



CONDOMINIUM RESALE PURCHASE AND SALES AGREEMENT



Rhode Island Association of REALTORS®- Standard Form

1. SALES AGREEMENT: ("Agreement") made between..... ("Seller")

whose mailing address is..... Zip code.....

and..... ("Buyer")

whose mailing address is..... Zip code.....

The Seller agrees to SELL and the Buyer agrees to BUY upon the price and terms below, Unit No. (the "Unit") of Phase

Building of Condominium (the "Condominium"), together with an undivided percentage interest in the common areas and facilities of the Condominium.

The address of the Condominium is in the City/Town of, State of Rhode Island, Zip code

The mailing address of the Condominium is in the City/Town of, State of Rhode Island, Zip code

2. Date of this Agreement: The Date of this Agreement shall be the later of: (a) the date on which Buyer signs this Agreement, or (b) the date on which Seller signs this Agreement, as set forth by the Buyer's and Seller's signatures below.

3. Purchase Price: The agreed Purchase Price for the Property is Dollars ("Purchase Price") of which \$..... has been paid as a deposit upon the execution of this Agreement by Buyer in the form of, receipt of which is hereby acknowledged.

\$..... Additional Deposit to be paid on or before.....

\$..... Balance of Purchase Price

\$..... TOTAL PURCHASE PRICE

4. Closing Date/Place: Closing is to be held on, at 10:00 A.M. at the office of the Registry of Deeds in which the deed should by law be recorded or at such other time and place as may be agreed to by the parties. The balance of the Purchase Price shall be paid by cash, certified check, and/or bank check. Payment of the balance of the Purchase Price and delivery of deed shall occur at the closing. Buyer and Seller authorize the Closing Agent to release to Broker(s) signed copies of the closing statement(s).

5. Deposits: All deposits and any additional deposit made hereunder (collectively, "Deposits") shall be held in an escrow account as required by Rhode Island General Laws 5-20.5-14(5), by the Principal Broker of Listing Brokerage Firm named below unless mutually agreed otherwise by Buyer and Seller, and, except as otherwise provided herein, shall be duly accounted for at the time of delivery of the deed and applied to the Purchase Price. If the deposit holder is other than the Listing Brokerage Firm, said Deposits are to be brought to the closing, unless otherwise provided. The refunding of all Deposits shall be upon execution of a written release by Buyer and Seller and pursuant to Rule 7 of Commercial Licensing Regulation 11.

6. Deposit Disputes: In the event of a dispute between the Seller and the Buyer as to any provisions of this Agreement or the performance thereof, the holder of said Deposits may retain all Deposits hereunder in said escrow account until the dispute is resolved by the parties, by binding settlement or court judgment, or may place the Deposits with a court of competent jurisdiction, or may release the Deposits upon execution of a written release by Buyer and Seller as permitted by the laws, rules and regulations of the State of Rhode Island; provided, however, that if the allocation of the Deposits remain in dispute 180 days from the date of the original deposit, the Principal Broker of Listing Brokerage Firm shall transfer the Deposits to the General Treasurer of Rhode Island pursuant to Rule 7 of Commercial Licensing Regulation 11.

7. Waiver of Mortgage Contingency: If initialed by Buyer, this Agreement is not contingent upon financing and Section 8 of this Agreement shall not apply. However, Buyer reserves the right to finance any portion of the Purchase Price. (Initials of Buyer)

8. Mortgage Contingency: Notwithstanding any other provisions of this Agreement, and, unless the Buyer waives this mortgage contingency in writing, this Agreement is subject to the issuance of a commitment letter by an institutional mortgage lender or mortgage broker ("Lender") to the Buyer not later than,, ("Contingency Date") in which the Lender agrees to lend up to \$..... at an initial rate of interest not to exceed% per annum, for a term of at least years, with a maximum of points.

The Buyer and Seller agree to the following conditions: (a) The Buyer must apply for such mortgage within days after the Date of this Agreement. If the Buyer fails to make formal application by said date, the Buyer shall be in default of this Agreement, shall forfeit all Deposits, and this Agreement shall be deemed null and void.

(b) The Buyer is to notify the Seller or Listing Licensee of the identity of each Lender to whom the Buyer has made such application within four (4) days after the Date of the Buyer's application in accordance with Section 18. The Buyer hereby authorizes the Seller and/or Listing Licensee to contact any such Lender(s) to confirm the status of the Buyer's application.

(c) Within four (4) days of receipt of a written commitment or denial for such mortgage, but in no event later than the Contingency Date above, the Buyer agrees to provide a copy of such commitment or denial to the Seller or Listing Licensee in accordance with Section 18.

(d) If the Buyer applies for a mortgage within the terms and amount set forth above and receives a written denial for such mortgage, then, upon providing a copy of the denial to the Seller or Listing Licensee in accordance with Section 18 by the Contingency Date or extensions thereof, this Agreement shall be declared null and void and all Deposits made hereunder shall be refunded.

(e) In the event the Buyer has received neither a commitment nor a denial for such mortgage by the Contingency Date, the Buyer shall, by the Contingency Date, and by written notice to the Seller or Listing Licensee in accordance with Section 18, request to extend the time by which a copy of the written commitment or denial must be provided, or waive the mortgage contingency clause by written notice in accordance with Section 18. In response to the Buyer's request, the Seller may, by the Contingency Date, and by written agreement with the Buyer, extend the time by which a copy of the written commitment or denial must be provided. If the Seller does not extend the Contingency Date, this Agreement shall be null and void and all Deposits made hereunder shall be refunded unless the Buyer has waived the mortgage contingency in writing.

(f) In the event the Buyer has not provided a copy of the written commitment or denial for such mortgage and has not given written notice as specified in 8(d) to the Seller or Listing Licensee in accordance with Section 18, by the Contingency Date or extensions thereof, then the Buyer shall be in default of this Agreement, shall forfeit all Deposits, and this Agreement shall be deemed null and void.

(g) Nothing herein shall be deemed to limit the right of the Buyer to obtain a mortgage in a greater or lesser amount than set forth above, however, the contingency set forth in this Section 8 shall apply ONLY if the Buyer applies for a mortgage not greater than the amount set forth above.

9. Insurance/Risk of Loss: In addition to coverage provided by the Condominium's insurer, Seller shall keep its own Property insured, at its own expense, until the delivery of the deed in the amount of full replacement value to the extent necessary to cover any improvements or other fixtures not otherwise covered by the Condominium's insurer. In case of any loss, the Seller shall pay over or assign to the Buyer upon payment of the balance of the Purchase Price all sums recovered on account of said insurance, or the Buyer may, at its option, terminate this Agreement and the Deposits shall be refunded to the Buyer, unless the Seller shall have restored the Property substantially to its former condition.

10. Fixtures: Included in this sale as part of the Property (either owned by Seller or Association) are the fixtures used in connection therewith, including, if any, all blinds, window shades, screens, screen doors, storm windows and doors, awnings, shutters, electric and other lighting fixtures, outside television antennas (including rotor and control), garage door openers and controls, flagpoles, fences, gates, trees, shrubs and plants in the yard, and if built in, air conditioning equipment, garbage disposals and dishwashers. (Any item deleted from this paragraph is not included in the sale.)

The following fixtures which are rented by the Seller are not included in the sale:

Other items excluded from the sale:

Tenant owned items excluded from the sale:

11. Title: Seller covenants and warrants that it is the fee title owner of the Property and has the authority and capacity to enter into this Agreement and consummate the transaction contemplated herein. The Property is to be conveyed by a good and sufficientdeed of the Seller, conveying a good, clear, insurable, and marketable title to the Property, free from all encumbrances, except as may be acceptable to Buyer, and Buyer's Lender, if any, and except easements, restrictions of record and municipal regulations, if any. Buyer may at its own expense conduct a title examination of the Property. Buyer shall notify Seller of any defects in title disclosed by such examination.

If Seller is unable to remove such defects, Buyer shall have the option to: (a) accept such title as Seller is able to convey without abatement or reduction of the Purchase Price, or (b) cancel this Agreement and receive a return of all Deposits. To enable the Seller to make conveyance as provided in this Agreement, the Seller may, at the time of the delivery of the deed, use the purchase money or any portion thereof to clear the title of any or all encumbrances or interest, provided that all instruments to be obtained are recorded prior to recording the deed, except for any discharge of mortgage from an institutional lender which may be recorded subsequent to the deed.

12. Taxes, Adjustments, Other Assessments:

(a) **Taxes:** Real estate taxes and fire district taxes are to be prorated on a calendar year basis, except in those towns in which taxes are prorated on a municipal year basis (e.g. Barrington, Middletown, Newport, Portsmouth, Woonsocket), with the Seller paying for the period unpaid to the date of delivery of the deed and the Buyer paying the balance of taxes due. All other taxes which are a lien upon the Property shall be paid by the Seller at the time of the delivery of the deed.

(b) **Adjustments:** Condominium association fee, rents, fuels, water charges, association fees and sewerage charges shall be apportioned as of the date of the delivery of the deed.

(c) **Assessments:** All assessments constituting a lien on the Property which are payable over a period of more than one year shall be apportioned in such manner that Seller shall pay installments due during the municipal years prior to the year in which the deed is delivered; the installment due in that year shall be apportioned in the same manner as above provided for taxes and Buyer shall pay or assume the balance, except where local ordinances require otherwise.

(d) **Other:** If applicable, the Buyer and Seller agree to pay as follows:

Working capital deposit:	\$ _____	\$ _____
	Buyer	Seller
Current Assessments:	\$ _____	\$ _____
	Buyer	Seller

13. Right of First Refusal: This Agreement is subject to the Seller obtaining a release of the Right of First Refusal, if any, from the Condominium Association and or declarant as applicable.

14. Required Certificates: Seller shall deliver the following to the Buyer or its attorney:

- (a) a Resale Certificate pursuant to R.I.G.L. 34-36.1-4.09. This Agreement is voidable by the Buyer until the Resale Certificate has been provided and for five (5) days thereafter, or until closing, whichever occurs first. This certificate is only valid within the month it is issued; and
- (b) an insurance certificate for the Condominium master insurance policy, naming such lender as mortgagee, if Lender requires.

15. Additional Information: about the Unit and the Condominium can be found in the following Condominium documents. Buyer is urged to review these documents or refer them to an attorney for review. The Seller shall provide the following to the Buyer:

- a. A copy of the Condominium Declaration.
- b. A copy of the Condominium Bylaws.
- c. A copy of the Rules and Regulations of the Condominium Association.
- d. A copy of the Declaration of the Condominium master insurance policy
- e. Other

Upon receipt of above documents, the Buyer shall have ten (10) days to review and accept them. If within such ten-day period Buyer gives Seller written notice that it does not accept the above documents, then, upon return of such documents, Seller shall return all Deposits to Buyer and the Agreement shall be terminated. If Seller does not receive written notice within such period, it shall be conclusively presumed that Buyer accepts same.

16. Receipt and Acknowledgment of RI Disclosure Forms: Buyer acknowledges that it received the following forms (unless exempted by law). **(Initial all that apply)**

- _____ Rhode Island Real Estate Sales Disclosure Form prepared by the Seller
- _____ Mandatory Real Estate Relationship Disclosure
- _____ Seller's Lead Disclosure
- _____ Pamphlet "Protect Your Family from Lead in Your Home" that includes R.I. section "What You Should Know About the RI Lead Law."
- _____ Fact Sheet "Tenant Rights and Responsibilities"

17. Further Assurances: Each of the parties hereto agrees to execute and deliver such other documents, instruments, and affidavits as may reasonably be required to effect the transaction contemplated herein, including without limitation, any affidavits and agreements which may be required by the Lender or the title insurance company.

18. Notices: All notices as required in specific Sections of this Agreement shall be in writing. All notices are to be conveyed by mail, personal delivery, electronic transmission, or fax. Notices shall be effective when postmarked, upon personal delivery, upon electronic transmittal date, or upon fax transmittal date. Notices to the Seller, Buyer, Listing Licensee or Cooperating Licensee shall be sent or delivered to the address below.

Seller(s):	Buyer(s):
Name(s): _____	Name(s): _____
Mailing Address: _____	Mailing Address: _____

Fax: _____	Fax: _____
E-mail: _____	E-mail: _____

Listing Brokerage Firm:	Cooperating Brokerage Firm:
Name of Licensee: _____	Name of Licensee: _____
Licensee's License #: _____	Licensee's License #: _____
Brokerage Firm Name: _____	Brokerage Firm Name: _____

Mailing Address: _____ Mailing Address: _____

Fax: _____ Fax: _____

E-mail: _____ E-mail: _____

19. Buyer/Seller Information:

(a) **Lead Contamination:** *“Every Purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced Intelligence Quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The Seller of any interest in residential real property is required to provide the Buyer with any information on lead-based paint hazards from risk assessments or inspections in the Seller’s possession and notify the Buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based hazards is recommended prior to purchase.”*

(b) **Non-Resident Landlord:** R.I.G.L. 34-18-22.3 requires a residential landlord who is not a resident of the state of Rhode Island to designate an agent for “service of process” who is a resident of Rhode Island or corporation authorized to do business in Rhode Island. This designation must be filed with the Secretary of State and the clerk of the municipality where the property is located.

(c) **Ordinances:** Buyers of real estate in the State of Rhode Island are legally obligated to comply with all local real estate ordinances, including, but not limited to, ordinances on the number of unrelated persons who may legally reside in a dwelling, as well as ordinances on the number of dwelling units permitted under the local zoning ordinances.

(d) **Private Well Water:** R.I.G.L. 5-20.8-12 gives buyers the right to test the water quality of a private well in accordance with regulations established by the RI Department of Health pursuant to R.I.G.L. 23-1-5.3.

(e) **Radon Gas:** Radon has been determined to exist in the State of Rhode Island. Testing for the presence of radon in residential real estate prior to purchase is advisable.

(f) **Restrictions or Legislative/Governmental Action:** Buyer is responsible for investigating whether there are any restrictions or legislative/governmental actions, present or proposed, which affect or would affect the use of the Property.

(g) **Wetlands:** The location of coastal wetlands, bays, fresh water wetlands, ponds, marshes, riverbanks or swamps, and the associated buffer areas may impact future Property development. If known, Seller must disclose to the Buyer any such determination on all or part of the land made by the Department of Environmental Management.

(h) **Smoke/Carbon Monoxide Detectors:** R.I.G.L. 23-28.1 requires certain residential dwellings to be equipped with an approved smoke detector and carbon monoxide detector system. **The local Fire Marshal will determine if a condominium unit meets the requirements for the townhouse exception of the Rhode Island Fire Code. Factors considered in making the determination include whether a common form of egress is shared by two or more units and/or whether there is sufficient fire resistant material with sufficient density separating the unit from the other units. Contact the local Fire Marshal for more information.**

20. Additional Seller Obligations:

(a) **Non-Resident Withholding Requirement:** If the Seller is not a resident of the State of Rhode Island or will not be a resident at the time of the closing, the Buyer must withhold six (6%) percent of the net proceeds to the Seller (9% if the Seller is a corporation), in accordance with R.I.G.L. Section 44-30-71.3, as may be amended from time to time, and pay such amount to the Division of Taxation as a non-resident withholding requirement. In order to have such withholding based on gain rather than net proceeds of sale, Seller must submit an election form to the Division of Taxation at least twenty (20) days prior to closing. Seller agrees to pay the entire amount of such withholding found to be due at or after the closing, whether or not such withholding was correctly calculated at the closing, it being understood that the withholding shall not exceed the amount of net proceeds to Seller. This liability shall survive the transfer of title to the Property and shall be a lien against the Property. The Seller should consult an attorney or tax professional.

(b) **Foreign Investment In Real Property Tax Act (“FIRPTA”):** The Seller represents that the Seller is not a foreign person or foreign corporation as defined in FIRPTA and, accordingly, that the Buyer will not be required to comply with the withholding requirements of FIRPTA at the closing. The Seller should consult an attorney or tax professional.

21. Possession: The Property is being sold in “AS IS” condition and Buyer represents that it has not relied on the oral representations of the Seller, or the Broker(s) or their affiliated licensees as to the character or quality of the Property. Unless mutually agreed otherwise, full possession of the Property free of all tenants, occupants and personal possessions (except as provided below) is to be delivered to the Buyer broom clean and free of debris at the time of delivery of the deed. At closing, the Property is to be conveyed in the same condition in which it now is, except for reasonable use and wear and/or any improvements or repairs required by this Agreement. The Buyer shall be entitled to a re-inspection of the Property prior to the delivery of the deed in order to determine whether the condition of the Property complies with the terms of this paragraph.

EXCEPTIONS:.....

22. Tenancies: (a) The Seller shall provide Buyer with a copy of all written leases in effect at the time this Agreement is signed. If the terms of the rental agreement are not written, Seller shall provide Buyer a written statement providing the terms of the tenancy including the amount and date when rent is due, security deposit held and the responsibilities of the parties for utilities, parking, and other terms of the agreement at the time this Agreement is signed. The Buyer shall have ten (10) days to review any lease or rental agreement in order to confirm the lease or rental agreement substantially complies with the representations of the Seller.

(b) The Seller shall transfer any security deposit to Buyer at the time of closing.

(c) The rent shall be considered current as of the date of the closing and will be prorated according to the terms of the rental agreement.

(d) The Seller shall deliver to Buyer a letter addressed to the tenant notifying the tenant of a change in ownership and an address where subsequent rental payments are to be sent and the amount of the security deposit being transferred to Buyer, if any.

(e) The Seller shall provide Buyer with current contact information for any tenant occupying the property at the time of the closing.

23. Written Notice of Violations and Change In Ownership: If there is any notice of violation order outstanding against the Property, Seller shall immediately provide written notice to the Buyer and each tenant of the Property with a true copy of any notice of violations or orders issued and notify the enforcing officer in writing of Seller's intent to transfer the property.

24. Inspections: Notwithstanding anything to the contrary in Section 21 of this Agreement, Buyer may, at the Buyer's expense, choose to have any or all of the following inspections conducted as part of this Sales Agreement. The Buyer shall have ten (10) calendar days from the date of this Agreement to conduct these inspections ("Inspection Period") or this contingency shall be deemed to be waived. If there is a delay in the receipt of the inspection report due solely to the inability of the inspector to complete the inspection, the Inspection Period shall be extended for a reasonable time, not to exceed seven (7) calendar days. If requested, the inspector shall provide the Buyer with an explanation of the delay which shall be made available to the Seller.

INSPECTIONS TO BE CONDUCTED:

	YES	NO		YES	NO		YES	NO
Pest Infestation	___	___	Wetlands	___	___	Physical/Mechanical	___	___
Septic System	___	___	Hazardous Substances	___	___	Well Water	___	___
Flood Plain	___	___	Radon Gas	___	___	Lead Contamination	___	___
Other.....	___	___					___	___

NOTICE: to waive lead and/or well water inspections, Buyer must initial below.

_____ **Initials of Buyer** Having been informed of a 10-day right to test/inspect for the presence of lead, the Buyer elects not to have any test(s)/inspection(s) for lead performed.

_____ **Initials of Buyer** Having been informed of a 10-day right to test the water quality of a private well in accordance with RI Department of Health regulations, the Buyer elects not to have any water quality test(s) performed.

Additional Inspection Provisions:

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 If any inspection by a recognized and reputable inspector or inspection company, performed within the Inspection Period, discloses any existing, substantial/materially deficient condition* which has not been disclosed to the Buyer prior to the execution of the Agreement, the Buyer, upon providing the inspection report verifying said existing, substantial/materially deficient condition*(s) to Seller within seven (7) days after Buyer has obtained a copy of said report (Buyer's receipt of said report shall be governed by Section 18 of this Agreement), may:

(a) Allow the Seller the opportunity to cure such deficient condition*(s) by providing a written list of those items Buyer requests Seller to correct, whereupon Seller shall be given seven (7) days after receipt of the report and request to notify, per Section 18, Buyer in writing if Seller agrees, at Seller's own expense, to correct the deficient condition*(s). Buyer and Seller should mutually agree prior to any work being performed what each other's obligations will be subsequent to such performance.

(b) If Seller does not so agree or perform, and the Buyer has not waived this contingency in writing, this Agreement shall be null and void and Deposits made hereunder shall be refunded, or;

(c) Terminate this Agreement by notifying the Seller in writing within seven (7) days of receipt of the inspection report, whereupon this Agreement shall be null and void and Deposits made hereunder shall be refunded.

