

MLS & Rules Committee

Lawrence Board of REALTORS®

Thursday, September 27, 2022 – 1:00 pm to 2:30 pm

IN-PERSON Meeting

Call to Order

Approve previous meeting minutes:

- Meeting Minutes from 09.15.2022

Report from LMLS Staff

- Steps for failure to remedy issue after fine has been paid

Consider

1. Resume Discussion the LBOR Sales Contract/Forms.
 - a. See Sales Contract Draft in Meeting Packet –
 - i. Multi-Family Rider to Property Disclosure (back after revisions from SRE?)
 - ii. See SRE Suggested Changes to the Sales Contract
 - iii. Heather Brown, McGrew Suggestions inside packet – Thanks Heather!
 - b. See handout for Listing Agreement addition of Limited Visibility–Authorization to withhold.
2. Add HERS Rating (Home Energy Rating System) as an MLS Field (Conditional Logic with New Construction). Suggested are 3 fields – HERS Rated Yes/No; HERS Year; HERS Rating (numeric field).
 - a. See CMLS Handouts included in the packet – Quick Start Guide
 - b. Consider Greening the MLS. <https://green.realtor/sites/files/2019-02/2014%20NAR%20Green%20MLS%20Implementation%20Guide.pdf>
This is a big topic and would be best if moved to a work group – or have staff do additional research.
3. Consider a member request to change how LBOR Production Awards are calculated. Currently the LBOR accepts a Broker report with Production Totals. It is recommended that Production Awards be based on data in the MLS rather than what the individual Brokers report.
4. Enhanced Photos in the MLS – Sunsets, lighting bursts, or modifications to photos that are not authentic to the property.
 - a. See handout from Stellar MLS & Article by the Kansas Association of REALTORS®.

2022 MLS & RULES COMMITTEE ROSTER

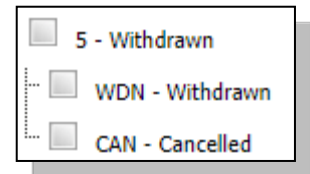
<i>Bailey Stuart, Chairperson</i>	<i>McG</i>
Ashley Taylor	HRE
Cheri Drake	McG
Chris Earl	SRE
Deanna Dibble	DRE
Jill Ballew	SRE
Jennifer Catlin	KWI
Kelly Rodriguez	KWI
Libby Grady	SRE
Lindsay Landis	McG
Michelle Roberts-Freeman	SRE
Mohammad Aldamen	EXP
Nicholas Lerner	McG
Ryan Desch	R+K
Shari Hart	KWI
Shelly Milburn	BHGKC
Taylor LaRue	McG
Vanessa Schmidt	KWI
Zach Dodson	SRE
Linda Manley, Staff Liaison	LMLS
Rob Hulse, Staff Liaison	LMLS

Code of Ethics – Article 12 Standard of Practice 12-10

REALTORS®' obligation to present a **true picture in their advertising and representations** to the public includes Internet content, **images**, and the URLs and domain names they use, and prohibits REALTORS® from:

- 1) engaging in deceptive or unauthorized framing of real estate brokerage websites; or
- 2) manipulating (e.g., presenting content developed by others) listing and other content in any way that produces a deceptive or misleading result; or
- 3) deceptively using metatags, keywords, or other devices/methods to direct, drive, or divert Internet traffic; or
- 4) presenting content developed by others without either attribution or permission; or
- 5) **otherwise, misleading consumers, including use of misleading images**. (Adopted 1/07, Amended 1/18)

5. Currently the two statuses of Cancelled and Withdrawn are sub statuses of Withdrawn. Consider changing the heading from Withdrawn to Off Market.
 Withdrawn – Cancelled to become Off Market – Cancelled
 Withdrawn – Withdrawn to become Off Market – Withdrawn



6. Paragon Suggestions: For those listings in which the Ownership Type is Investor, add a field(s) for rental amount in the Residential Class for Condo/City Single Family/City Townhouse/Rural Residential/Rural Subdivision.
7. Discuss DOM (Days on Market) vs DOMLS (Days on MLS)
8. Discuss implementation of new fine policy – discussion from 9/15/2022.

Old/Tabled Business

1. For Sales Contract –
 - a. Consider adding language on the base contract specifying who pays utilities on leased properties.
 - b. Consider language for Buyer's Right to Walk-through, outside of Paragraph 7.
2. Update from IDX Subcommittee to Establish Definition for “reasonably prominent” in IDX Rules:
 - a. Section 18.2.12: All listings displayed pursuant to IDX shall identify the listing firm in a reasonably prominent location and in a readily visible color and typeface not smaller than the median used in the display of listing data. (Amended 05/17) M
 - b. Sub-Committee Members: Nicholas Lerner (McG), Cheri Drake (McG), Drew Deck (RN), Tanya Kulaga (HRE), Jill Ballew (SRE), Michelle Roberts-Freeman (SRE), Victoria Perdue (KW), and Lindsay Landis (McG).
3. Discuss Contingency on the Sale/Closing of Buyer's Property form and Notice to Remove the Contingency for the Sale/Closing of Buyer's Property.
4. Discuss submittals of a two-unit property on a single lot that is not well described as a duplex. Should a new category be added in multi-family, and should the Residential Class include an area for ancillary dwelling units?
5. Sellers choosing to Record Video and Audio at showings and/or open houses. Best practices shared by Danielle Davey, LBOR Legal Counsel.
6. Readily Available to Show, the NAR, and the Clear Cooperation Policy.
 (See Tabled Business #5 – Fair and Equal Access to Property)

*According to NAR – **A listing's availability to show is not a determining factor for Cooperation under the Clear Cooperation Policy.** Our interpretation of Cooperation has been tied to a listing's availability to show (albeit in person or virtual at times). However, NAR indicated that Cooperation is established by simply the sharing of information about the listing to all MLS Subscribers and ensuring that the listing agent treats all parties the same, whether no one has access to show (during a pre-list or coming soon timeframe) or everyone has access to show (while Active and Readily Available).*

7. FAIR AND EQUAL ACCESS TO LISTED PROPERTY:

*After considerable discussion about whether the MLS policy should continue to prohibit “No show until...” availability, or whether the Listing Agent should just be held to a standard of fair and equal access, **it was moved and seconded to enforce a \$1,000 fine to a Listing Agent who does not allow***

fair and equal access to listings in the MLS with a visibility type of “MLS Listing” (all MLS). Motion Passed on a vote of 7-2.

Further, with continued discussion about whether or not a property is, or is not, readily available, it was moved and seconded to override and modify the existing policy that listed property must be readily available to show (prohibition on “No show until...”), by allowing Listing Agents to be more restrictive with a listed property’s showing availability, when the Seller has affirmatively directed the limited showing availability in writing. The threshold that requires a Seller’s approval in writing will occur when a listed property’s availability is reduced to 2/3 (or by 4 hours) in any given day, based upon the 8am-9pm window of opportunity to show. The Seller’s directive in writing will be determined by the Seller/Listing Agent, and will be uploaded into Associated Docs in Paragon, prior to the Listing Agent’s publishing of the more restrictive availability for showings. The Listing Agent can determine the visibility of the directive in Associated Documents, at the Listing Agent’s discretion. Motion Passed.

As a result of the two actions taken above, the Committee discussed what the maximum amount of time that a Seller can direct showings to be withheld should be allowed. After discussion, it was moved and seconded that regardless of the Seller’s directive, the maximum amount of time that a listing can be withheld without being available to show is 5 days. Motion Passed.

New Business

Adjourn

MLS & Rules Meeting Minutes

11:00 pm – September 15, 2022

The meeting was called to order by Chairperson Bailey Stuart.

Minutes of the September 1st meeting were reviewed. After review, it was moved and seconded that the minutes of the September 1st meeting be approved. Motion carried.

The Committee next reviewed an appeal by Sean Williams. Discussion revealed a consensus that it was clear that it was an accurate fine. Hedges has had issues with staff changes, and it was suggested that Bryan should have to pay the fine instead of Sean. **The motion was made to deny the request, seconded and carried.** The point was made that it will be necessary to have a procedure in place when it goes to one day to upload documents instead of three, and it will be more difficult when the fines are higher.

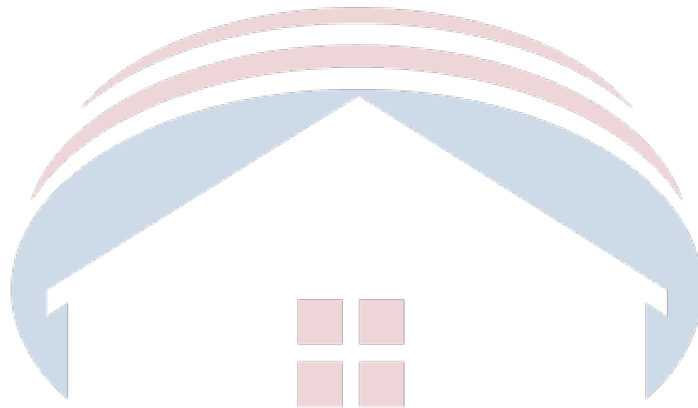
The Committee then continued review of the Sales Contract for a 2022 update.

- First, in 1.a.i. on the agenda regarding earnest money, it was felt that only one option should be able to be selected. There are times that more flexibility is nice, but the intent is to be clearer. Buyers don't necessarily adhere to what choice they make. Discussion followed about the types of choices or grouping of choices to include based on time taken to process (e.g., check vs. ACH). **Motion was made and seconded for paragraph 2a to have "Select 1 option only" added; to combine check/ACH as one box (remove debit card, and to combine wire transfer & cashier's check as another box. "Other" would be the third box. Prior to voting, an amendment to the motion was made and seconded to leave the options/boxes as they are now with the addition of "Select 1 Option Only" added. The amendment to the motion carried, and the motion then carried as amended.**
- It was then moved to remove the line "earnest money attached and remove the check box next to "to be delivered." The motion passed.**
- Discussion continued on 2.a.: "(five business days if left blank) after Contract acceptance". **A motion was made to change 2.a. to "To be delivered to _____ (Escrow Agent if left blank) no later than _____ business days after contract acceptance (five (5) if left blank)." Motion carried.**
- Next, in 1a.ii of the agenda, Stephens submitted a rider to the Property Disclosure to be reviewed by the committee. It was suggested that a check box be added to include what was to be paid by the tenant (i.e., electric, water, sewer, gas, trash). The committee decided to come back to this after SRE revises the form.

2022 MLS & RULES Committee	Roster	Attendance
<i>Bailey Stuart, Chairperson</i>	<i>McG</i>	<i>Present</i>
Ashley Taylor	HRE	Present
Cheri Drake	McG	Excused
Chris Earl	SRE	Present
Jill Ballew	SRE	Present
Kelly Rodriguez	KWI	Present
Libby Grady	SRE	Present
Lindsay Landis	McG	Present
Michelle Roberts-Freeman	SRE	Present
Mohammad Aldamen	EXP	Excused
Nicholas Lerner	McG	Present
Ryan Desch	R+K	Present
Shelly Millburn	BHGKC	Present
Taylor LaRue	McG	Present
Vanessa Schmidt	KWI	Present
Zach Dodson	SRE	Present
Linda Manley	LBOR	Present
Rob Hulse	LBOR	Present
Meeting Guests – Shari Hart, Jennifer Catlin, Deanna Dibble		

- Next, in 1.a.iii. of the agenda, SRE suggested changes to the sales contract as follows:
 - Strike “This is a cash sale” under 3. Financing
 - 2b should say, “New mortgage proceeds: See Paragraph #3: Financing (Amount does not include MIP, Funding Fee, or Guarantee Fee)”.
- **Motion was made to take the parentheses out of “3. Financing” and put in 2b instead. (not include MIP, Funding Fee, and Guarantee Fee) Motion was carried.**

Having reached the end of the meeting time, the meeting was adjourned at 12:30pm. The next meeting will be Tuesday, September 27 at 1:00-2:30.



L A W R E N C E
Board of REALTORS®

☐ If checked, this Sales Contract Template has been modified by _____ (name), _____ (insert date mm/dd/yyyy).

SALES CONTRACT

File Number _____

**THIS CONTRACT TEMPLATE APPROVED BY LEGAL COUNSEL FOR THE LAWRENCE BOARD OF REALTORS®
THIS IS A LEGALLY BINDING CONTRACT, NOT AN OPTION**

SELLER(S) _____

If known, please include Marital Status for each Seller – ASP (a single person), AMP (a married person), AMC (a married couple)

BUYER(S) _____

If known, please include Marital Status for each Buyer – ASP (a single person), AMP (a married person), AMC (a married couple)

Taking title as:

☐ Joint Tenancy ☐ Tenants in Common ☐ _____

The Property described is sold and purchased on the following terms:

1. a. Legal Description / Include County: _____

b. Street Address: _____ City, State Zip

c. The following personal property items are of no value and are being left for the convenience of all parties. _____

d. Personal Property excluded: _____

2. PRICE:

\$ _____

a. Earnest money held in trust account by _____ hereinafter referred to as Escrow Agent.

\$ _____

☐ Earnest Money Attached

☐ To be delivered to _____ (Escrow Agent if left blank) no later than _____ business days after contract acceptance (five (5) if left blank).

In the form of (Select 1 option only):

☐ Personal Check ☐ Cashier's Check ☐ ACH/Debit Card ☐ Wire Transfer

☐ Other _____

Discussing "In the form of:" with Title Companies and Heather Brown at McGrew

b. New mortgage proceeds: **See Paragraph #3: Financing**
(Amount does not include MIP, Funding Fee, or Guarantee Fee)

\$ _____

c. Other: _____

\$ _____

d. Balance of purchase price subject to adjustment and prorating, paid in certified funds at closing (Price less a, b & c of this paragraph)

\$ _____

e. Additional SELLER paid costs (zero if left blank). In addition to any other costs SELLER agreed to pay herein, SELLER agrees to pay other allowable closing costs permitted by Lender(s) and/or prepaid items for BUYER, not to exceed

\$ _____

3. FINANCING:

☐ ~~THIS IS A CASH SALE~~

☐ **THIS IS A FINANCED SALE** This Contract is contingent upon BUYER obtaining the financing described in this paragraph.

a. **Type of Financing:** Loan(s) will be ☐ owner-occupied Loan(s) or ☐ investment Loan(s).

b. **Loan Type:**

- ☐ Conventional
☐ FHA ~~(loan amount does Not include MIP)~~
☐ VA ~~(loan amount does Not include Funding Fee)~~
☐ Rural Development ~~(loan amount does Not include Guarantee Fee)~~
☐ _____

c. **Loan Terms:**

Lender Name: _____

Initial Interest rate not to exceed _____ %, points not to exceed _____ points,

For a term of _____ years. Check if: ☐ Fixed, or ☐ Variable.

BUYER'S lender may afford BUYER the option to "lock in" the foregoing interest rate or to "float" the interest rate. If BUYER locks in a rate, BUYER agrees to accept the "locked" rate and terms, even if different than those stated above. If BUYER has received a firm commitment from a lender on terms at or better than the terms stated above, and BUYER elects to float the rate, then BUYER agrees to accept the rate and terms available from BUYER'S lender for which BUYER qualifies at closing. BUYER may obtain a loan on different Loan Terms than those described in 3.c, provided that the Loan Terms of the loan do not result in additional costs to SELLER.

d. **Loan Approval:**

i: BUYER'S loan approval ☐ is not ☐ is contingent on BUYER receiving proceeds from sale/closing of property located at _____.

ii: If money is being borrowed, then this Contract is conditioned upon BUYER obtaining a written firm commitment, which must include (if required by Lender) a satisfactory appraisal, credit verification, income/assets verification, and PMI approval, for a new purchase money mortgage in the principal amount of no more than the above-stated new mortgage proceeds by, on, or before _____.

BUYER shall act diligently and in good faith to obtain a mortgage loan as set out in this paragraph and shall make loan application within **five (5)** business days of the acceptance of this contract. BUYER may, at BUYER'S option, accept a firm loan commitment for less than the amount identified in 2b. BUYER agrees to accept any firm commitment which meets the terms set out in this paragraph and agrees to comply with all requirements of the commitment. BUYER shall furnish SELLER with a copy of the commitment promptly after BUYER receives it. If BUYER is unable to obtain a commitment for the Loan(s) within the loan approval period, then, unless the parties agree to extend such date or BUYER delivers to SELLER a written waiver of this condition, SELLER or BUYER may **CANCEL THIS CONTRACT** by delivering written notice to the BUYER of their intent to cancel in the form of a written contract cancellation agreement and, upon execution of the agreement, the Earnest Money Deposit shall be promptly returned to the BUYER and this Contract shall be deemed null and void.

~~Upon written evidence of rejection provided by BUYER'S Lender(s), BUYER or SELLER may **CANCEL THIS CONTRACT** by delivering written notice to the BUYER of their intent to cancel in the form of a written contract cancellation agreement and, upon execution of the agreement, the Earnest Money Deposit shall be promptly returned to the BUYER and this Contract shall be deemed null and void.~~

OLD PARAGRAPH 3

~~3. FINANCING:~~

~~a. **New Mortgage:** If money is being borrowed, then this Contract is conditioned upon BUYER obtaining a written firm commitment, which must include (if required by Lender) a satisfactory appraisal, credit verification, income/assets verification, and PMI approval, for a new purchase money mortgage in the principal amount of no more than the above-stated new mortgage proceeds:~~

~~_____ to be provided by (lender name): _____~~

~~_____ by, on, or before _____,~~

~~at an initial rate not to exceed _____ %, points not to exceed _____ points,~~

~~for a term of _____ years. ☐ Fixed, or ☐ Variable.~~

~~BUYER'S lender may afford BUYER the option to "lock in" the foregoing interest rate or to "float" the interest rate. If BUYER locks in a rate, BUYER agrees to accept the "locked" rate and terms, even if different than those stated above. If BUYER has received a firm commitment from a lender on terms at or better than the terms stated above, and BUYER elects to float the rate, then BUYER agrees to accept the rate and terms available from BUYER'S lender for which BUYER qualifies at closing. BUYER may obtain a loan on different terms than those described above, provided that the terms of the loan do not result in additional costs to SELLER.~~

~~_____ b. BUYER'S loan approval ☐ is not ☐ is _____ contingent on BUYER receiving proceeds from sale/closing of property located at _____~~

~~_____ BUYER shall act diligently and in good faith to obtain a mortgage loan as set out in this paragraph and shall make loan application within **five (5)** business days of the acceptance of this contract. BUYER may, at BUYER'S option, accept a firm loan commitment for less than the amount identified in 2b. BUYER agrees to accept any firm commitment which meets the terms set out in this paragraph and agrees to comply with all requirements of the commitment. BUYER shall furnish SELLER with a copy of the commitment promptly after BUYER receives it. If BUYER is unable to obtain a commitment for the Loan(s) within the loan approval period, then, unless the parties agree to extend such date or BUYER delivers to SELLER a written waiver of this condition, BUYER or SELLER may **CANCEL THIS CONTRACT** by delivering written notice to the other of their intent to cancel in the form of a written contract cancellation agreement and, upon execution of the agreement, the Earnest Money Deposit shall be promptly returned to the BUYER and this Contract shall be deemed null and void. If BUYER is unable to obtain the financing described herein, BUYER shall provide written evidence of rejection.~~

4. CLOSING DATE/DELIVERY OF DEED/DISTRIBUTION OF PROCEEDS:

- a. The Closing Date shall be _____, unless both parties agree in writing to advance or delay the Closing. "Closing" refers to the settlement of the transaction where the purchase price is paid to Seller, prorations are made and the deed is delivered to Buyer. Seller shall deliver possession and provide keys to Buyer immediately following payment of the purchase price to Seller and recording of the deed. Buyer shall not occupy the Property or place personal property in or on the Premises prior to recording of the deed without the prior written consent of Seller. If the Property is rented, the tenancy will be disclosed pursuant to paragraph eight (8) of this Contract.
- b. Unless otherwise agreed by the parties, at least three (3) calendar days before the Closing Date, SELLER shall execute and deliver to the Title Company or other Closing Agent, a general warranty deed or special warranty deed, or fiduciary deed (if SELLER is a corporation financial institution or fiduciary), and all other documents and funds reasonably necessary to complete the closing. **On or before the Closing Date, SELLER and BUYER agree to deliver to the Closing Agent a CASHIER'S CHECK, WIRE, OR OTHER CERTIFIED FUNDS sufficient to satisfy their respective obligations under this Contract.**
- c. BUYER shall pay the closing fee. "Closing fee" is the fee charged by the closing agent with a title company, or closing company, to facilitate the closing of the real estate transaction.

5. **TITLE INSURANCE:** SELLER shall furnish BUYER marketable title, from _____ (Escrow Agent if left blank), subject to liens, encumbrances, exceptions, or qualifications specified in this Contract and those which shall be discharged by SELLER at or before Closing. SELLER shall furnish BUYER, before Closing, a commitment for an owner's title insurance policy in the amount of the purchase price, insuring BUYER'S title subject only to liens, encumbrances, exceptions, or qualifications set forth in this Contract, and those which shall be discharged by SELLER at or before Closing. BUYER shall have **five (5)** calendar days after receipt, to examine the title insurance commitment and to notify SELLER in writing of any requirements to make the title marketable. SELLER shall have until Closing to cause the title to be made marketable. If defects precluding marketability are not removed by Closing, BUYER may either accept title or **CANCEL THIS CONTRACT** by delivering written notice to SELLER of BUYER's intent to cancel in the form of a written contract cancellation agreement and, upon execution of the agreement, the Earnest Money Deposit shall be promptly returned to the BUYER and this Contract shall be deemed null and void. SELLER shall diligently attempt, before Closing, to correct any defects to marketability of which BUYER has notified SELLER in writing and shall file and pursue any legal proceedings reasonably necessary to correct such defects. In case of dispute between the parties as to marketability of the title, the Title Standards adopted from time to time by the Bar Association of the State of Kansas, and the Kansas Marketable Record Title Act, as amended, shall control. Buyer agrees to use the title company selected by Seller for all applicable title services, unless otherwise stated in Special Provisions.

6. **SURVEY:** BUYER may, at BUYER'S expense, obtain a "staked" survey of the Property before the Closing Date to assure that there are no defects, encroachments, overlaps, boundary line or acreage disputes, or other such matters, that would be disclosed by a survey. BUYER acknowledges that a Mortgage Inspection Report or "Loan Survey" normally required by a lending institution is not a "staked" survey. A title insurance company typically requires a "staked" survey in order to provide survey coverage to the BUYER. Prior to the Closing Date, BUYER shall notify SELLER of any encroachments of any improvements upon, from, or onto the Property or any building setback line, property line, or easement, which encroachment shall be deemed to be a title defect. SELLER shall remedy such defects as are susceptible of being remedied prior to the Closing Date. If SELLER does not so remedy the defects in title, BUYER shall have the option of (a) completing this purchase and accepting the title SELLER is able to convey without adjustment in the purchase price, or (b) **CANCEL THIS CONTRACT** by delivering written notice to SELLER of

BUYER's intent to cancel in the form of a written contract cancellation agreement and, upon execution of the agreement, the Earnest Money Deposit shall be promptly returned to the BUYER and this Contract shall be deemed null and void.

7. INSPECTIONS:

BUYER or BUYER'S representative, at BUYER'S expense, shall have the right, on or before _____ (10 calendar days if left blank) (the "Inspection Period") after Contract acceptance date, to conduct and complete inspections to evaluate the present condition of the Property and its major systems. All inspections BUYER deems necessary must be completed by the end of the allowed Inspection Period (inspection(s), inspection(s) results, and all written inspection reports). BUYER may have the Property inspected by an **independent, qualified inspector(s)**, including, without limitation, the following: (1) mechanical equipment, plumbing and electrical systems, heating and central air conditioning system; (2) structural aspects of the Property, including without limitation, the following: foundation, slab, drainage, roof, fireplace, chimney, siding, windows, doors, ceiling, floors, walls, insulation, the interior, the exterior, fence, deck, patio, sidewalk or driveway; (3) environmental or health hazards affecting the Property, including without limitation, the following: radon gas, asbestos, mold, lead based paint, or any other environmental or health hazard. (4) Active pest infestation, existence of active infestation by, and/or damage from, termite/wood-destroying pests (or evidence of past untreated infestation).

☐ See Rural Property Attachment to the Sales Contract.

- a. **Access to Property and Re-Inspections:** SELLER shall afford BUYER reasonable access to the Property to conduct the inspection(s), re-inspection(s) inspection of any repair(s) completed by SELLER, and/or final walk-through, prior to Closing. Such inspections shall be scheduled at any reasonable time convenient to SELLER. BUYER shall be responsible for correcting and/or paying for any damage to the Property resulting from the inspection(s).
- b. **Inspection Reports:** BUYER/BUYER's Representative shall provide SELLER/SELLER's Representative with a copy of any written inspection report(s) with any inspection deficiency requirements BUYER may make of SELLER as allowed in Paragraph 7d of this Contract or said written reports shall be delivered to SELLER/SELLER's Representative prior to the termination of the Inspection Period in absence of an inspection deficiency request or said written reports must accompany BUYER's cancellation notice.
- c. **Exclusions from Inspection: Any items that are strictly of a cosmetic nature that do not pertain to the mechanical or structural integrity or safety of the Property.** Inspections are not intended to identify either cosmetic imperfections or other features of the Property. The following items are expressly excluded from the foregoing inspection provisions, shall not be considered unacceptable conditions, and may not be used by the BUYER as a basis for canceling this Contract or requesting repairs: _____
- d. **Unacceptable Conditions:** Any condition identified in a written inspection report(s) prepared by an independent qualified inspector(s) of BUYER's choice, which condition(s) is unacceptable to BUYER (Deficiencies) and not otherwise excluded by this Contract.

If BUYER'S inspection(s) reveal deficiencies, BUYER may perform either of the following with a marked checkbox within the Inspection Period:

☐ **CANCEL THIS CONTRACT** by delivering written notice to SELLER/SELLER'S Representative of BUYER's intent to cancel in the form of a written contract cancellation agreement within the Inspection Period and, upon execution of the cancellation agreement, the Earnest Money Deposit shall be promptly returned to the BUYER and this Contract shall be deemed null and void, **OR ACCEPT THE PROPERTY IN ITS PRESENT "AS-IS" Condition** by delivering written notice to SELLER/SELLER'S Representative of BUYER's intent to accept the property in its present **"AS-IS"** condition;

☐ **REQUIRE REPAIRS** of SELLER by delivering written notice to SELLER/SELLER'S Representative of deficiencies which exist in/on the Property which require correction by SELLER. Said deficiencies must be delivered to SELLER/SELLER'S Representative in writing prior to the expiration of the Inspection Period by providing an itemized list describing the deficiencies in reasonable detail. BUYER and SELLER will have _____ (5 calendar days if left blank) after SELLER'S/SELLER'S Representative receipt of BUYER'S notice of deficiencies (the "Inspection Negotiation Period"), to reach a written agreement detailing the resolution of the deficiencies **OR ACCEPT THE PROPERTY IN ITS PRESENT "AS-IS" Condition** by delivering written notice to SELLER/SELLER'S Representative of BUYER's intent to accept the property in its present **"AS-IS"** condition.

Cost to correct deficiencies: BUYER shall pay the first \$ _____ (\$0 if left blank) of the total costs of correction, and any costs required above such amount shall be paid by SELLER.

- i. Any of the following executed and delivered to the other party or other party's representative prior to the expiration of the Inspection Negotiation Period will constitute such an agreement:

- a. SELLER'S signature agreeing to do everything requested by BUYER on the original notice of deficiencies; or
 - b. A revised statement of deficiencies signed by BUYER and SELLER detailing the deficiencies to be corrected by SELLER; or
 - c. BUYER'S signature on a statement of deficiencies accepting the Property in its present condition.
- ii. If no agreement resolving the deficiencies is reached during the Inspection Negotiation Period as provided above, then after the expiration of the Inspection Negotiation Period any of the following is permitted under the Contract:
- a. Negotiations between SELLER and BUYER may still proceed. However, any agreement resolving the deficiencies must be in writing and signed by both parties
 - b. Within **one** (1) calendar day of the expiration of the Inspection Negotiation Period Buyer may accept the property in its present "As-Is" condition by delivering BUYER'S written executed notice.
 - c. BUYER or SELLER may unilaterally cancel this Contract after the expiration of the **one** (1) calendar day period above by written notice to the other in the form of a contract cancellation agreement (which the receiving party hereby agrees to immediately sign and return to the other) directing Escrow Agent to release all earnest monies held to BUYER. Upon execution by all parties, this Contract shall be declared null and void and all obligations to the other shall cease.
- e. **BUYER'S notice of cancellation, AS-IS acceptance, or submission of deficiencies terminates the Inspection Period.**
- f. **Quality of Repairs:** SELLER agrees that any corrections which SELLER performs shall be completed in a workmanlike manner with good quality materials.
- g. **Failure to Inspect/Failure to Deliver Written Notice to SELLER:** If BUYER fails to conduct an inspection(s) and/or deliver a written notice to SELLER/SELLER's Representative per paragraph 7d, BUYER shall have waived any right to cancel and/or right to repairs due to deficiencies which might reasonably have been discovered by an inspection, and shall be deemed to have accepted the Property in its present "As Is" condition at Closing
- h. ☐ **Waiver of Inspections:** Buyer hereby waives the right to conduct inspections. BUYER shall have waived any right to cancel and/or right to repairs due to unacceptable conditions which might reasonably have been discovered by an inspection and shall be deemed to have accepted the Property in its present "As Is" condition at Closing.

By initialing below, BUYER hereby waives the right to conduct inspections.

BUYER'S INITIALS

BUYER'S INITIALS

8. **OCCUPANTS OTHER THAN SELLER:**

☐ Check if the property is currently leased.

If the property, or any portion of the property is currently leased, and the lease extends beyond the closing date, on or before _____ (date), SELLER shall furnish BUYER with copies of all leases, and records of all received rents and deposits paid. Buyer shall have three (3) calendar days from receipt of all leases and records of all received rents and deposits to CANCEL THIS CONTRACT by delivering written notice to SELLER of BUYER's intent to cancel in the form of a written contract cancellation agreement and, upon execution of the agreement, the Earnest Money Deposit shall be promptly returned to the BUYER and this Contract shall be deemed null and void. SELLER shall deliver and assign to BUYER all original leases on Closing Date. Advance rents, deposits and prorated rents will be credited to BUYER at Closing. BUYER shall assume

all obligations under the leases and indemnify and hold the SELLER harmless with respect to the BUYER'S performance under such leases.

If the property is currently leased and the lease terminates prior to closing, SELLER will provide written evidence of lease termination in lieu of copies of all leases, and records of all received rents and deposits paid within the time period in the paragraph above. Unless otherwise agreed, no new leases or modifications/extensions to existing leases will be negotiated and/or executed without the written permission of BUYER.

9. **SELLER'S DISCLOSURE STATEMENT:**

- a. SELLER shall provide BUYER with the following disclosure statements, as applicable, prior to the signing of this Contract: Seller's Property Condition Disclosure Statement, Lead-Based Paint Disclosure, and Kansas Energy Efficiency Disclosure. SELLER verifies that the Seller's Disclosure Statement, executed concurrently with the Exclusive Right of Sale, is current and valid to date.

SELLER'S INITIALS

SELLER'S INITIALS

- b. BUYER acknowledges receipt of the above applicable disclosure statements prior to, or concurrently with, signing of this contract.

BUYER'S INITIALS

BUYER'S INITIALS

10. HOME WARRANTIES AND HAZARD INSURANCE:

- a. **BUYER'S Warranty Plan** (Check if applicable): ☐ SELLER or ☐ BUYER, at a cost not to exceed \$ _____ (amount not to include additional costs for SELLER'S coverage), agrees to purchase a homebuyer's warranty plan from _____ to be paid at closing. This plan is a limited-service contract covering repair or replacement of the working components of the Property for a minimum of one (1) year from the Closing Date subject to a per claim deductible of \$ _____. The (Check one) ☐ Listing Agent ☐ Selling Agent shall be responsible for making arrangements for the warranty plan and submitting required documentation to the settlement agent prior to closing.
- b. **By initialing below, both BUYER and SELLER are declining a warranty at this time.**

/

/

SELLER'S INITIALS

BUYER'S INITIALS

- c. **Hazard Insurance:** BUYER acknowledges that hazard insurance is available through various sources.

11. **AGENCY DISCLOSURE:** (applicable sections must be checked): SELLER and BUYER acknowledge receiving the "Real Estate Brokerage Relationships" brochure prior to their execution of this Contract. SELLER and BUYER acknowledge that the real estate licensees involved in this transaction may be functioning as SELLER'S agents, BUYER'S agents, Designated Agents, or as Transaction Brokers. Pursuant to the following disclosure:

(Listing Company) _____ (Name of Licensee) _____
is functioning as: ☐ SELLER'S Agent ☐ Designated SELLER'S Agent ☐ Transaction Broker

(Selling Company) _____ (Name of Licensee) _____
is functioning as: ☐ SELLER'S Agent ☐ Designated SELLER'S Agent ☐ SELLER'S Sub Agent
☐ BUYER'S Agent ☐ Designated BUYER'S Agent ☐ Transaction Broker

Types of Brokerage Relationships: A real estate licensee may work with a buyer or seller as a seller's agent, buyer's agent or transaction broker. The disclosure of the brokerage relationship between all licensees involved and the seller and buyer must be included in any contract for sale and in any lot reservation agreement.

Seller's Agent: The seller's agent represents the seller only, so the buyer may be either unrepresented or represented by another agent. In order to function as a seller's agent, the broker must enter into a written agreement to represent the seller. Under a seller agency agreement, all licensees at the brokerage are seller's agents unless a designated agent is named in the agreement. If a designated agent is named, only the designated agent has the duties of a seller's agent and the supervising broker of the designated agent functions as a transaction broker.

Buyer's Agent: The buyer's agent represents the buyer only, so the seller may be either unrepresented or represented by another agent. In order to function as a buyer's agent, the broker must enter into a written agreement to represent the buyer. Under a buyer agency agreement, all licensees at the brokerage are buyer's agents unless a designated agent is named in the agreement. If a designated agent is named, only the designated agent has the duties of a buyer's agent and the supervising broker of the designated agent functions as a transaction broker.

A Transaction Broker is not an agent for either party and does not advocate the interests of either party. A transaction brokerage agreement can be written or verbal.

Complete if Licensee IS representing SELLER or BUYER and licensee has a financial interest and/or is an immediate family member:

☐ _____, Licensee assisting SELLER,

☐ DOES HAVE a financial interest in this transaction AS A SELLER.
☐ IS an immediate family member of a party that has a financial interest in this transaction as a SELLER.
 Licensee ☐ DOES ☐ DOES NOT have a financial interest due to this relationship.

☐ _____, Licensee assisting BUYER,
☐ DOES HAVE a financial interest in this transaction AS A BUYER.
☐ IS an immediate family member of a party that has a financial interest in this transaction as a BUYER.
 Licensee ☐ DOES ☐ DOES NOT have a financial interest due to this relationship.

For purposes of the foregoing disclosures, "immediate family member" means spouse, parent, child or sibling. "Interest" is defined in K.S.A. 58-3035(i).

12. **RESTRICTIONS, EASEMENTS, LIMITATIONS, and TAXES:** BUYER shall take title subject to the following: zoning restrictions, prohibitions or other requirements imposed by governmental authority; restrictions, covenants and matters appearing on the plat of record; public utility easements of record, provided they are located contiguous to the Property lines; taxes and special assessments prorated to Closing Date, as described in paragraph 17 of this Contract.
13. **TYPEWRITTEN OR HANDWRITTEN PROVISIONS:** Typewritten or handwritten provisions inserted or attached shall supersede all conflicting printed provisions.
14. **ASSIGNABILITY:** This Contract and any right or interest in the Property are assignable only with the written consent of SELLER and BUYER.
15. **CONTRACT ACCEPTANCE DATE:** Date of this Contract is the date the last party signed or initialed mutually acceptable changes.
16. **LIENS:** SELLER certifies that at Closing there will be no lien claimants, nor potential lien claimants, nor improvements to the Property being sold for 120 calendar days prior to Closing Date. If there have been improvements on or to the above-described Property within 120 calendar days prior to the Closing Date, SELLER shall deliver releases or waivers from the general contractors, subcontractors, suppliers, and material men furnishing the labor or materials for such improvements, together with such affidavits as SELLER may reasonably require naming such persons and reciting that all bills that might serve as a basis for liens of any type have or will be paid prior to or at Closing.
17. **TAXES & ASSESSMENTS:**
 - a. Real Estate taxes and any installments of special assessments for the Closing year shall be prorated to the Closing Date based upon the current available mill levy and assessed valuation. SELLER shall pay, or credit to BUYER as BUYER'S lender may require, the real estate taxes and any installments of special assessments for all prior years.
 - b. Taxes shall be prorated at Closing with BUYER being responsible for payment of taxes on any parcels closed and recorded prior to December 20 of the current year.
 - c. In the event that improvements have been made or special benefits have been assessed upon the herein-described Property which were not in existence on January 1 of the previous year, then such proration shall be based on an equitable estimate agreed upon between the parties prior to Closing.
 - d. Installments of special assessments becoming payable following Closing shall be assumed by the BUYER.
 - e. BUYER and SELLER acknowledge that reappraisal of all real estate is an ongoing process in the State of Kansas, which may change the real estate taxes on this Property this year and in the future.
18. **INTERIM MAINTENANCE:** Between the date of this Contract and the Closing Date, the Property shall be maintained by SELLER in the same condition as at the date of this Contract, ordinary wear and tear excepted.
19. **UTILITIES:** BUYER agrees to have all utilities changed to BUYER'S name as of the Closing Date, and further agrees that SELLER is entitled to all utility deposits made by SELLER in relation to the operation of the Property. SELLER will keep water, gas, and electric services on until the date of closing, unless otherwise agreed in writing. SELLER will pay all utility charges up through Closing Date. Final readings to be promptly requested by SELLER.
20. **MEDIATION:** Any dispute or claim arising out of or relating to this contract, the breach of this contract or the services provided in relation to this contract, shall be submitted to mediation in accordance with the Home Sellers/Homebuyers Rules and Procedures of the Dispute Resolution System. Disputes shall include representations made by the BUYER, SELLER, or any real estate broker/licensee in connection with the sale, purchase, financing, condition, or other aspect of the Property including, without limitation, allegations of concealment, misrepresentation, negligence and/or fraud. Any agreement signed by the parties pursuant to the mediation conference shall be binding.

The following matters are excluded from mediation hereunder: (a) judicial or non-judicial foreclosure or other action or proceeding to enforce a mortgage, escrow contract, or installment contract; (b) an unlawful detainer action; (c) the filing or enforcement of a mechanic's lien; (d) any matter which is within the jurisdiction of a probate court; or (e) violation of Kansas real estate license laws. The filing of a judicial action to enable the recording of a notice of pending action, for order of attachment,

receivership, injunction, or other provisional remedies, shall not constitute a waiver of the right to mediate under this provision, nor shall it constitute a breach of the duty to mediate.

By signing below the parties hereby acknowledge receipt of the standard announcement brochure for the Home Sellers/Homebuyers Dispute Resolution System, and agree to submit disputes, as described above, to mediation, in accordance with the Home Sellers/Homebuyers Dispute Resolution System, and rules and procedures of the mediation provider.

21. **DEFAULTS AND REMEDIES:** Subject to the Mediation Provision in this Contract, SELLER or BUYER shall be in default under this Contract if either fails to comply with any material covenant, agreement or obligation within any time limits required by this Contract.
- Default by SELLER:** In the event SELLER is unable or fails to furnish title or possession as agreed in this Contract, BUYER may **CANCEL THIS CONTRACT** by delivering written notice to SELLER of BUYER's intent to cancel in the form of a written contract cancellation agreement and, upon execution of the agreement, the Earnest Money Deposit shall be promptly returned to the BUYER and this Contract shall be deemed null and void.
If, however, SELLER'S failure to furnish marketable title to BUYER shall be caused by SELLER'S willful act or omission, BUYER shall be entitled to pursue any remedies available at law or in equity.
 - Default by BUYER:** If BUYER does not pay all sums and comply with all obligations hereunder within the time provided, SELLER may notify Escrow Agent and BUYER in writing, in which case all sums paid shall be retained for the account of SELLER as liquidated damages in full settlement of any claims, the Deed shall be returned to SELLER, and all parties shall be relieved of any obligation hereunder, or SELLER may pursue such other remedies as provided by law or in equity.
- A party determined to be in default of its obligations under this Contract by a court of competent jurisdiction shall be liable to the non-defaulting party for the non-defaulting party's reasonable attorney fees, court costs or other expenses of any nature incurred by the non-defaulting party as a result of the default or as necessary to enforce the non-defaulting party's rights under this Contract. This award of fees, costs and expenses to the non-defaulting party shall in no way be construed as a limitation to the damages or relief which the non-defaulting party may be entitled to at law or in equity.
22. **ESCROW:** Escrow Agent is authorized and agrees to hold all payments in an escrow or trust account pursuant to Kansas Statutes and to disburse at Closing as provided in this Contract. In case of doubt or question as to liabilities, Escrow Agent may (a) continue to hold all funds until the parties mutually agree in writing or until a court of competent jurisdiction determines the rights of the parties, or (b) deposit all funds so held with the Clerk of the District Court of the county in which the Property is located and, after notifying all parties in writing, Escrow Agent's liability shall cease, except to account for any sums previously delivered. If, because of duties as Escrow Agent, Escrow Agent is made a party to any suit or proceeding, Escrow Agent shall be indemnified for all costs and expense by the parties. Escrow Agent shall not be liable to any person for mis-delivery to BUYER or SELLER of escrow funds unless due to willful breach of this Contract or gross negligence. Any interest earned on monies held in escrow by Escrow Agent shall inure to Escrow Agent. Escrow fees shall be charged one-half to BUYER and one-half to SELLER. Notwithstanding any other terms of this Contract providing for forfeiture or refund of the earnest money deposit, the parties understand that applicable Kansas real estate laws prohibit the Escrow Agent from distributing the earnest money, once deposited, without the consent of all parties to this Contract. BUYER and SELLER agree that failure by either to respond in writing to a certified letter from Escrow Agent or Broker within **seven (7)** calendar days of receipt thereof or failure to make written demand for return or forfeiture of an earnest money deposit within **thirty (30)** calendar days of notice of cancellation of this Contract shall constitute consent to distribution of the earnest money as suggested in any such certified letter or as demanded by the other party hereto.
23. **RISK OF LOSS PRIOR TO CLOSING:** In the event that prior to Closing and delivery of the Deed, any of the improvements or contents which are a part of the Property being sold hereunder are lost or damaged by fire, flood, wind, hail or other causes which would normally be covered by an "all risk" hazard policy of insurance, the following shall apply:
- The proceeds of any insurance on such improvements or contents shall belong to SELLER. SELLER, at SELLER'S option, may repair such loss or damage so as to restore the improvements or contents to as good a condition as exists at the date of execution of this Contract, except that in the case of new construction, SELLER shall have improvements completed as per attached plans and specifications.
 - If SELLER does not, prior to the Closing Date, replace or restore to their previous condition the improvements or contents that are damaged, BUYER may cancel this Contract by giving written notice to SELLER.
 - In the event of cancellation of this Contract by BUYER pursuant to the terms of this paragraph, all earnest money and any other money paid directly to SELLER shall be returned to the BUYER and this Contract shall be null and void.
24. **INGRESS AND EGRESS:** SELLER warrants that there is ingress to and egress from the above-described Property.
25. **ADDITIONAL DISCLOSURES INCLUDING THOSE MANDATED BY STATE OR FEDERAL LAW**
- Kansas Bureau of Investigation Information:** Kansas law requires persons who are convicted of certain crimes, including certain sexually violent crimes, to register with the sheriff of the county in which they reside. If you, as the Buyer, desire information regarding those registrants, you may find information on the homepage of the Kansas Bureau of Investigation (KBI) at <http://www.Kansas.gov/kbi> or by contacting the local Sheriff's Office.
 - Radon:** Every buyer of residential real property is notified that the property may present exposure to dangerous concentrations of indoor radon gas that may place occupants at risk of developing radon-induced lung cancer. Radon, a class-A human

carcinogen is the leading cause of lung cancer in non-smokers and the second leading cause overall. Kansas law requires sellers to disclose any information known to the seller that shows elevated concentrations of radon gas in residential real property. The Kansas Department of Health and Environment recommends all homebuyers have an indoor radon test performed prior to purchasing or taking occupancy of residential real property. All testing for radon should be conducted by a radon measurement technician. Elevated radon concentrations can be easily reduced by a radon mitigation technician. For additional information go to <http://www.kansasradonprogram.org>.

c. **Lead Based Paint Disclosure.** If the property was built prior to 1978, BUYER acknowledges receiving, reading and signing the Federally required disclosure regarding lead-based paint.

26. **VARIABLES:** Balance subject to prorating and adjustment shall be increased or decreased as may be required by interest, other expenses and revenue to Closing Date. The amount of any mortgage escrow deposits shall be credited to SELLER.
27. **FEMININE-MASCULINE, SINGULAR-PLURAL:** Wherever used, singular shall include the plural, plural the singular, and use of any gender shall include all genders.
28. **KANSAS LAW APPLIES:** This Contract and its validity, construction and performance shall be governed by the laws of Kansas.
29. **TIME:** Time is of the essence in this Contract. No advancement or delay will be granted unless in writing and signed by the parties. Any reference to a time period shall mean calendar days, unless otherwise specified. Should the end of a time period fall on a legal holiday, the termination time shall be extended to 5:00 p.m. of the next calendar day. All time references in this contract will be considered Central Time zone.
30. **MERGER CLAUSE:** These terms are intended by the parties as a complete, conclusive and final expression of all the conditions of their Contract. No other promises, statements, warranties, agreements or understanding, oral or written, made prior to or at the signing thereof, shall be binding unless in writing and signed by all parties and attached hereto.
31. **PERSONS BOUND-COPIES:** This Contract shall extend to and bind the heirs, executors, administrators, successors and assigns of the parties hereto, and may be executed in any number of counterparts, each of which shall be deemed an original, or in multiple originals, and all such counterparts or originals shall, for all purposes, constitute one agreement.
32. **LEGAL AND TAX COUNSELING:** Both parties acknowledge the opportunity to obtain legal and tax counseling to review this Contract.
33. **FACSIMILE/ELECTRONIC DELIVERY:** For purposes of this document and any addenda, attachments or amendments thereto, BUYER and SELLER agree to accept facsimile (FAX) signatures and initials, or scanned originals delivered electronically, as originals.
34. **ELECTRONIC SIGNATURES AND TRANSACTIONS:** BUYER, SELLER and BROKERS agree that this transaction may be conducted through electronic means according to the Kansas Uniform Electronic Transactions Act. However, BROKERS have no authority or power of attorney to enter into electronic agreements with other parties on behalf of the BUYER or SELLER without the BUYER'S or SELLER'S explicit authorization.
- Cyber Protection:** Because you are going to be involved in a real estate transaction where money is changing hands, you are a potential target for cyber-criminals. Always contact the closer directly before wiring any money.
35. **MARKETING INSTRUCTIONS:** BUYER and SELLER agree that SELLER, at SELLER'S option, may continue to market this Property for sale and may accept other contracts, so long as those contracts shall be subordinate to this Contract.

36. **ATTACHMENTS:** The following items have been addressed, attached, and incorporated into this Contract:

- | | |
|--|---|
| <input type="checkbox"/> Flood Plain Attachment | <input type="checkbox"/> Short Sale Addendum |
| <input type="checkbox"/> Plans/Specifications | <input type="checkbox"/> Appraised Value Contingency Addendum |
| <input type="checkbox"/> FHA Attachment | <input type="checkbox"/> New Construction Warranty Addendum |
| <input type="checkbox"/> Environmental Disclosures | <input type="checkbox"/> Agency Franchise Disclosure Addendum |
| <input type="checkbox"/> VA Attachment | <input type="checkbox"/> New Construction Performance Standards |
| <input type="checkbox"/> Transaction Broker Addendum | <input type="checkbox"/> _____ |
| <input type="checkbox"/> Sale of Residence Contingency | <input type="checkbox"/> _____ |
| <input type="checkbox"/> Rural Property Attachment | <input type="checkbox"/> _____ |
| <input type="checkbox"/> Lead-Based Paint Disclosure | <input type="checkbox"/> _____ |

37. **SUPPLEMENTAL INFORMATION:** The parties acknowledge receipt of the following documented information:

- | | |
|---|--|
| <input type="checkbox"/> Plat | <input type="checkbox"/> Kansas Energy Efficiency Disclosure |
| <input type="checkbox"/> HOA Information | <input type="checkbox"/> Home Warranty Program |
| <input type="checkbox"/> Covenants/Restrictions | <input type="checkbox"/> Inspection Report(s) |

☐☐☐☐**38. SPECIAL PROVISIONS:**

39. **ACCEPTANCE OF CONTRACT:** This Contract must be executed by all parties before _____ ☐ a.m. ☐ p.m., on _____ (date), or it shall be null, and void.

 SELLER DATE

 BUYER DATE

 SELLER DATE

 BUYER DATE
OPTIONAL Contact Information

 Listing Company

 Selling Company

 Address

 Address

 Listing Licensee (Please Print)

 Selling Licensee (Please Print)

 _____ / _____
 Listing Licensee's Phone # Listing Company Phone #

 _____ / _____
 Selling Licensee's Phone # Selling Company Phone #

 Listing Licensee's Email Address

 Selling Licensee's Email Address

EARNEST MONEY / FORMS / DELIVERY SECTION OF CONTRACT:

First, no term and condition of a Contract is excluded from the requirements placed upon licensed real estate brokers, associate brokers and salespeople by the license laws of the State of Kansas. For reference:

KANSAS STATUTE: 58-3062: Prohibited acts.

(a) No licensee, whether acting as an agent, transaction broker or a principal, shall:

(11) Fail to see that financial obligations and commitments between the parties to an agreement to sell, exchange or lease real estate are in writing, expressing the exact agreement of the parties."

(d)(1) If a purchase agreement provides that the earnest money be held by an escrow agent other than a real estate broker, no listing broker shall:

(A) Fail to deliver the purchase agreement and earnest money deposit to the escrow agent named in the purchase agreement within five business days after the purchase agreement is signed by all parties unless otherwise specifically provided by written agreement of all parties to the purchase agreement, in which case the broker shall deliver the purchase agreement and earnest money deposit to the escrow agent named in the purchase agreement on the date provided by such written agreement;

RE: PARAGRAPH 2a: If the intent is to 'reduce the need for Amendments', best to look at the overall picture, so here are a few insights based on the hundreds of files we see each year:

- **Numerous Amendments are due to Agents using the term 'WIRE' for 'ACH', so until there is an understanding of the difference, this will continue to exist and not resolved due to 'grouping' of 'forms'.**
- **A 'wire' or 'ACH' cannot be delivered to anyone other than the ESCROW AGENT named in the Contract. This tends to create quite a few needs to amend, i.e., inserting the wire / ACH will be delivered to 'Listing Agent / Agency'.**
- **Agents need to be consistent in ASKING the client how they intend to pay. Numerous times the box is selected 'personal check', then discover after Contract is executed that the Buyer does not use checks.**
- **Missing deadline dates - Happens mostly when Agent didn't verify source of funds and timing prior to writing the Contract, i.e. Buyer didn't bring checks and/or have no local source to obtain a cashier's check or effect a wire, needing to physically complete upon their return home. We do encounter 'return of earnest money' due to insufficient funds, but more frequently, due to incorrect entry of Buyer's account information used for ACH deposit.**

MULTIFAMILY PROPERTY CONDITION DISCLOSURE RIDER

SELLER: _____

PROPERTY: _____

NUMBER OF UNITS: _____

1. RENT SCHEDULE (If more than 4 units, attach additional rent schedule):

☐ *Check box if additional rent schedule is attached.*

Legend: E = Electric, W = Water, S = Sewer, G = Gas, T = Trash

Unit #	Currently leased? (Y/N)	Lease Begin Date (MM/YY)	Lease End Date (MM/YY)	Monthly Rent Amount \$	Is rent current? (Y/N)	Security Deposit Amount \$ (Tenants/ Pets)	Utilities Tenant Pays (Check)	Utilities Landlord Pays (Check)

2. EXPENSE INFORMATION:

- a. Annual real estate taxes & year.....\$ _____
- b. Annual hazard insurance.....\$ _____
- c. Annual snow removal expense.....\$ _____
- d. Annual lawn mowing, yard maintenance expense.....\$ _____
- e. Annual landlord-paid utility expenses.....\$ _____

Seller initial/Date: _____

Buyer initial/Date: _____

3. APPLIANCE & MECHANICAL INFORMATION (indicate appliances included within sale & staying at property below. If more than 4 units, attach additional information):

☐

Check box if additional information is attached.

Unit#	Stove	DW	Fridge	Micro-wave	Washer	Dryer	Age of Furn-ace	Age of AC	Age of Water Heater	Window Units? (Y/N) How many?

4. ADDITIONAL INFORMATION:

- Any other leases or contracts for services on the property? Yes: ____ No: ____ If yes, please specify: _____
- Have any tenants given notice they are not renewing an upcoming lease? Yes: ____ No: ____ If yes, please specify which unit(s): _____
- Have any tenants had eviction proceedings begun upon them? Yes: ____ No: ____ If yes, please specify which unit(s): _____

SELLER:

BUYER:

DATE

DATE

DATE

DATE

Seller initial/Date: _____
Seller initial/Date: _____

Buyer initial/Date: _____
Buyer initial/Date: _____



☐ If checked, this Sales Contract Template has been modified by _____ (name), _____ (insert date mm/dd/yyyy).

SALES CONTRACT

File Number _____

**THIS CONTRACT TEMPLATE APPROVED BY LEGAL COUNSEL FOR THE LAWRENCE BOARD OF REALTORS®
THIS IS A LEGALLY BINDING CONTRACT, NOT AN OPTION**

SELLER(S):

If known, please include Marital Status for each SELLER – ASP (a single person), AMP (a married person), AMC (a married couple)

BUYER(S):

If known, please include Marital Status for each BUYER – ASP (a single person), AMP (a married person), AMC (a married couple)

Taking title as:

☐ Joint Tenancy ☐ Tenants in Common ☐ _____

The Property described is sold and purchased on the following terms:

1. a. Legal Description / Include County:

b. Street Address: _____ City, State, Zip _____

c. The following personal property items are of no value and are being left for the convenience of all parties:

d. Personal Property Excluded:

2. PRICE:

\$ _____ *Error! Bookmark not defined.*

a. Earnest money held in trust account by _____ ,
hereinafter referred to as Escrow Agent

☐ Earnest Money Attached

☐ To be delivered to _____ (*Escrow Agent if left blank*) no later than _____
business days (five (5) if left blank) after Contract acceptance

In the form of (*select one (1) option only*)

☐ Personal Check ☐ Cashier's Check ☐ ACH/Debit Card ☐ Wire Transfer

☐ Other

\$ _____

b. New mortgage proceeds: (*loan amount does not include Guarantee Fee, MIP or Funding Fee*)

\$ _____

c. Other:

\$ _____

d. Balance subject to adjustment and prorating: (Price less a, b & c of this paragraph)

\$ _____

e. Additional SELLER paid costs (zero if left blank). In addition to any other costs SELLER agreed to pay herein, SELLER agrees to pay other allowable closing costs permitted by Lender(s) (*including any FHA/VA 'prohibited' costs, if applicable*) and/or prepaid items for BUYER, not to exceed

\$ _____

3. ~~FINANCING~~ FINANCIAL TERMS:

☐ *THIS IS A CASH SALE. BUYER must provide written verification of funds within _____ calendar days after Contract acceptance date, which are sufficient to complete the Closing on this Contract.*

☐ *THIS IS A FINANCED SALE. This Contract is contingent upon BUYER obtaining the financing described in this Paragraph.*





New Mortgage: If money is being borrowed, then this Contract is conditioned upon BUYER'S obtaining a written firm commitment, which must include (if required by Lender) a satisfactory appraisal, credit verification, income/assets verification, and PMI approval, for a new **purchase-money** mortgage in the principal amount of no more than the above-stated new mortgage proceeds:

Type of Financing: ☐ Owner-occupied loan ☐ Investment loan ☐ 'Bridge' or Home Equity loan

To be provided by (lender name) _____
 by on or before _____
 at an initial rate not to exceed _____%, points not to exceed _____ points
 for a term of _____ years. Check if: ☐ Fixed, or ☐ Variable

BUYER'S loan approval ☐ is not ☐ is contingent on BUYER'S receiving proceeds from sale/closing of property located at _____. (See 'CONTINGENCY FOR SALE/CLOSING OF BUYER'S PROPERTY')

Loan Type:

- ☐ Conventional
☐ **USDA** / Rural Development
☐ **Other:** _____

- ☐ **FHA - It is expressly agreed that, notwithstanding any other provision of this Contract, the BUYER shall not be obligated to complete the purchase of the property described herein or to incur any penalty by forfeiture of earnest money deposits or otherwise unless the BUYER has been given in accordance with HUD/FHA or VA requirements a written statement issued by the Federal Housing Commissioner, Veterans Administration, or a Direct Endorsement Lender setting forth the appraised value of the property (excluding closing costs) of not less than \$THE SALES PRICE OF THE CONTRACT (Contract Price), which statement the Mortgagee agrees to deliver to the BUYER promptly after such appraised value statement is made available to the Mortgagee. However, the BUYER shall have the privilege and option of proceeding with the consummation of the Contract without regard to the amount of the appraised valuation made by the Federal Housing Commissioner. The appraised valuation is arrived at to determine the maximum mortgage the Department of Housing and Urban Development (HUD) will insure. HUD does not warrant the value or the condition of the property. The BUYER should satisfy himself/herself that the price and the condition of the property are acceptable.**
- ☐ **VA - It is expressly agreed that, notwithstanding any other provision of this Contract, the BUYER shall not incur any penalty by forfeiture of earnest money or otherwise or be obligated to complete the purchase of the property described herein, if the Contract Price exceeds the reasonable value of the property established by the Veterans Administration. However, the BUYER shall have the privilege and option of proceeding with the consummation of this Contract without regard to the amount of reasonable value established by the Veterans Administration.**

BUYER'S lender may afford BUYER the option to "lock in" the foregoing interest rate or to "float" the interest rate. If BUYER locks in a rate, BUYER agrees to accept the "locked" rate and terms, even if different than those stated above. If BUYER has received a firm commitment from a lender on terms at or better than the terms stated above, and BUYER elects to float the rate, then BUYER agrees to accept the rate and terms available from BUYER'S lender for which BUYER qualifies at closing. BUYER may obtain a loan on different terms than those described above, provided that the terms of the loan do not result in additional costs to SELLER.

BUYER shall act diligently and in good faith to obtain a mortgage loan as set out in this paragraph and shall make loan application within **five (5)** business days of the acceptance of this contract. BUYER may, at BUYER'S option, accept a firm loan commitment for less than the amount identified in 2b. BUYER agrees to accept any firm commitment which meets the terms set out in this paragraph, and agrees to comply with all requirements of the commitment. BUYER shall furnish SELLER with a copy of the commitment promptly after BUYER receives it. If BUYER is unable to obtain a commitment for the Loan(s) within the loan approval period, then, unless the parties agree to extend such date or BUYER delivers to SELLER a written waiver of this condition, BUYER or SELLER may **CANCEL THIS CONTRACT** by delivering written notice to the other of their intent to cancel in the form of a written contract cancellation agreement and, upon execution of the agreement, the Earnest Money Deposit shall be promptly returned to the BUYER and this Contract shall be deemed null and void. If BUYER is unable to obtain the financing described herein, BUYER shall provide written evidence of rejection.

4. CLOSING DATE/DELIVERY OF DEED/DISTRIBUTION OF PROCEEDS:

- a. The Closing Date shall be _____, unless both parties agree in writing to advance or delay the Closing. "Closing" refers to the settlement of the transaction where the purchase price is paid to SELLER, prorations are made and the deed is delivered to BUYER. SELLER shall deliver possession and provide keys to BUYER immediately following payment of the purchase price to SELLER and recording of the deed. BUYER shall not occupy the Property or place personal property in or on the Premises prior to recording of the deed without the prior written consent of SELLER. If the Property is rented, the tenancy will be disclosed pursuant to paragraph eight (8) of this Contract.
- b. Unless otherwise agreed by the parties, at least three (3) calendar days before the Closing Date, SELLER shall execute and deliver to the Title Company or other Closing Agent, a general warranty deed or special warranty deed, or fiduciary deed (if SELLER is a corporation financial institution or fiduciary), and all other documents and funds reasonably necessary to





complete the closing. **On or before the Closing Date, SELLER and BUYER agree to deliver to the Closing Agent a CASHIER'S CHECK, WIRE, OR OTHER CERTIFIED FUNDS sufficient to satisfy their respective obligations under this Contract.**

- c. BUYER shall pay the closing fee. "Closing fee" is the fee charged by the closing agent with a title company, or closing company, to facilitate the closing of the real estate transaction.
5. **TITLE INSURANCE:** SELLER shall furnish BUYER marketable title, from _____ (Escrow Agent if left blank), subject to liens, encumbrances, exceptions or qualifications specified in this Contract and those which shall be discharged by SELLER at or before Closing. SELLER shall furnish BUYER, before Closing, a commitment for an owner's title insurance policy in the amount of the purchase price, insuring BUYER'S title subject only to liens, encumbrances, exceptions, or qualifications set forth in this Contract, and those which shall be discharged by SELLER at or before Closing. BUYER shall have **five (5)** calendar days after receipt, to examine the title insurance commitment and to notify SELLER in writing of any requirements to make the title marketable. SELLER shall have until Closing to cause the title to be made marketable. If defects precluding marketability are not removed by Closing, BUYER may either accept title or **CANCEL THIS CONTRACT** by delivering written notice to SELLER of BUYER'S intent to cancel in the form of a written contract cancellation agreement and, upon execution of the agreement, the Earnest Money Deposit shall be promptly returned to the BUYER and this Contract shall be deemed null and void. SELLER shall diligently attempt, before Closing, to correct any defects to marketability of which BUYER has notified SELLER in writing and shall file and pursue any legal proceedings reasonably necessary to correct such defects. In case of dispute between the parties as to marketability of the title, the Title Standards adopted from time to time by the Bar Association of the State of Kansas, and the Kansas Marketable Record Title Act, as amended, shall control. BUYER agrees to use the title company selected by SELLER for all applicable title services, unless otherwise stated in Special Provisions.
6. **SURVEY:** BUYER may, at BUYER'S expense, obtain a "staked" survey of the Property before the Closing Date to assure that there are no defects, encroachments, overlaps, boundary line or acreage disputes, or other such matters, that would be disclosed by a survey. BUYER acknowledges that a Mortgage Inspection Report or "Loan Survey" normally required by a lending institution is not a "staked" survey. A title insurance company typically requires a "staked" survey in order to provide survey coverage to the BUYER. Prior to the Closing Date, BUYER shall notify SELLER of any encroachments of any improvements upon, from, or onto the Property or any building setback line, property line, or easement, which encroachment shall be deemed to be a title defect. SELLER shall remedy such defects as are susceptible of being remedied prior to the Closing Date. If SELLER does not so remedy the defects in title, BUYER shall have the option of (a) completing this purchase and accepting the title SELLER is able to convey without adjustment in the purchase price, or (b) **CANCEL THIS CONTRACT** by delivering written notice to SELLER of BUYER'S intent to cancel in the form of a written contract cancellation agreement and, upon execution of the agreement, the Earnest Money Deposit shall be promptly returned to the BUYER and this Contract shall be deemed null and void.
7. **INSPECTIONS:**
BUYER or BUYER'S representative, at BUYER'S expense, shall have the right, on or before _____ **(Insert calendar date OR number of days after Contract acceptance - 10 calendar days if left blank) (the "Inspection Period")**, to conduct and complete inspections to evaluate the present condition of the Property and its major systems. All inspections BUYER deems necessary must be completed by the end of the allowed Inspection Period (inspection(s), inspection(s) results, and all written inspection reports). BUYER may have the Property inspected by an **independent, qualified inspector(s)**, including, without limitation, the following: (1) mechanical equipment, plumbing and electrical systems, heating and central air conditioning system; (2) structural aspects of the Property, including without limitation, the following: foundation, slab, drainage, roof, fireplace, chimney, siding, windows, doors, ceiling, floors, walls, insulation, the interior, the exterior, fence, deck, patio, sidewalk or driveway; (3) environmental or health hazards affecting the Property, including without limitation, the following: radon gas, asbestos, mold, lead based paint, or any other environmental or health hazard. (4) active pest infestation, existence of active infestation by, and/or damage from, termite/wood-destroying pests (or evidence of past untreated infestation).
- ☐ **See Rural Property Attachment to Sales Contract.**
- a. **Access to Property and Re-Inspections:** SELLER shall afford BUYER reasonable access to the Property to conduct the inspection(s), re-inspection(s) inspection of any repair(s) completed by SELLER, and/or final walk-through, prior to Closing. Such inspections shall be scheduled at any reasonable time convenient to SELLER. BUYER shall be responsible for correcting and/or paying for any damage to the Property resulting from the inspection(s).
- b. **Inspection Reports:** BUYER/BUYER'S Representative shall provide SELLER/SELLER'S Representative with a copy of any written inspection report(s) with any inspection deficiency requirements BUYER may make of SELLER as allowed in Paragraph 7d of this Contract or said written reports shall be delivered to SELLER/SELLER'S Representative prior to the termination of the Inspection Period in absence of an inspection deficiency request or said written reports must accompany BUYER'S cancellation notice.
- c. **Exclusions from Inspection:** **Any items that are strictly of a cosmetic nature that do not pertain to the mechanical or structural integrity or safety of the Property.** Inspections are not intended to identify either cosmetic imperfections or other features of the Property. The following items are expressly excluded from the foregoing inspection provisions, shall not be considered unacceptable conditions, and may not be used by the BUYER as a basis for canceling this Contract or requesting repairs: _____





- d. **Unacceptable Conditions:** Any condition identified in a written inspection report(s) prepared by an independent qualified inspector(s) of BUYER'S choice, which condition(s) is unacceptable to BUYER (Deficiencies) and not otherwise excluded by this Contract.

If BUYER'S inspection(s) reveal deficiencies, BUYER may perform either of the following with a marked checkbox within the Inspection Period:

☐ **CANCEL THIS CONTRACT** by delivering written notice to SELLER/SELLER'S Representative of BUYER'S intent to cancel in the form of a written contract cancellation agreement within the Inspection Period and, upon execution of the cancellation agreement, the Earnest Money Deposit shall be promptly returned to the BUYER and this Contract shall be deemed null and void, **OR ACCEPT THE PROPERTY IN ITS PRESENT "AS-IS" Condition** by delivering written notice to SELLER/SELLER'S Representative of BUYER'S intent to accept the property in its present **"AS-IS"** condition.

☐ **REQUIRE REPAIRS** of SELLER by delivering written notice to SELLER/SELLER'S Representative of deficiencies which exist in/on the Property which require correction by SELLER. Said deficiencies must be delivered to SELLER/SELLER'S Representative in writing prior to the expiration of the Inspection Period by providing an itemized list describing the deficiencies in reasonable detail. BUYER and SELLER will have _____ **days** (5 calendar days if left blank) after SELLER/SELLER'S Representative receipt of BUYER'S notice of deficiencies (the "Inspection Negotiation Period"), to reach a written agreement detailing the resolution of the deficiencies **OR ACCEPT THE PROPERTY IN ITS PRESENT "AS-IS" Condition** by delivering written notice to SELLER/SELLER'S Representative of BUYER'S intent to accept the property in its present **"AS IS"** condition..

Cost to correct deficiencies: BUYER shall pay the first \$ _____ (\$0 if left blank) of the total costs of correction, and any costs required above such amount shall be paid by SELLER.

- i. Any of the following executed and delivered to the other party or other party's representative prior to the expiration of the Inspection Negotiation Period will constitute such an agreement:
 - a. SELLER'S signature agreeing to do everything requested by BUYER on the original notice of deficiencies; or
 - b. A revised statement of deficiencies signed by BUYER and SELLER detailing the deficiencies to be corrected by SELLER; or
 - c. BUYER'S signature on a statement of deficiencies accepting the Property in its present condition.
 - ii. If no agreement resolving the deficiencies is reached during the Inspection Negotiation Period as provided above, then after the expiration of the Inspection Negotiation Period either of the following is permitted under the Contract:
 - a. Negotiations between SELLER and BUYER may still proceed. However, any agreement resolving the deficiencies must be in writing and signed by both parties.
 - b. Within **one** (1) calendar day of the expiration of the Inspection Negotiation Period BUYER may accept the property in its present "As-Is" condition by delivering BUYER'S written executed notice.
 - c. BUYER or SELLER may unilaterally cancel this Contract after the expiration of the **one** (1) calendar day period above by written notice to the other in the form of a contract cancellation agreement (which the receiving party hereby agrees to immediately sign and return to the other) directing Escrow Agent to release all earnest monies held to BUYER. Upon execution by all parties, this Contract shall be declared null and void and all obligations to the other shall cease.
- e. **BUYER'S notice of cancellation, "AS-IS" acceptance, or submission of deficiencies terminates the Inspection Period.**
- f. **Quality of Repairs:** SELLER agrees that any corrections which SELLER performs shall be completed in a workmanlike manner with good quality materials.
- g. **Failure to Inspect/Failure to Deliver Written Notice to SELLER:** If BUYER fails to conduct an inspection(s) and/or deliver a written notice to SELLER/SELLER'S Representative per paragraph 7d, BUYER shall have waived any right to cancel and/or right to repairs due to deficiencies which might reasonably have been discovered by an inspection, and shall be deemed to have accepted the Property in its present "AS-IS" condition at Closing.
- h. ☐ **Waiver of Inspections:** BUYER hereby waives the right to conduct inspections. BUYER shall have waived any right to cancel and/or right to repairs due to unacceptable conditions which might reasonably have been discovered by an inspection and shall be deemed to have accepted the Property in its present "AS IS" condition at Closing.

By initialing below, BUYER hereby waives the right to conduct inspections.





BUYER'S INITIALS

BUYER'S INITIALS

8. OCCUPANTS OTHER THAN SELLER:

☐ Check if the property is currently leased.

If the property, or any portion of the property is currently leased, and the lease extends beyond the closing date, on or before _____ (date), SELLER shall furnish BUYER with copies of all leases, and records of all received rents and deposits paid. BUYER shall have three (3) calendar days from receipt of all leases and records of all received rents and deposits to CANCEL THIS CONTRACT by delivering written notice to SELLER of BUYER'S intent to cancel in the form of a written contract cancellation agreement and, upon execution of the agreement, the Earnest Money Deposit shall be promptly returned to the BUYER and this Contract shall be deemed null and void. SELLER shall deliver and assign to BUYER all original leases on Closing Date. Advance rents, deposits and prorated rents will be credited to BUYER at Closing. BUYER shall assume all obligations under the leases and indemnify and hold the SELLER harmless with respect to the BUYER'S performance under such leases.

If the property is currently leased and the lease terminates prior to Closing, SELLER will provide written evidence of lease termination in lieu of copies of all leases, and records of all received rents and deposits paid, within the time period in the paragraph above. Unless otherwise agreed, no new leases or modifications/extensions to existing leases will be negotiated and/or executed without the written permission of BUYER.

9. SELLER'S DISCLOSURE STATEMENT:

- a. SELLER shall provide BUYER with the following disclosure statements, as applicable, prior to the signing of this Contract: SELLER'S Property Condition Disclosure Statement, Lead-Based Paint Disclosure, and Kansas Energy Efficiency Disclosure. SELLER verifies that the SELLER'S Disclosure Statement, executed concurrently with the Exclusive Right of Sale, is current and valid to date.

SELLER'S INITIALS

SELLER'S INITIALS

- b. BUYER acknowledges receipt of the above applicable disclosure statements prior to, or concurrently with, signing of this contract.

BUYER'S INITIALS

BUYER'S INITIALS

10. HOME WARRANTIES AND HAZARD INSURANCE:

- a. **BUYER'S Warranty Plan** (Check if applicable): ☐ SELLER or ☐ BUYER, at a cost not to exceed \$ _____ (amount not to include additional costs for SELLER'S coverage), agrees to purchase a homeBUYER'S warranty plan from _____ to be paid at closing. This plan is a limited service contract covering repair or replacement of the working components of the Property for a minimum of one (1) year from the Closing Date subject to a per claim deductible of \$ _____. The (Check one) ☐ Listing Agent ☐ Selling Agent shall be responsible for making arrangements for the warranty plan and submitting required documentation to the settlement agent prior to Closing.

- b. By initialing below, both BUYER and SELLER are declining a warranty at this time.

SELLER'S INITIALS

BUYER'S INITIALS

- c. **Hazard Insurance:** BUYER acknowledges that hazard insurance is available through various sources.

11. **AGENCY DISCLOSURE:** (applicable sections must be checked): SELLER and BUYER acknowledge receiving the "Real Estate Brokerage Relationships" brochure prior to their execution of this Contract. SELLER and BUYER acknowledge that the real estate licensees involved in this transaction may be functioning as SELLER'S agents, BUYER'S agents, Designated Agents, or as Transaction Brokers. Pursuant to the following disclosure:

(Listing Company) _____

Is functioning as ☐ SELLER'S Agent

(Name of Licensee) _____

☐ Designated SELLER'S Agent ☐ Transaction Broker

(Selling Company) _____

Is functioning as ☐ SELLER'S Agent

(Name of Licensee) _____

☐ Designated SELLER'S Agent ☒ SELLER'S Sub-Agent☐ BUYER'S Agent☐ Designated BUYER'S Agent ☐ Transaction Broker

Types of Brokerage Relationships: A real estate licensee may work with a BUYER or SELLER as a SELLER'S agent, BUYER'S agent or transaction broker. The disclosure of the brokerage relationship between all licensees involved and the SELLER and BUYER must be included in any contract for sale and in any lot reservation agreement.





SELLER'S Agent: The SELLER'S agent represents the SELLER only, so the BUYER may be either unrepresented or represented by another agent. In order to function as a SELLER'S agent, the broker must enter into a written agreement to represent the SELLER. Under a SELLER agency agreement, all licensees at the brokerage are SELLER'S agents unless a designated agent is named in the agreement. If a designated agent is named, only the designated agent has the duties of a SELLER'S agent and the supervising broker of the designated agent functions as a transaction broker.

BUYER'S Agent: The BUYER'S agent represents the BUYER only, so the SELLER may be either unrepresented or represented by another agent. In order to function as a BUYER'S agent, the broker must enter into a written agreement to represent the BUYER. Under a BUYER agency agreement, all licensees at the brokerage are BUYER'S agents unless a designated agent is named in the agreement. If a designated agent is named, only the designated agent has the duties of a BUYER'S agent and the supervising broker of the designated agent functions as a transaction broker.

A Transaction Broker is not an agent for either party and does not advocate the interests of either party. A transaction brokerage agreement can be written or verbal.

Complete *only* if Licensee *IS* representing SELLER or BUYER *has a financial interest as a SELLER OR BUYER, OR is an immediate family member of SELLER or BUYER:*

- ☐ _____, Licensee assisting SELLER,
☐ *DOES HAVE* a financial interest in this transaction AS A SELLER.
☐ *IS* an immediate family member of a party that has a financial interest in this transaction as a SELLER.
 Licensee ☐ *DOES* ☐ *DOES NOT* have a financial interest due to this relationship.

- ☐ _____, Licensee assisting BUYER,
☐ *DOES HAVE* a financial interest in this transaction AS A BUYER.
☐ *IS* an immediate family member of a party that has a financial interest in this transaction as a BUYER.
 Licensee ☐ *DOES* ☐ *DOES NOT* have a financial interest due to this relationship.

For purposes of the foregoing disclosures, "immediate family member" means spouse, parent, child or sibling. "Interest" is defined in K.S.A. 58-3035(i).

12. **RESTRICTIONS, EASEMENTS, LIMITATIONS, and TAXES:** BUYER shall take title subject to the following: zoning restrictions, prohibitions or other requirements imposed by governmental authority; restrictions, covenants and matters appearing on the plat of record; public utility easements of record, provided they are located contiguous to the Property lines; taxes and special assessments prorated to Closing Date, as described in paragraph 17 of this Contract.
13. **TYPEWRITTEN OR HANDWRITTEN PROVISIONS:** Typewritten or handwritten provisions inserted or attached shall supersede all conflicting printed provisions.
14. **ASSIGNABILITY:** This Contract and any right or interest in the Property are assignable only with the written consent of SELLER and BUYER.
15. **CONTRACT ACCEPTANCE DATE:** Date of this Contract is the date the last party signed or initialed mutually acceptable changes.
16. **LIENS:** SELLER certifies that at Closing there will be no lien claimants, nor potential lien claimants, nor improvements to the Property being sold for 120 calendar days prior to Closing Date. If there have been improvements on or to the above-described Property within 120 calendar days prior to the Closing Date, SELLER shall deliver releases or waivers from the general contractors, subcontractors, suppliers and material men furnishing the labor or materials for such improvements, together with such affidavits as SELLER may reasonably require naming such persons and reciting that all bills that might serve as a basis for liens of any type have or will be paid prior to or at Closing.
17. **TAXES & ASSESSMENTS:**
 - a. Real Estate taxes and any installments of special assessments for the Closing year shall be prorated to the Closing Date based upon the current available mill levy and assessed valuation. SELLER shall pay, or credit to BUYER as BUYER'S lender may require, the real estate taxes and any installments of special assessments for all prior years.
 - b. Taxes shall be prorated at Closing with BUYER being responsible for payment of taxes on any parcels closed and recorded prior to December 20 of the current year.
 - c. In the event that improvements have been made or special benefits have been assessed upon the herein-described Property which were not in existence on January 1 of the previous year, then such proration shall be based on an equitable estimate agreed upon between the parties prior to Closing.
 - d. Installments of special assessments becoming payable following Closing shall be assumed by the BUYER.
 - e. BUYER and SELLER acknowledge that reappraisal of all real estate is an ongoing process in the State of Kansas, which may change the real estate taxes on this Property this year and in the future.





18. **INTERIM MAINTENANCE / FINAL WALK THROUGH:** Between the date of this Contract and ~~the Closing~~ **BUYER'S Possession** Date, the Property shall be maintained by SELLER in the same condition as at the date of this Contract, ordinary wear and tear excepted. **Prior to Closing, BUYER / BUYER's representative shall have the opportunity to conduct a final walk through of the property to assure that all conditions of this Contract and any addenda and/or amendments thereto have been met.**
19. **UTILITIES:** BUYER agrees to have all utilities changed to BUYER'S name as of ~~the Closing~~ **BUYER'S Possession** Date, and further agrees that SELLER is entitled to all utility deposits made by SELLER in relation to the operation of the Property. SELLER will keep water, gas, and electric services on until ~~the date of closing~~ **BUYER'S Possession Date**, unless otherwise agreed in writing. SELLER will pay all utility charges up through ~~Closing~~ **BUYER'S Possession** Date. Final readings to be promptly requested by SELLER.
20. **MEDIATION:** Any dispute or claim arising out of or relating to this contract, the breach of this contract or the services provided in relation to this contract, shall be submitted to mediation in accordance with the HomeSELLERs/HomeBUYERs Rules and Procedures of the Dispute Resolution System. Disputes shall include representations made by the BUYER, SELLER, or any real estate broker/licensee in connection with the sale, purchase, financing, condition, or other aspect of the Property including, without limitation, allegations of concealment, misrepresentation, negligence and/or fraud. Any agreement signed by the parties pursuant to the mediation conference shall be binding.
- The following matters are excluded from mediation hereunder: (a) judicial or non-judicial foreclosure or other action or proceeding to enforce a mortgage, escrow contract, or installment contract; (b) an unlawful detainer action; (c) the filing or enforcement of a mechanic's lien; (d) any matter which is within the jurisdiction of a probate court; or (e) violation of Kansas real estate license laws. The filing of a judicial action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, shall not constitute a waiver of the right to mediate under this provision, nor shall it constitute a breach of the duty to mediate.
- By signing below the parties hereby acknowledge receipt of the standard announcement brochure for the HomeSELLERs/HomeBUYERs Dispute Resolution System, and agree to submit disputes, as described above, to mediation, in accordance with the HomeSELLERs/HomeBUYERs Dispute Resolution System, and rules and procedures of the mediation provider.
21. **DEFAULTS AND REMEDIES:** Subject to the Mediation Provision in this Contract, SELLER or BUYER shall be in default under this Contract if either fails to comply with any material covenant, agreement or obligation within any time limits required by this Contract.
- a. **Default by SELLER:** In the event SELLER is unable or fails to furnish title or possession as agreed in this Contract, BUYER may **CANCEL THIS CONTRACT** by delivering written notice to SELLER of BUYER'S intent to cancel in the form of a written contract cancellation agreement and, upon execution of the agreement, the Earnest Money Deposit shall be promptly returned to the BUYER and this Contract shall be deemed null and void.
- If, however, SELLER'S failure to furnish marketable title to BUYER shall be caused by SELLER'S willful act or omission, BUYER shall be entitled to pursue any remedies available at law or in equity.
- b. **Default by BUYER:** If BUYER does not pay all sums and comply with all obligations hereunder within the time provided, SELLER may notify Escrow Agent and BUYER in writing, in which case all sums paid shall be retained for the account of SELLER as liquidated damages in full settlement of any claims, the Deed shall be returned to SELLER, and all parties shall be relieved of any obligation hereunder, or SELLER may pursue such other remedies as provided by law or in equity.
- A party determined to be in default of its obligations under this Contract by a court of competent jurisdiction shall be liable to the non-defaulting party for the non-defaulting party's reasonable attorney fees, court costs or other expenses of any nature incurred by the non-defaulting party as a result of the default or as necessary to enforce the non-defaulting party's rights under this Contract. This award of fees, costs and expenses to the non-defaulting party shall in no way be construed as a limitation to the damages or relief which the non-defaulting party may be entitled to at law or in equity.
22. **ESCROW:** Escrow Agent is authorized and agrees to hold all payments in an escrow or trust account pursuant to Kansas Statutes and to disburse at Closing as provided in this Contract. In case of doubt or question as to liabilities, Escrow Agent may (a) continue to hold all funds until the parties mutually agree in writing or until a court of competent jurisdiction determines the rights of the parties, or (b) deposit all funds so held with the Clerk of the District Court of the county in which the Property is located and, after notifying all parties in writing, Escrow Agent's liability shall cease, except to account for any sums previously delivered. If, because of duties as Escrow Agent, Escrow Agent is made a party to any suit or proceeding, Escrow Agent shall be indemnified for all costs and expense by the parties. Escrow Agent shall not be liable to any person for mis-delivery to BUYER or SELLER of escrow funds unless due to willful breach of this Contract or gross negligence. Any interest earned on monies held in escrow by Escrow Agent shall inure to Escrow Agent. Escrow fees shall be charged one-half to BUYER and one-half to SELLER. Notwithstanding any other terms of this Contract providing for forfeiture or refund of the earnest money deposit, the parties understand that applicable Kansas real estate laws prohibit the Escrow Agent from distributing the earnest money, once deposited, without the consent of all parties to this Contract. BUYER and SELLER agree that failure by either to respond in writing to a certified letter from Escrow Agent or Broker within **seven (7)** calendar days of receipt thereof or failure to make written demand for return or forfeiture of an earnest money deposit within **thirty (30)** calendar days of notice of cancellation of this Contract shall constitute consent to distribution of the earnest money as suggested in any such certified letter or as demanded by the other party hereto.





23. **RISK OF LOSS PRIOR TO CLOSING:** In the event that prior to Closing and delivery of the Deed, any of the improvements or contents which are a part of the Property being sold hereunder are lost or damaged by fire, flood, wind, hail or other causes which would normally be covered by an "all risk" hazard policy of insurance, the following shall apply:
- The proceeds of any insurance on such improvements or contents shall belong to SELLER. SELLER, at SELLER'S option, may repair such loss or damage so as to restore the improvements or contents to as good a condition as exists at the date of execution of this Contract, except that in the case of new construction, SELLER shall have improvements completed as per attached plans and specifications.
 - If SELLER does not, prior to the Closing Date, replace or restore to their previous condition the improvements or contents that are damaged, BUYER may cancel this Contract by giving written notice to SELLER.
 - In the event of cancellation of this Contract by BUYER pursuant to the terms of this paragraph, all earnest money and any other money paid directly to SELLER shall be returned to the BUYER and this Contract shall be null and void.
24. **INGRESS AND EGRESS:** SELLER warrants that there is ingress to and egress from the above-described Property.
25. **ADDITIONAL DISCLOSURES INCLUDING THOSE MANDATED BY STATE OR FEDERAL LAW**
- Kansas Bureau of Investigation Information:** Kansas law requires persons who are convicted of certain crimes, including certain sexually violent crimes, to register with the sheriff of the county in which they reside. If you, as the BUYER, desire information regarding those registrants, you may find information on the homepage of the Kansas Bureau of Investigation (KBI) at <http://www.Kansas.gov/kbi> or by contacting the local Sheriff's Office.
 - Radon:** Every BUYER of residential real property is notified that the property may present exposure to dangerous concentrations of indoor radon gas that may place occupants at risk of developing radon-induced lung cancer. Radon, a class-A human carcinogen is the leading cause of lung cancer in non-smokers and the second leading cause overall. Kansas law requires SELLERS to disclose any information known to the SELLER that shows elevated concentrations of radon gas in residential real property. The Kansas Department of Health and Environment recommends all homeBUYERS have an indoor radon test performed prior to purchasing or taking occupancy of residential real property. All testing for radon should be conducted by a radon measurement technician. Elevated radon concentrations can be easily reduced by a radon mitigation technician. For additional information go to <http://www.kansasradonprogram.org>.
 - Lead Based Paint Disclosure.** If the property was built prior to 1978, BUYER acknowledges receiving, reading and signing the Federally required disclosure regarding lead-based paint.
26. **VARIABLES:** Balance subject to prorating and adjustment shall be increased or decreased as may be required by interest, other expenses and revenue to Closing Date. The amount of any mortgage escrow deposits shall be credited to SELLER.
27. **FEMININE-MASCULINE, SINGULAR-PLURAL:** Wherever used, singular shall include the plural, plural the singular, and use of any gender shall include all genders.
28. **KANSAS LAW APPLIES:** This Contract and its validity, construction and performance shall be governed by the laws of Kansas.
29. **TIME:** Time is of the essence in this Contract. No advancement or delay will be granted unless in writing and signed by the parties. Any reference to a time period shall mean calendar days, unless otherwise specified. Should the end of a time period fall on a legal holiday, the termination time shall be extended to 5:00 p.m. of the next calendar day. All time references in this Contract will be considered Central Time zone.
30. **MERGER CLAUSE:** These terms are intended by the parties as a complete, conclusive and final expression of all the conditions of their Contract. No other promises, statements, warranties, agreements or understanding, oral or written, made prior to or at the signing thereof, shall be binding unless in writing and signed by all parties and attached hereto.
31. **PERSONS BOUND-COPIES:** This Contract shall extend to and bind the heirs, executors, administrators, successors and assigns of the parties hereto, and may be executed in any number of counterparts, each of which shall be deemed an original, or in multiple originals, and all such counterparts or originals shall, for all purposes, constitute one agreement.
32. **LEGAL AND TAX COUNSELING:** Both parties acknowledge the opportunity to obtain legal and tax counseling to review this Contract.
33. **FACSIMILE/ELECTRONIC DELIVERY:** For purposes of this document and any addenda, attachments or amendments thereto, BUYER and SELLER agree to accept facsimile (FAX) signatures and initials, or scanned originals delivered electronically, as originals.
34. **ELECTRONIC SIGNATURES AND TRANSACTIONS:** BUYER, SELLER and BROKERS agree that this transaction may be conducted through electronic means according to the Kansas Uniform Electronic Transactions Act. However, BROKERS have no





authority or power of attorney to enter into electronic agreements with other parties on behalf of the BUYER or SELLER without the BUYER'S or SELLER'S explicit authorization.

Cyber Protection: Because you are going to be involved in a real estate transaction where money is changing hands, you are a potential target for cyber-criminals. Always contact the closer directly before wiring any money.

35. **MARKETING INSTRUCTIONS:** BUYER and SELLER agree that SELLER, at SELLER'S option, may continue to market this Property for sale and may accept other contracts, so long as those contracts shall be subordinate to this Contract.

36. **ATTACHMENTS:** The following items have been addressed, attached and incorporated into this Contract:

- | | |
|---|---|
| <input type="checkbox"/> Flood Plain Attachment | <input type="checkbox"/> Plans/Specifications |
| <input type="checkbox"/> FHA Attachment | <input type="checkbox"/> Environmental Disclosures |
| <input type="checkbox"/> VA Attachment | <input type="checkbox"/> Transaction Broker Addendum |
| <input type="checkbox"/> Sale of Residence Contingency | <input type="checkbox"/> Rural Property Attachment |
| <input type="checkbox"/> Lead-Based Paint Disclosure | <input type="checkbox"/> Short Sale Addendum |
| <input type="checkbox"/> Appraised Value Contingency Addendum | <input type="checkbox"/> New Construction Warranty Addendum |
| <input type="checkbox"/> Agency Franchise Disclosure Addendum | <input type="checkbox"/> New Construction Performance Standards |
| <input type="checkbox"/> _____ | <input type="checkbox"/> _____ |
| <input type="checkbox"/> _____ | <input type="checkbox"/> _____ |

37. **SUPPLEMENTAL INFORMATION:** The parties acknowledge receipt of the following documented information:

- | | |
|---|---|
| <input type="checkbox"/> Plat | <input type="checkbox"/> HOA Information |
| <input type="checkbox"/> Covenants/Restrictions | <input type="checkbox"/> Kansas Energy Efficiency Disclosure |
| <input type="checkbox"/> Home Warranty Program | <input type="checkbox"/> Inspection Report(s) |
| <input type="checkbox"/> _____ | <input type="checkbox"/> Transaction Broker Addendum |
| <input type="checkbox"/> _____ | <input type="checkbox"/> _____ |

38. **SPECIAL PROVISIONS:**





39. **ACCEPTANCE OF CONTRACT:** This Contract must be executed by all parties before ____ ☐ a.m. ☐ p.m., on ____ (date), or it shall be null and void.

SELLER

BUYER

Date: _____

Date: _____

Date: _____

Date: _____

Date: _____

Date: _____

OPTIONAL Contact Information

Listing Company

Selling Company

Office Address

Office Address

Listing Licensee (Please Print)

Selling Licensee (Please Print)

Listing Licensee Phone # / Listing Office Phone #

Selling Licensee Phone # / Selling Office Phone #

Licensee Email Address

Licensee Email Address

Listing Licensee (Please Print)

Selling Licensee (Please Print)

Listing Licensee Phone # / Listing Office Phone #

Selling Licensee Phone # / Selling Office Phone #

Licensee Email Address

Licensee Email Address



EXCLUSIVE RIGHT OF SALE
For use by members of the Lawrence Board of REALTORS®

This Agreement made and entered into by and between _____ as principal/seller

(hereinafter referred to as "SELLER") of the herein described real property hereby agrees with _____ as SELLER'S Broker (hereinafter referred to as "Broker"), Listing Broker, Kansas, that for and in consideration of your agreement to list the following property, and to use your efforts to find a purchaser therefore, SELLER hereby gives the Listing Broker the sole and exclusive right, from this

date, _____, 20_____, until _____, 20_____, to sell for SELLER the following described real property:

for the sum of \$_____ upon the following terms and conditions:

Non-realty items to be included:

- (1) SELLER agrees to pay Listing Broker, as compensation for services rendered, a cash commission of _____% of the

Select one: ☐ Gross sale price or ☐ Net sale price

(Net sale price is defined as the contract sales price, less any amount of BUYER closing costs and pre-pays that are paid by SELLER, which are included in the sales contract on the sales contract effective date, and not previously offered by the SELLER in the MLS), said commission to be due and payable on the happening of any of the following events, to wit:

a. If a sale or exchange is made or a purchaser is found who is ready, willing and able to purchase the property before the expiration of this listing, by the Listing Broker named above or by SELLER, or through any other person at the above price and terms, or for any other price and terms SELLER agrees to accept; or

b. Such compensation shall be paid if property is sold, conveyed or otherwise transferred within _____ days after the termination of this agreement or any extension thereof to anyone to whom the property was shown or submitted prior to final termination. However, SELLER shall not be obligated to pay such compensation if a valid Exclusive Right of Sale agreement is entered into during the term of said protection period with another licensed real estate broker and the sale, lease or exchange of the property is made during the term of said protection period.

(2) SELLER agrees that if a forfeiture of the earnest money should occur, the earnest money of the defaulting purchaser shall be divided equally between the SELLER and Listing Broker, Listing Broker's share not to exceed a full commission.

- (3) SELLER also certifies that SELLER has the authority to sign this agreement and to pass title to this property when it is sold.

(4) SELLER agrees to provide all pertinent information pertaining to the above-described property and gives Listing Broker the right to obtain and disseminate any and all information, including mortgage information necessary and helpful in attempting to complete a sale of the property. The final sale price may be made known to Multiple Listing Service members.

(5) SELLER understands that Listing Broker agrees to and will keep all information about SELLER confidential, unless: Disclosure is authorized under this contract; disclosure is required by statute, rule or regulation; or failure to disclose would constitute a fraudulent misrepresentation.

(6) SELLER understands that Listing Broker will disclose to all prospective buyers all adverse material facts actually known by the Listing Broker, including but not limited to: (1) Any environmental hazards affecting the Property which are required by law to be disclosed; (2) the physical condition of the property; (3) any material defects in the property; (4) any material defects in the title to the property; and (5) any material limitation on SELLER's ability to perform under the terms of any agreement to sell real estate.

(7) SELLER hereby directs that all information pertaining to this listing be submitted to and disseminated by the Multiple Listing Service of the Lawrence Board of REALTORS®, Inc. (including Internet). Withholding of listing information from the Multiple Listing Service can be accomplished only by signing the AUTHORIZATION TO WITHHOLD FROM MULTIPLE LISTING SERVICE waiver provided below. Withholding of listing information from the Internet can be accomplished only by signing the INTERNET SELLER OPT-OUT provision provided below.

(8) SELLER agrees to furnish a Title Insurance Policy, in an amount equal to the consideration paid, to complete said sale and to pay any expense incurred in perfecting the title in case same is found defective, and to convey the property by an appropriate deed, executed by all persons having any interest, and with the usual covenants of warranty. It is further agreed that SELLER will sign and place this deed in escrow following SELLER'S acceptance of an offer to purchase the herein described property.

- (9) Possession to be given: _____

(10) It is expressly understood that the Listing Broker has no responsibility for warranties or representations made directly or indirectly by the SELLER to BUYER in the sale of the property.

(11) The Listing Broker will not be responsible for vandalism, theft or damage to the property for the duration of this listing, except by reason of Listing Broker's own negligence.



(12) SELLER understands that Brokers and real estate licensees of the Lawrence Board of REALTORS® comply with all federal, state and local fair housing laws and regulations.

(13) SELLER understands and agrees that no agency relationship is created between Lawrence Multiple Listing Service, Inc., and SELLER.

(14) SELLER understands that appointments to show may only be made through the Listing Agency as per published listing instructions, and that any sale made as a result of this listing may be escrowed by the Listing Agency.

(15) It is specifically agreed that the legal relationship created between the SELLER and the Listing Agent is that of Principal and Agent.

(16) SELLER acknowledges receiving the "Real Estate Brokerage Relationships" brochure. _____ / _____
(initials)

Types of Brokerage Relationships: A real estate licensee may work with a buyer or seller as a seller's agent, buyer's agent or transaction broker. The disclosure of the brokerage relationship between all licensees involved and the seller and buyer must be included in any contract for sale and in any lot reservation agreement.

Seller's Agent: The seller's agent represents the seller only, so the buyer may be either unrepresented or represented by another agent. In order to function as a seller's agent, the broker must enter into a written agreement to represent the seller. Under a seller agency agreement, all licensees at the brokerage are seller's agents unless a designated agent is named in the agreement. If a designated agent is named, only the designated agent has the duties of a seller's agent and the supervising broker of the designated agent functions as a transaction broker.

Buyer's Agent: The buyer's agent represents the buyer only, so the seller may be either unrepresented or represented by another agent. In order to function as a buyer's agent, the broker must enter into a written agreement to represent the buyer. Under a buyer agency agreement, all licensees at the brokerage are buyer's agents unless a designated agent is named in the agreement. If a designated agent is named, only the designated agent has the duties of a buyer's agent and the supervising broker of the designated agent functions as a transaction broker.

A Transaction Broker is not an agent for either party and does not advocate the interests of either party. A transaction brokerage agreement can be written or verbal.

(17) SELLER understands that Broker may show alternative properties not owned by SELLER to prospective BUYERS and may list competing properties for sale without breaching any duty or obligation to SELLER. SELLER also understands and agrees that as part of marketing the property, Broker will be showing BUYERS properties other than SELLER'S and providing BUYERS with information on selling prices in the area.

(18) **SELLER'S Acknowledgment of Potential for Broker to Act as TRANSACTION BROKER.** SELLER acknowledges that Broker may have clients who have retained Broker to represent them as a BUYER in the acquisition of property. If a BUYER client becomes interested in making an offer on SELLER'S property, then the Broker would become a Transaction Broker **unless designated agents have been appointed pursuant to paragraph 18.** A Transaction Broker Addendum to their Agency Agreements with the Broker must be signed by the BUYER prior to writing an offer to purchase the property and by the SELLER prior to signing the purchase contract. As a transaction Broker, Broker would **assist the parties with the transaction without being an agent or advocate for the interests of either party**, and would not, without prior consent of both parties, disclose any information or personal confidences about a party which might place the other party at an advantage.

(19) **SELLER'S Acknowledgment of Possible DESIGNATED AGENT RELATIONSHIP.** A designated agent is a real estate licensee affiliated with a Broker who has been designated by the Broker, or the Broker's duly authorized representative, to act as the agent of a Broker's BUYER or SELLER client to the exclusion of all other affiliated licensees.

- a. **If a designated agent IS NOT appointed to represent SELLER**, SELLER understands that another licensee with the brokerage firm may act as a designated agent for a BUYER who may be interested in SELLER'S property. If this should occur, SELLER understands that:
 1. The supervising Broker (or branch Broker, if applicable) will act as a Transaction Broker or may appoint an affiliated licensee to act in the transaction as a Transaction Broker.
 2. The designated agent for the BUYER will perform all of the duties of a BUYER'S Agent and will be the BUYER'S legal agent to the exclusion of all other licensees in the brokerage firm.
 3. All other licensees affiliated with the firm will represent the SELLER in the sale of SELLER'S property and will perform all of the duties of a SELLER'S Agent.
- b. **If a designated agent IS appointed to represent SELLER**, SELLER understands that:
 1. The designated agent will perform all of the duties of a SELLER'S Agent and will be SELLER'S legal agent to the exclusion of all other licensees in the brokerage firm.
 2. Another licensee with the brokerage firm may act as a designated agent for the BUYER in the sale of SELLER'S property.
 3. The supervising Broker (or branch Broker, if applicable) will act as a Transaction Broker or may appoint an affiliated licensee to act in the transaction as a Transaction Broker.
 4. If the designated agent for SELLER is also the designated agent of a BUYER who is interested in SELLER'S property, the designated agent cannot represent both SELLER and BUYER. With the informed consent of both BUYER and SELLER, the designated agent may act as a Transaction Broker.
 5. If a BUYER client of a designated agent wants to see a property which was personally listed by the supervising Broker, the supervising Broker, with the written consent of SELLER, may specifically designate an affiliated licensee who will act as designated agent for SELLER.

(20) **SELLER consents to:** (Please initial below)



- a. Supervising/Branch Broker acting as a Transaction Broker: YES _____ / _____ NO _____ / _____
- b. A designated agent for the BUYER: YES _____ / _____ NO _____ / _____
- c. A designated agent for the SELLER: YES _____ / _____ NO _____ / _____
- d. _____:
(Acting as SELLER'S Designated Agent) YES _____ / _____ NO _____ / _____
- e. SELLER'S Designated Agent acting as a Transaction Broker if he/she is also designated agent for the BUYER: YES _____ / _____ NO _____ / _____

(21) SELLER agrees that the Broker may:

- | | | | |
|-------------------------------|---------------|-------------------|------------------|
| Offer to BUYER'S Agents: | Cooperation: | YES _____ / _____ | NO _____ / _____ |
| | Compensation: | YES _____ / _____ | NO _____ / _____ |
| Offer to Transaction Brokers: | Cooperation: | YES _____ / _____ | NO _____ / _____ |
| | Compensation: | YES _____ / _____ | NO _____ / _____ |

(22) Home Warranty. The SELLER is aware that a home protection plan is available for the property which may increase the marketability of the property and reduce the SELLER'S risk. The SELLER ☐ agrees, ☐ does not agree to purchase a home buyer's warranty plan from

_____ at a cost not to exceed \$_____ (amount not to include cost for seller's coverage) to be paid at closing. A separate application defining the parameters of the plan will be signed at the time this

listing is executed. The SELLER ☐ agrees, ☐ does not agree to purchase SELLER'S coverage at a cost of \$_____.

(23) a. Pre-Inspection. The SELLER has the option to obtain a pre-inspection of the property in order to find out, in advance of obtaining a contract for sale of the property, what items might be addressed for repair and disclosure to any prospective BUYER. Any and all inspection reports obtained must be provided to prospective BUYERS along with the SELLER'S Disclosure Statement. SELLER is encouraged to review the Inspector List maintained by this agency and choose a reputable inspector of SELLER'S choice.

b. SELLER agrees to leave all utilities on to allow a prospective BUYER reasonable right of inspection of the property and further agrees to leave utilities on until the expiration of this contract or until closing of a sales transaction, whichever is later. In consideration for the Broker arranging for any inspections at SELLER'S request, the SELLER hereby agrees to indemnify and hold harmless the Broker, his/her agents and employees from any liabilities, costs, expenses resulting from any action taken by said company with respect to said inspection.

(24) SELLER represents and warrants that SELLER is familiar with the premises and has disclosed to Listing Agent, in the Seller's Disclosure Statement that is attached hereto, all information or defects of which the SELLER is aware and warrants that said disclosures are true and accurate representations of the condition of the property at the time of execution of this Exclusive Right of Sale agreement.

(25) **SELLER agrees to thoroughly review the listing information prepared by the Broker and advise the Broker immediately of any errors or omissions.** SELLER agrees to indemnify and hold Listing Broker, Listing Agent, the Lawrence Board of REALTORS®, Inc., The Lawrence Multiple Listing Service, Inc., their agents and employees, harmless from any and all claims for damage made by any person alleging to be or have been harmed by any failure to disclose, or misrepresentation of pertinent information arising out of the sale of the property which is the subject of this Exclusive Right of Sale agreement, which damage shall include, but not be limited to: attorney's fees, court costs, costs of defense and damage alleged or determined to have been suffered by the party asserting the claim.

(26) The parties agree that the Seller's Disclosure Statement executed concurrently herewith is a part of this Exclusive Right of Sale agreement.



(27) All pronouns, singular or plural, masculine, or feminine, shall mean and include the person, entity, firm or corporation to which they relate as the context may require. Wherever the context may require, the singular shall mean and include the plural and plural shall mean and include the singular.

(28) SELLER grants to Listing Broker an irrevocable, perpetual, non-exclusive and fully sub-licensable and assignable license (through multiple tiers) to use, reproduce, modify, adapt, publish, create derivative works from, distribute, perform, and display any photographs, floor plans, architectural drawings, video images, sounds, or other copyrightable material related to the Property ("Works"), and to incorporate any such Works (in whole or in part) into other Works in any form, media, or technology now known or later developed.

This non-exclusive license shall survive the termination of this Contract. SELLER represents and warrants to Listing Broker that the license granted to Listing Broker for this listing Content does not violate or infringe upon the rights, including any copyright rights; of any person or entity. SELLER acknowledges and agrees that all listing content is owned exclusively by Listing Broker, and SELLER has no right, title or interest in listing content.

(29) **Electronic Signatures and Transactions:** BROKER and SELLER agree that this transaction may be conducted through electronic means according to the Kansas Uniform Electronic Transactions Act. However, the BROKER has no authority or power of attorney to enter into electronic agreements with other parties on behalf of the SELLER without the SELLER'S explicit authorization.

(30) The Listing Agent has explained to SELLER the electronic lockbox system endorsed by the Lawrence Board of REALTORS® wherein an electronic lockbox is attached to, and/or placed at, the above-listed property in which keys to the property located therein are placed. Said electronic lockbox may be opened only by members of the Lawrence Board of REALTORS® and Lawrence Multiple Listing Service. The Listing Agent/Broker may extend access to 3rd parties with a one-day access code or temporary electronic access. SELLER hereby authorizes the Listing Agent to use the electronic lockbox system in offering SELLER'S home for sale.

SELLER AUTHORIZES THE USE OF:

LBOR Electronic Lockbox System (Please Initial): YES _____ / _____ NO _____ / _____

- a. In the event that Seller has authorized Broker to use a mechanical combination lockbox (or other alternative not endorsed by the Lawrence Board of REALTORS®), in place of, or in addition to the electronic lockbox system endorsed by the Lawrence Board of REALTORS® on the Property, Seller understands that a mechanical combination lockbox system does not require electronically secure access to open the lockbox, and instead is accessible by a mechanical combination code that is less secure than the electronic lockbox system endorsed by the Lawrence Board of REALTORS.

SELLER AUTHORIZES THE USE OF:

Combination (or other alternative) Lockbox (Please Initial): YES _____ / _____ NO _____ / _____

SELLER, BY THESE PRESENTS, HEREBY WAIVES ANY CLAIM OR RIGHT SELLER MIGHT HAVE AGAINST THE LAWRENCE BOARD OF REALTORS® AND THE LAWRENCE MULTIPLE LISTING SERVICE, THE LISTING BROKER, OR LISTING AGENT FOR ANY DAMAGES (Personal or Physical) AND/OR ENTRY CAUSED BY THE UNLAWFUL USE OR OTHER ENTRY GAINED BY THE USE OF THE LOCKBOX SYSTEM(S) AUTHORIZED BY THE SELLER.

Seller Acknowledges (Please initial): _____ / _____

() Listing Agent has SELLER'S permission to put a sign in yard.

() Listing Broker has SELLER'S permission to include listing information in the Internet Data Exchange Database.

Virtual Office Website (VOW) Options:

- Listing Broker ☐ **DOES**, or ☐ **DOES NOT** have SELLER'S permission to allow display of an automated estimate of the market value (AMV) of the listing (or hyperlink to such estimate) in immediate conjunction with the listing as displayed on a Virtual Office Website (VOW).
- Listing Broker ☐ **DOES**, or ☐ **DOES NOT** have SELLER'S permission to allow "third parties to write comments or reviews about the listed property, or display a hyperlink to such comments or reviews, in immediate conjunction with the listing as displayed on a Virtual Office Website (VOW).

(31) Special Provisions: _____



This is a legally binding contract. SELLER acknowledges the opportunity to obtain legal and tax counseling to review this Contract.

SELLER hereby accepts the above listing and agrees to the terms thereof.

LISTING AGENCY _____

SELLER _____
Signature Date

SELLER Name _____

LISTING AGENT _____
Signature Date

SELLER _____
Signature Date

SELLER Name _____

ADDRESS _____

PHONE _____

AUTHORIZATION TO WITHHOLD FROM INTERNET

1. Initial One (either A. or B.):

A. _____/_____ I have advised my broker or sales agent that I **Do NOT** want the listed property to be displayed on the Internet;

B. _____/_____ I have advised my broker or sales agent that I **Do NOT** want the address of the listed property to be displayed on the Internet.

2. I understand and acknowledge that, if I have selected Option A, consumers who conduct searches for listings on the Internet **Will NOT** see information about the listed property in response to their search.

SELLER _____
Signature Date

SELLER _____
Signature Date



AUTHORIZATION TO WITHHOLD FROM MULTIPLE LISTING SERVICE

SELLER acknowledges that the advantages of the Multiple Listing Service have been explained to SELLER but, for personal reasons, **SELLER is directing that listing information on SELLER'S property NOT be disseminated to other participants in the Multiple Listing Service.** SELLER authorizes the Listing Broker to notify MLS of a signed sales contract on the property and authorizes the dissemination of sales information, including selling price, to members of the Multiple Listing Service to be used in establishing market value for other properties.

SELLER has been advised that, effective January 1, 2020, the Lawrence MLS has adopted the Clear Cooperation Policy approved by the National Association of REALTORS®. Pursuant to the Clear Cooperation Policy, if a residential property is marketed to the public for sale, it must be submitted to the MLS for cooperation with other MLS participants within one (1) business day of the public marketing. Public marketing includes, but is not limited to, flyers displayed in windows, yard signs, digital marketing on public facing websites, brokerage website displays (including IDX and VOW), digital communications marketing (email blasts), multi-brokerage listing sharing networks, and applications available to the general public.

TYPES OF LIMITED VISIBILITY IN THE MLS:

Select one

- ☐ **AGENT EXCLUSIVE** – the Seller's property is visible in the MLS to only the Listing Agent and the Supervising Broker.
- ☐ **OFFICE EXCLUSIVE** – the Seller's property is visible in the MLS to only the Listing Agent, Supervising Broker, and Agents working in the Listing Agent's Office.
- ☐ **FIRM EXCLUSIVE** – the Seller's property is visible in the MLS to only the Listing Agent, Supervising Broker, and Agents working in the Listing Agent's Office as well as other branch Offices of the Listing Company.

LISTING BROKER SIGNATURE REQUIRED FOR AGENT EXCLUSIVE

BROKER _____
Signature Date

SIGNATURE OF AGENT EXPLAINING MLS ADVANTAGES:

LISTING AGENT _____
Signature Date

SIGNATURE(S) TO WITHHOLD LISTING INFORMATION:

SELLER _____
Signature Date

SELLER _____
Signature Date



VIRTUALLY STAGED MLS PHOTOS

The Rules of Engagement!



✓ YOU CAN

Add virtual furnishings to attached exterior areas (for example: pool-side lounge chairs and plants or furniture on a deck)

Exterior

⊘ YOU CANNOT

Virtually enhance permanent fixtures like the roof or the front door

Change the paint color

Virtually stage photos of an under-construction home

Virtually landscape

Add scenic views or landmarks

Interior

✓ YOU CAN

Modify or render existing furniture and décor in a room

Add virtual furniture, décor and artwork to an empty room

⊘ YOU CANNOT

Cover-up eyesores like holes in a wall or exposed wiring

Upgrade damaged and/or outdated flooring

Add or enhance scenic views and/or windows that do not currently exist

Make a room appear larger or smaller than what it truly is

Change paint color of the walls

Swap out those dated kitchen countertops for chic granite

All virtually staged listing photos and listings MUST:

1. Have the appropriate watermark provided by Stellar MLS.
2. Have the exact phrase Virtually Staged in the public remarks.

Learn more about how to properly use photos in the MLS at:

stellarmls.com/photorules

Enhanced Pictures:







ENHANCING PHOTOS AND VIRTUAL STAGING: KNOW THE RULES

NOVEMBER 4, 2019 BY [HEATHER GRAY](#)

Article provided by the Tech Helpline

Did you know that enhancing a listing photo could be a violation of your local MLS rules? It could be if you run afoul of your local MLS guidelines. There's another catch: the rules surrounding enhancing photos and using photos are unique to each MLS.

Knowing your local MLS guidelines about listing photos "dos and don'ts" is essential, especially if you are uploading images that use Virtual Staging technology.

What is Virtual Staging? It's a photo editing service that can fill photographs of empty rooms of a home listed for sale by inserting realistic furnishings and flooring into the images. Like standard staging, which uses physical furnishings, Virtual Staging is designed to use advanced technology to help buyers visualize what the home could look like fully furnished.

We already know how staging works. According to the National Association of Realtors, 83 percent of buyers' agents said staging a home made it easier for a buyer to visualize the property as a future home. Since 90 percent of all home shoppers start their buying journey on the web, photos are essential for every listing.

New technology lowers the cost

The main attractiveness of Virtual Staging is the cost. A standard home staging service over the life of the listing may cost as much as \$5,000 or more. Using a leading Virtual Staging service like [BoxBrownie](#), [VHT Studios](#), or [PadStyler](#) can cost about \$30 for each image. For most listings, the investment could be a one-time fee of \$500 or less.

But there are new risks that come with using Virtual Staged photos. Because the photograph has been enhanced, this triggers the rule your MLS may have about the use of rendered photos, or more specifically, Virtual Staging images.

Know your MLS rules

Most MLSs permit the use of Virtual Staged photos, using either a photo with replaced furnishings or an image of an empty room that is then digitally furnished. Stellar MLS, which allows both, created an excellent [visual graphic](#) for its members to understand what is permitted and what is not.

Most MLSs permit the use of Virtual Staged photos, using either a photo with replaced furnishings or an image of an empty room that is then digitally furnished. Stellar MLS, which allows both, created an excellent [visual graphic](#) for its members to understand what is permitted and what is not.

Stellar MLS guidelines are typical among MLSs that permit Virtual. While Stellar allows modifications of “existing furniture and décor in a room” as well as adding “virtual furniture, décor, and artwork to an empty room,” there are some big no-nos.

Stellar MLS warns you can't:

- Cover-up eyesores like holes in a wall or exposed wiring
- Upgrade damaged and/or outdated flooring
- Add or enhance scenic views and/or windows that do not currently exist
- Make a room appear larger or smaller than what it truly is
- Change paint color of the wall
- Swap out those dated kitchen counter tops for chic granite
- Use photos of the exterior of the property that are virtually staged, except for virtual furnishings on attached structures like a deck or pool area

Most importantly, Stellar has created additional, specific rules for Virtual Staging:
All virtually staged listing photos and listings MUST:

- Have the appropriate watermark that Stellar MLS provides
- Bear the exact phrase “Virtually Staged” in the public remarks

The Miami Realtors even provides its members with access to a preferred Virtual Staging vendor, [PadStyler](#), with discounts for its members.

But not all MLSs allow Virtual Staging. For example, the Dallas-Ft. Worth MLS, NTREIS | North Texas Real Estate Information Systems, Inc., prohibits photos that have been “embellished” to listings. Their rules specifically say:

“Only a true current photograph of Listed Property may be placed in the ‘Property Photograph’ section without decorative borders, other embellishments, or any digitally enhanced modifications that would misrepresent the true condition or appearance of the property. Notwithstanding the foregoing, only properties listed as incomplete construction may have a representative photo of the proposed house.”

Other leading MLSs like Chicago-based MRED and the Houston Association of Realtors emphasize accuracy in their guidelines. HAR’s rule about Virtual Listings says:

Digital images shall not contain digitally enhanced modifications that alter or misrepresent the condition or appearance of the listed property’s structure or grounds (e.g. adding a swimming pool or landscaping, changing the color of a wall). Digital images may include the use of virtual staging, which is limited to the addition of furnishings and wall décor that would otherwise be considered personal property and not conveyed in the sale of the property. Participants shall clearly indicate in the Photo Description the image has been virtually staged.

But the biggest challenge with Virtual Staging, agents will admit, is making sure the photos meet buyer's expectations. If home shoppers come to a house based on Virtual Staged photos and instantly react negatively because of mismatched expectations, it doesn't benefit anyone.

Disclosure and accuracy are the keys

The one thing among MLSs that permit Virtual Staging has in common with their guidelines are two things: disclosure and accuracy. The Golden Rule for Virtual Staging may be best expressed in Article 12 of NAR's Code of Ethics. It requires agents and brokers to "present a true picture in their advertising, marketing, and other representations."

If you keep this in mind when enhancing any photo, you are more likely to meet a buyer's expectations and still help accelerate the sale of your listing.