____ MLS Listing No. _____
 4 In consideration of the mutual covenants herein and other good and valuable consideration, the receipt and sufficiency of which
 5 is hereby acknowledged, the parties agree to amend that certain Commercial Listing Agreement ~~which was signed by the Seller~~
 6 ~~and Broker on~~ between Seller and Broker with an Effective Date of _____ and any incorporated addenda,
 7 exhibits or prior amendments (collectively referred to herein as "Agreement") for the listing of real property specified above
 8 as follows:
 9 Check all that apply. Boxes that are not checked are not a part of this Amendment.
 10 ☐ Expiration Date extended to: _____. ☐ Listing Price changed to: _____.
 11 ☐ Additional acceptable terms are:
 12 _____
 13 _____
 14 _____
 15 ☐ Place Property Back on Market and extend the Expiration Date to: _____.
 16 ☐ Remarks and/or Property information to be changed to:
 17 _____
 18 _____
 19 ☐ Other: _____
 20 _____

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

22 _____
 23 **LICENSEE**

24 _____ at _____ o'clock ☐ am/ ☐ pm

25 **Date**

26 **Email:** _____

_____ **FIRM / COMPANY**

Address

Phone: _____ Fax: _____

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

28 _____
 29 **OWNER/SELLER**

30 **By:** _____

31 **Title:** _____

32 **Entity:** _____

33 _____ at _____ o'clock ☐ am/ ☐ pm

34 **Date**

35 _____
 36 **ADDRESS**

37 Phone(H) _____ Phone(W) _____

38 **Email:** _____

_____ **OWNER/SELLER**

By: _____

Title: _____

Entity: _____

_____ at _____ o'clock ☐ am/ ☐ pm

Date

_____ **ADDRESS**

Phone(H) _____ Phone(W) _____

Email: _____

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CF 601 – Amendment to the Commercial Listing Agreement (Sale), Page 1 of 1

Version 01/01/2020

AMENDMENT TO THE COMMERCIAL LEASE LISTING AGREEMENT

1 Property: _____
 2 Owner/Landlord: _____
 3 Date of Listing: _____ MLS Listing No. _____
 4 In consideration of the mutual covenants herein and other good and valuable consideration, the receipt and sufficiency of which
 5 is hereby acknowledged, the parties agree to amend that certain Commercial Listing Agreement ~~which was signed by the Seller~~
 6 ~~and Broker on~~ between Seller and Broker with an Effective Date of _____ and any incorporated addenda,
 7 exhibits or prior amendments (collectively referred to herein as "Agreement") for the listing of real property specified above
 8 as follows:
 9 Check all that apply. Boxes that are not checked are not a part of this Amendment.
 10 ☐ Expiration Date extended to: _____. ☐ Rental amount changed to: _____.
 11 ☐ Additional acceptable terms are:
 12 _____
 13 _____
 14 _____
 15 ☐ Place Property Back on Market and extend the Expiration Date to: _____.
 16 ☐ Remarks and/or Property information to be changed to:
 17 _____
 18 _____
 19 ☐ Other: _____
 20 _____

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

22 _____
 23 **LICENSEE**

24 _____ at _____ o'clock ☐ am/ ☐ pm

25 **Date**

26 **Email:** _____

_____ **FIRM / COMPANY**

Address

Phone: _____ Fax: _____

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

28 _____
 29 **OWNER/LANDLORD**

30 **By:** _____

31 **Title:** _____

32 **Entity:** _____

33 _____ at _____ o'clock ☐ am/ ☐ pm

34 **Date**

35 _____
 36 **ADDRESS**

37 Phone(H) _____ Phone(W) _____

38 **Email:** _____

_____ **OWNER/LANDLORD**

By: _____

Title: _____

Entity: _____

_____ at _____ o'clock ☐ am/ ☐ pm

Date

_____ **ADDRESS**

Phone(H) _____ Phone(W) _____

Email: _____

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CF603 – Amendment to the Commercial Lease Listing Agreement, Page 1 of 1

Version 01/01/2020

**COMMERCIAL SELLER'S RIGHT TO CONTINUE TO
MARKET PROPERTY ADDENDUM**

**COMMERCIAL BUYER'S FIRST RIGHT OF REFUSAL ADDENDUM
(SELLER'S RIGHT TO CONTINUE TO MARKET PROPERTY)**

1 Buyer: _____
2 Seller: _____
3 Property: _____

4 This COMMERCIAL SELLER'S RIGHT TO CONTINUE TO MARKET PROPERTY ADDENDUM (hereinafter
5 "Addendum"), between the undersigned Seller and Buyer is entered into and is effective as of the Binding Agreement Date
6 provided in the Commercial Purchase and Sale Agreement ("Agreement") for the purpose of changing, deleting, supplementing
7 or adding terms to said Commercial Purchase and Sale Agreement. In consideration of mutual covenants herein and other good
8 and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

9 It is understood and agreed by both Buyer and Seller that Seller reserves the right to continue to market the above referenced
10 property.

11 **For the purposes of this Addendum ONLY**, any time reference shall be measured in calendar days and/or hourly increments
12 and commences upon **DELIVERY** of notice. There are no delays for weekends or holidays.

13 In the event the attached Agreement is contingent upon the sale of the Buyer's property, the Buyer and Seller hereby agree that
14 said Property will be listed with a licensed real estate Broker and advertised in a Multiple Listing Service (if one exists in that
15 market) within _____ day(s) ~~five (5) days~~ of the Binding Agreement Date of the Purchase and Sale Agreement. *Within the
16 agreed upon timeframe, Buyer shall submit proof of listing to Seller via the Notification form or equivalent written notice.
17 Should Buyer fail to timely comply and provide written notice, Seller may make written demand for compliance via the
18 notification form or equivalent written notice. If Buyer does not furnish Seller the requested documentation within one (1) day
19 after such demand for compliance, Buyer shall be considered in default and Seller shall have the right to terminate this
20 Agreement by delivering to Buyer or Buyer's representative written notice via the Notification form or equivalent written
21 notice. In the event Buyer delivers proof of listing to Seller before Seller elects to terminate, Seller shall be deemed to have
22 waived his right to terminate, and the Agreement shall remain in full force and effect.*

23 **Receipt of Another Offer:** It is further agreed that if Seller receives another Offer that is acceptable to Seller, Seller shall give
24 Buyer or licensee assisting Buyer _____ hours notice in writing using the COMMERCIAL SELLER'S NOTICE TO BUYER
25 OF ACCEPTABLE OFFER or equivalent written notice, to remove the contingency(ies) pertaining to:

26 _____
27 _____
28 _____
29 _____
30 _____
31 _____
32 _____
33 _____
34 _____
35 _____
36 _____
37 _____
38 _____
39 _____
40 _____

41 (Example: sale of property.)

42 **Buyer's Obligation:** Buyer understands that it is his obligation to keep his licensee informed of his contact information. Buyer
43 acknowledges that if the licensee is unable to reach Buyer at the provided contact information, the licensee's obligation is

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fulfilled and licensee shall have no further responsibilities to Buyer and Buyer holds licensee harmless for his loss of right to purchase Property.

Removal of Contingency: Buyer understands that upon the giving of notice by Seller of Seller's receipt of a subsequent acceptable Offer and Buyer's removal of the contingency(ies) stated above, should Buyer then fail to close in whole or part as a consequence of said contingency not being met, Buyer's Earnest Money shall be forfeited to Seller in accordance with the terms of the Agreement, and Seller may pursue any other legal remedies available.

Failure to Remove Contingency: If Buyer fails to remove said contingency(ies) or fails to respond within the ____ hour period provided for herein, Seller may declare this Agreement null and void and return the Earnest Money to Buyer.

Obligations and Binding Agreement Date: Buyer understands that **all obligations** of the Agreement (i.e. inspections, etc.) must be performed according to the **Binding Agreement Date**.

Check the following boxes that apply should Buyer Remove Contingency:

- ☐ 1. Buyer shall deposit with Holder **additional** Earnest Money of \$ _____, _____ Dollars and said additional Earnest Money to be delivered to Holder by Buyer along with Buyer's signature on Option I under Paragraph B. on the Commercial Seller's Notice to Buyer of Receipt of Acceptable Offer or equivalent written notice. This sum and all Earnest Money previously paid shall be **nonrefundable** and **will be forfeited** to Seller as partial damages should Buyer fail to close as and when agreed **and/or**;
- ☐ 2. Buyer agrees to:
- ☐ A. **close within 30 days after date of delivery of Commercial Seller's Notice to Buyer of Receipt of Acceptable Offer or equivalent written notice;**
- OR**
- ☐ B. **close no later than the date specified in the Agreement and/or;**
- ☐ 3. Buyer removes **any and all contingencies and conditions** as to Buyer's obligations under the Agreement including any inspections, financing, etc. thereby making this an **"All Cash"** Agreement. Buyer acknowledges that should Buyer fail to close for any reason, Buyer will **forfeit** all Earnest Money and Seller may pursue other legal remedies **and/or**;
- ☐ 4. Buyer agrees to remove the aforementioned contingency(ies) only, **all other contingencies and conditions remain** in the Agreement.

Notification to the Seller from the Buyer: If Buyer desires to proceed to Closing, Buyer must, within the aforesaid hours, notify licensee assisting Seller and/or Seller, if unrepresented, advising of removal of aforesaid contingency(ies) and Buyer's willingness to proceed to Closing.

Buyer may fulfill Buyer's written notice responsibility under this paragraph by completing section B of the COMMERCIAL SELLER'S NOTICE TO BUYER OF ACCEPTABLE OFFER or equivalent written notice.

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

BUYER

By: _____

Title: _____

Entity: _____

_____ at _____ o'clock ☐ am/ ☐ pm

Date

BUYER

By: _____

Title: _____

Entity: _____

_____ at _____ o'clock ☐ am/ ☐ pm

Date

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

SELLER

By: _____

SELLER

By: _____

89	Title: _____	Title: _____
90	Entity: _____	Entity: _____
91	_____ at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm	_____ at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm
92	Date _____	Date _____

NOTE: This form is provided by TAR 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 TAR logo in conjunction with any form other than standardized forms created by TAR 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.

DRAFT SPECIMEN

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CF623 – Commercial Seller's Right to Continue to Market Property Addendum, Page 3 of 3

Version 01/01/2020

COMMERCIAL CONTRACT LANGUAGE FOR SPECIAL STIPULATIONS

(Language to be inserted in Special Stipulations, Addendum, or Amendment)

These special stipulation paragraphs are provided as examples of situations that may occur during real estate transactions. They are listed here for your use to be inserted into the Agreement by using the Special Stipulations, an Addendum or an Amendment.

1. ACCESS TO PUBLIC ROAD.

The Seller warrants that the subject property has the right of ingress and egress to and from _____ road without limitation by way of the existing driveway located at: _____.

2. AGENT AS PRINCIPAL OR RELATIVE OF PRINCIPAL.

A. All parties acknowledge that _____ is a duly licensed Real Estate Agent under the laws of Tennessee and is acting as the _____.

B. All parties acknowledge that _____ is a duly licensed Real Estate Agent under the laws of Tennessee, _____ (Buyer or Seller) and is the _____ of the _____ and is acting as the agent of the _____ (Relationship) _____ (Buyer or Seller).

C. All parties acknowledge that the Buyer/Agent intends to sell the Property at a future date for a profit.

3. ASSESSMENTS OR LIENS.

The parties hereto are aware that there is a _____ assessment or lien against the within described Property in the amount of \$ _____. Said assessment or lien shall be paid by _____ at the closing of this sale.

4. PROPERTY EXCHANGE.

This Agreement and the Separate Agreement which is attached hereto, are intended to be Exchange Properties pursuant to Internal Revenue Code § 1031. The parties agree that they will perform all necessary acts and that they will execute all necessary documents to effectuate an Exchange of Properties under said Section. The parties anticipate that the closings upon the properties which are the subject of this Agreement and the attached Agreement will be simultaneous.

5. NON-ASSIGNABILITY.

This Commercial Purchase and Sale Agreement shall not be assignable by the Buyer(s) without prior written consent of Seller(s).

6. CONTINGENCIES.

A. Appraisal.

This Agreement is contingent upon _____ having Property appraised no later than _____ and to pay for the appraisal. In the event the appraisal is not timely made, this contingency shall be deemed waived. The Property must appraise for at least the amount set forth in the "Purchase Price" paragraph of the Agreement or the Buyer may, at his option, on or before _____, terminate this Agreement with written notice to Seller and all Earnest Money shall be refunded to Buyer in full, in which event all parties agree to execute all applicable documentation. In the event Buyer fails to exercise this option, it shall be deemed waived.

B. Approval of Others.

This Agreement is contingent upon _____ viewing and approving the above-described Property and, if acceptable, Buyer notifying the Seller or Broker on or before _____. Should the Property be unacceptable to _____, Buyer shall provide written notice to Seller that Buyer is exercising his right to terminate this Agreement and all Earnest Money will be refunded to Buyer in full, in which event all parties agree to execute all applicable documentation. In the event this contingency is not removed by the date set above, this contingency shall be deemed waived and the Agreement shall remain in full force and effect.

C. Bankruptcy Pending.

The parties herein acknowledge that they have been informed of bankruptcy proceedings in the United States Bankruptcy Court, and that this Agreement is contingent upon a final judgment and decree authorizing the sale of the Property. In the event that a final judgment sale authorization is not granted by _____, the Buyer may terminate this Agreement with written notice to Seller with Earnest Money returned in full to Buyer, in which event all parties agree to execute all applicable documentation.

D. Court Permission to Sell.

Seller's obligations under this Agreement are contingent upon approval or order of the appropriate court having jurisdiction over the sale of the Property on or before _____. Seller shall proceed diligently and in good faith, using all reasonable best efforts, at Seller's expense, to obtain said approval. In the event said approval or order is not received by said date, the Agreement may be terminated by Buyer upon written notice to Seller with Earnest Money returned in full to Buyer, in which event all parties agree to execute all applicable documentation.

E. Divorce.

The parties herein acknowledge that they have been informed that the Sellers are involved in a divorce proceeding and that this sale is contingent upon Sellers obtaining a final judgment and decree authorizing the sale of the Property. In the event that a final judgment sale authorization is not granted by _____, either party may terminate this Agreement upon written notice to other with Earnest Money returned in full to Buyer, in which event all parties agree to execute all applicable documentation.

F. Not Contingent on Sale of Property.

Buyer warrants that this Agreement is not contingent upon the sale of any other property and further states that failure to sell any of said properties will not be grounds for refund of Earnest Money in the event of loan denial.

G. Is Contingent on Sale of Property.

This Agreement is contingent upon the sale and closing of the property located at _____ ("Buyer's Property") on or before the Closing Date of this Agreement. If Buyer's Property does not close on or before the Closing Date of this Agreement, Buyer may terminate this Agreement with written notice to Seller with refund of Earnest Money to Buyer. Furthermore, failure to sell and close on any of said properties shall be grounds for refund of Earnest Money to Buyer in the event of loan denial. Upon termination of Agreement for the aforesaid failure to close, all Parties agree to execute all applicable documentation.

H. Trade-in of Buyer's Property

This Agreement is contingent upon the Buyer and Seller reaching a mutually satisfactory trade-in agreement on the Buyer's current Property located at _____, on or before _____. In the event a mutually satisfactory agreement is not reached within the time stated above, this Agreement may be terminated by either party upon written notice to the other with Earnest Money returned in full to Buyer, in which event all parties agree to execute all applicable documentation.

I. Buyer Assumption of Loan.

1. Conventional Loan.

This sale is contingent upon Buyer assuming Seller's existing loan and Seller's existing indebtedness for repayment of the loan and Lender's agreement to release Seller from liability thereon on Seller's property as described herein. Buyer agrees to immediately apply and submit necessary information to Lender. If Buyer has not received such approval and agreement from the Lender within _____ days following the Binding Agreement Date, or should Buyer fail to qualify, Seller shall have the option of waiving this stipulation or to terminate this Agreement upon written notice to Buyer and all Earnest Money shall be refunded in full to Buyer, in which event all parties agree to execute all applicable documentation.

J. Zoning.

1. Rezoning Contingency.

Buyer understands and agrees that Property is zoned _____ and that the improvements thereon may not meet zoning requirements. The Buyer's obligation hereunder is conditioned upon the Property being rezoned to _____ by the appropriate _____ (County/City) authorities by _____. The _____ (Buyer/Seller) shall be responsible for pursuing such rezoning and paying all affiliated costs. In the event that said rezoning is not obtained by said date, then Buyer may terminate this Agreement upon written notice to Seller

and all Earnest Money shall be refunded to the Buyer. All rezoning applications shall be submitted to Seller for Seller's approval prior to filing, which approval shall not be unreasonably withheld. All parties agree to cooperate, to sign the necessary documentation and to support the rezoning application.

2. Homes converted to multifamily use where zoning for multifamily use may be questioned.

This Agreement is contingent upon Seller providing a letter from the city or county zoning authority stating that the Property is presently zoned for multifamily use. Seller shall have two (2) weeks following the Binding Agreement Date to present said letter to Buyer or Broker(s). Should the Seller not present the letter within the above-stated time period, Buyer must, within forty-eight (48) hours past the time period, terminate this Agreement through written notice to Seller or this contingency shall be removed as a condition of this Agreement. If Buyer elects to declare this Agreement terminated, said declaration shall be on an Earnest Money Disbursement and Release of Commercial Purchase and Sale Agreement form or equivalent written notice with all Earnest Money being promptly refunded to Buyer. All parties agree to sign promptly all documentation.

K. Radon.

This offer is contingent upon the radon testing of _____ (Property Address). Property must have a test result of 4pCi/L or lower. If the Radon test shows a higher reading than 4pCi/L, _____ (Buyer/Seller) shall have a mitigation system installed at a cost not to exceed \$ _____.

L. Additional Buyer Contingencies.

Buyer at Buyer's cost shall have the right to review and accept the following:

- a. A land survey and/or mortgage survey of the Property.
- b. A determination that the Property is not located in an unacceptable flood hazard area and/or mortgage lender does not require flood insurance.
- c. All zoning regulations, restrictions, declarations, covenants, easements and other title matters of record.
- d. Governmental approval of any existing waste disposal septic system and permit compliance, and/or determination that the system is functioning properly.
- e. Governmental approval of any existing non-public water system and permit compliance, and/or determination that the system is functioning properly and the quality of water is acceptable.
- f. A determination that the property is insurable with a company and at a rate acceptable to Buyer and that there are no exclusions to insurability which the Buyer finds objectionable.

If any of the above matters are unacceptable to Buyer, at Buyer's sole discretion Buyer may elect to terminate the Purchase and Sale Agreement on or before the expiration of the above referenced Inspection Period by written notice to Seller and shall be entitled to a refund of all Earnest Money. In the event that Buyer exercises Buyer's right to terminate under one of these contingencies, Buyer shall, at Seller's request, furnish Seller or Seller's representative with documents supporting Buyer's right to terminate.

7. EARNEST MONEY.

A. Additional Earnest Money Held by Broker/Holder.

Buyer agrees to pay Holder additional Earnest Money in the principal amount of \$ _____ on or before _____, making a total Earnest Money deposit of \$ _____. In the event Buyer fails to pay additional Earnest Money by said date, then, at the option of Seller (this option to be exercised within seven days of said date), Seller may terminate this Agreement by written notification to Buyer and Broker at which time Buyer shall be considered in default.

B. Held until Specific Time.

All parties to this Agreement acknowledge that the Earnest Money will not be deposited until _____.

8. RECEIPT ACKNOWLEDGEMENT.

Receipt of this notice is hereby acknowledged this _____ day of _____, _____ at _____ o'clock ____ m.

By: _____.

9. RENT PRORATION.

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. The Seller shall pay to the Buyer all security and damage deposits, if any, which have been paid to the Seller by any of the tenants. 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.

10. SUPERSEDE PREVIOUS CONTRACT.

Upon signatures by all parties, this Agreement supersedes and makes null and void previous agreement accepted _____, by and between the parties hereto.

11. THIRD PARTY AGREEMENT.

Seller hereby reserves the right to assign this Agreement to _____ (3rd Party) for closing and payment of commission in accordance with the terms hereof.

12. SELLER EXPENSES.

A. Seller to Pay Closing Costs and Prepays

Seller to pay _____% of the Purchase Price or pay \$ _____ towards Buyer's closing costs and prepaids as identified in paragraph 9.B. and C.

13. SELLER RESERVES THE RIGHT TO SELL – EXCLUSIVE AGENCY AGREEMENT.

The Seller hereby reserves the right to sell Property and hereby converts this Agreement into an Exclusive Agency Listing Agreement. If a Buyer is procured for the Property through the sole efforts of Seller acting alone, then Seller is not required to pay Broker the compensation contained herein. However, in the event that the Buyer is obtained through any efforts of Broker (included but not limited to any Broker advertising including but not limited to any internet advertising, listing in the MLS, or traffic created by any signage put in place by Broker), then the aforementioned compensation is due to Broker at closing.

14. OFFICE EXCLUSIVE LISTING.

Seller wishes to keep exposure of Property minimal and does not wish to advertise Property to the public. Therefore, Broker is not granted the authority to advertise this listing on the Internet. Broker is not permitted to file this listing with any Multiple Listing Service (MLS) or similar service(s) of which Broker is a member. Seller understands and agrees that by not placing the listing on the MLS or other similar services, the listing will not be included in a searchable database provided by the MLS or similar service which can be viewed on other agents' websites. Broker shall not place a sign on the Property. Given these limitations, Broker shall use best efforts to produce a Buyer by solely marketing Property to other licensees within Broker's firm.

Broker shall offer a cooperative compensation in the amount of _____% of Selling Price/monthly rental amount or \$ _____ to a Selling Agent or Facilitator (an agent who is representing the interests of and/or is working with the Buyer/Tenant) who is the procuring cause of the transaction.

15. FOREIGN CORPORATION THAT HAS MADE AN ELECTION UNDER IRC § 897(i).

Seller is a foreign corporation which has made, or will make, an election pursuant to Internal Revenue Code § 897(i) to be treated as a domestic corporation for the purposes of taxation and FIRPTA. Seller is hereby notified to consult with his closing attorney and/or tax planner to discuss the steps required for making such election. Seller further agrees to submit all necessary documentation and/or affidavits to the Buyer's closing agent at or before closing to verify such election or to comply with all laws and regulations concerning FIRPTA withholding.

16. RESIDENT ALIEN STATUS.

Seller is not a U.S. citizen and may be considered a resident alien. Seller is hereby notified to consult with his closing attorney and/or tax professional immediately to determine whether he is subject to FIRPTA withholdings and what documentation may be necessary at or before closing. Seller further agrees to submit all the necessary documentation and/or withholdings at or before closing concerning FIRPTA withholdings to the buyer's closing agent. Seller agrees to sign the appropriate affidavits certifying that he is not subject to FIRPTA withholdings and to provide all necessary documentation requested at or before closing or to comply with all laws and regulations concerning FIRPTA withholding.

17. DISCRIMINATION.

Firm (or Broker) shall not deny services to, nor discriminate against, any person on the basis of race, color, religion, sex, handicap, familial status, national origin, sexual orientation, or gender identity and will not honor any request to do so.

18. POST JUDGMENT INTEREST.

Judgment entered by any court based upon this Agreement shall bear interest at a rate of 10% or the highest rate of interest provided by law, whichever is greater.

19. COMMITMENT LETTER.

Loan Obligations: The Buyer agrees and/or certifies as follows:

Within twenty (20) days after Binding Agreement Date, Buyer shall provide to Seller or Seller's representative a conditional commitment letter from Buyer's Lender providing reasonable assurance of Buyer's ability to obtain the financing contemplated by this Agreement. Said letter shall be in a form and substance acceptable to Seller at Seller's reasonable discretion; however, a letter from Lender verifying the following shall be deemed acceptable:

- a. An appraisal has been ordered;
- b. Buyer has available funds to close;

- c. Buyer's credit is acceptable to Lender; and
- d. Buyer has employment or income necessary to obtain said loan.

Seller shall have the right to terminate this Agreement with written notice to Buyer if said letter is not timely received, in which case Earnest Money shall be returned to Buyer.

20. SALE OF LEASED PROPERTY

If Owner sells the Property to a tenant (or related person or entity of such tenant) obtained by Broker, either during the term of the lease or thereafter, Owner will pay Broker compensation of _____% of the price for which the Property is sold at closing less the amount of compensation already received by Broker during the term of tenant's leasehold.

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