



PURCHASE AGREEMENT  
BLACK HILLS BOARD OF REALTORS

No. PW032702-14



THIS IS A LEGAL AND BINDING CONTRACT BETWEEN THE BUYER AND SELLER,  
IF NOT FULLY UNDERSTOOD, SEEK LEGAL ADVICE.

1. EARNEST MONEY DEPOSIT - PARTIES TO CONTRACT - PROPERTY.

Received from City of Rapid City Buyers  
Earnest Money in the amount (\$ 1.00 ) One & 1/2 DOLLARS  
herein attached:  Cash  Check to be deposited upon acceptance of this offer on the property legally  
described as: Lot 3 of Hollidage Subdivision NW NE 1/4  
Sec 31 T1N 8 R7E

also known as: Sheldon Dr. Rd.

Sellers Name: Greg Hollidage

2. PERSONAL PROPERTY. The following items of personal property, free of liens and without warranty of condition, shall be transferred to Buyer by a separate Bill of Sale: N/A

3. PURCHASE PRICE. The total purchase price to be (\$ 70,000.00 ) Seventy thousand DOLLARS.

After earnest money is credited, the remaining balance is to be paid in full by the Buyer at closing.

4. APPRAISAL. This offer  is or  is not subject to the property appraising for at least the purchase price.

5. FINANCING:

New Mortgage. This offer is contingent upon Buyer obtaining a new  VA,  FHA,  Conventional, or  \_\_\_\_\_ type of loan. A letter of buyer's loan status from \_\_\_\_\_  is attached or

will be delivered by \_\_\_\_\_ (date). The appropriate down payment required with this loan shall be paid by Buyer. In lieu of other instructions, Buyer is to pay any loan discount or funding fees, if applicable. Buyer agrees, within five business days, to make application for and diligently and in good faith endeavor to secure a new loan, pay all application fees, and to sign all financing documents without delay. Buyer also agrees to immediately deposit with the lender, at time of loan application, all required funds for credit report and appraisal; and authorizes lender to immediately order, unless otherwise agreed. Buyer reserves the right to obtain alternative financing as long as there are no increased costs to Seller. If the appraisal reveals repairs which must be made, the Buyer and Seller will negotiate which party will complete which repairs and pay for any re-inspection fees. Appraisal  will /  will not be ordered until any home inspection contingency is removed.

Assumption. See Attached Addendum

Contract for Deed/Private Mortgage. See Attached Addendum

Cash. This is a cash offer. The remaining balance of \$ 69,999.00 will be paid at closing by certified check. A letter of verification from \_\_\_\_\_ regarding the availability of funds  is attached or

will be delivered by \_\_\_\_\_ (date).

6. SALE OF BUYER'S PROPERTY.

A.  This offer is not contingent upon the sale or close of property owned by the Buyer.

B.  This offer is contingent upon the sale and close of the Buyer's property located at (address including city & state) \_\_\_\_\_  within \_\_\_\_\_ days or  within the time

specified for closing the Seller's property. The Seller shall have the right to continue to offer the property for sale and accept any offers under the following terms: (NOTE: If offer is contingent, Buyer is to check one of the following:)

B1.  Seller may accept other offers until the contingency clause is removed in writing by the Buyer. If another offer is accepted by the Seller, the Seller will notify the Buyer that the contract is no longer valid and deposits will be returned according to Paragraph 18 of this agreement. If the Buyer's property sells within the above stated time, the Buyer agrees to buy and the Seller agrees to sell according to the terms agreed to herein.

B2.  Seller may only accept other offers subject to the rights of the Buyer. If the Seller accepts another offer, Seller will give the Buyer written notice of that fact. Within \_\_\_\_\_ hours of receipt of the notice, the Buyer will provide a written waiver of the contingency on the sale and close of the Buyer's property, or this agreement will terminate without further notice and deposits will be returned according to Paragraph 18 of this agreement. Upon waiver of this contingency, Buyer warrants and will demonstrate to the Seller's satisfaction that the funds needed for closing will be available and the Buyer's ability to obtain financing is not contingent upon the sale and/or close of any property.

B3.  Seller may accept back-up offers, subject to the rights of the Buyer, until the time period specified in paragraph 6B above has expired. After the above specified time, this offer becomes void unless an extension is mutually agreed upon in writing.

7. TITLE. Merchantable title shall be conveyed by Warranty Deed properly signed and with the necessary State Transfer Fee paid by the seller at the time of recording. At Seller's expense an owner's policy of Title Insurance in the amount of the purchase price shall be furnished promptly to the Buyer. Buyers to take title as:  Husband & Wife, Joint Tenants;  Joint Tenants;  Tenants in Common;  Single Person; or  city

Buyer ( \_\_\_\_\_ ) ( \_\_\_\_\_ ) and Seller ( \_\_\_\_\_ ) ( \_\_\_\_\_ ) have read this page.

- 8. **MECHANICAL SYSTEMS.** Seller states that the heating, plumbing and electrical systems will be in working condition on the day of closing unless otherwise stipulated below. (NOTE: These representations are solely that of the Seller, and no responsibility or liability therefore is accepted, by the selling or listing broker or their agents and employees.)
- 9. **WALK-THROUGH INSPECTION.** Buyer will have the right to conduct a walk-through inspection of the property within 24 hours prior to closing to verify that the mechanical systems are in working order and that the property is in substantially the same condition as on the date this agreement was written. All personal property, including refuse, not included in the purchase price shall be removed by the seller prior to closing.
- 10. **SELLER'S DISCLOSURE.**  Buyer has reviewed the Seller's Property Disclosure Statement. This offer  is /  is not contingent upon Buyer receiving and accepting clarification of the following items within \_\_\_\_\_ days(s) of acceptance of this offer \_\_\_\_\_

11. **LEAD-BASED PAINT STATEMENT.** If the Seller's property has a residential dwelling which was built prior to 1978, Buyer is notified that such property may present exposure to lead. See lead-based paint disclosure, if applicable.

- 12. **INSPECTION OF PHYSICAL CONDITION OF PROPERTY.** Buyers and Sellers understand the purpose of property inspection is to inform/educate buyers of conditions and future maintenance of property and is not designed to be a point of renegotiation of purchase price. Buyer acknowledges that property inspection services are available and the option to retain such a service rests solely with the Buyer.  
 This offer  is /  is not contingent upon Buyer, at Buyer's expense, obtaining a Property Inspection and a Report which may include, but not be limited to the physical, structural, mechanical, pest, geological and environmental-contamination conditions relating to the property. These inspection options will be completed and written notice of the results given to the Seller or his agent within \_\_\_\_\_ business days of acceptance of this agreement. If the inspection(s) has not been completed within the specified time, the Buyer's option to have the inspection shall expire and all other terms of this Purchase Agreement shall continue unaffected.  
 If the inspection(s) reveal conditions unsatisfactory to Buyer or unknown to Seller, the parties to this agreement shall have the following options: Buyer will accept the existing condition; Seller will correct the existing condition and provide certification from an inspector that the condition has been remedied; or Buyer and Seller will negotiate a settlement. If no written agreement can be reached on the results of the Inspection Report(s) within \_\_\_\_\_ business days of the date and time Seller is notified of the results of the inspection(s), this agreement shall be deemed null and void in its entirety.  
 Buyer accepts inspection(s) as provided by Seller, subject to clarification of the following items: \_\_\_\_\_

Buyer hereby waives the option of having an independent home inspector assess the condition of the property. \_\_\_\_\_ (Buyer(s) initials).

- 13. **HOME WARRANTY.** Buyers understand there are home warranty plans available. The option to retain such a plan rests solely with the Buyer.
- 14. **IMPROVEMENT LOCATION EXHIBIT OR BOUNDARY SURVEY REQUEST.** Buyer to check one of the following:
  - Existing Improvement Location Exhibit (unless Buyer's mortgage requires a new exhibit) or**  **New.** (Seller to provide). Purpose is to provide a representation of the information gathered at the time of inspection. It is based on existing but not confirmed boundary evidence and is subject to any inaccuracies that a boundary survey might reveal. No property corners will be set and no warranty as to the location of the true boundary of the subject property is extended to the present or future owners or occupants. The improvement location exhibit shall contain the following information: 1. A surveyor's certificate, date of inspection, legal description, property address (if available), property or deed lines of record and adjacent rights-of-way. 2. Structures on permanent foundations shall be shown including descriptions of the structures (i.e. house, garage, shed) and exterior dimensions. 3. Offsets to the structures shall be shown perpendicular to straight property lines and radially to curved property lines. 4. A minimum of two offsets shall be shown to each structure and offsets shall be shown to within 0.5' unless otherwise noted on the exhibit. 5. Other improvements including but not limited to means of access, driveways, sidewalks, stairways, decks and concrete areas shall be graphically shown when visible upon inspection and where scale of drawing permits. 6. Building setbacks and easements shown on the plat of record and those disclosed in the title commitment (if provided) shall be shown if graphically describable. 7. Encroachments onto adjacent property or from adjacent property onto this property shall be shown within the above described tolerances.
  - Boundary Survey and Improvement Location Exhibit.** (Seller to provide, however the monetary difference between a location exhibit and a boundary survey shall be paid by the Buyer). Purpose is to provide verified boundary information as the basis for the improvement location exhibit. All of the information required on the improvement location exhibit will be provided in addition to the following information: 1. All property corners will be located and verified or established at the time of survey. 2. Record and measured bearings and distances will be noted and acreage or square footage verified. 3. Offsets to permanent structures shall be shown as measured. 4. The location of fences and retaining walls shall also be shown.
  - Boundary Survey Land Only.** Paid by buyer unless otherwise agreed upon herein.
  - No survey or exhibit is required by Buyer.**
  - Other** \_\_\_\_\_

Buyer ( \_\_\_\_\_ ) ( \_\_\_\_\_ ) and Seller ( \_\_\_\_\_ ) ( \_\_\_\_\_ ) have read this page.

15. PRORATIONS.

Taxes, insurance, interest, rents and home owners association fees are:

to be prorated to (date) June 1, 2002. The tax proration shall be based on the previous year's taxes, or as agreed between Buyer and Seller in paragraph 17 below. (NOTE: Buyer and Seller acknowledge that taxes are computed on assessed valuation and mill levy and these figures change from year to year, determined by changes in city, county and school budgets.)

not to be prorated. Any insurance refund is to be deposited to the escrow account, or transferred to the Buyer. Any fuel oil, or propane stored on the property  will /  will not be prorated at closing.

16. POSSESSION/CLOSING. Possession to go to Buyer June 1, 2002. Closing will take place on or about June 1, 2002. Escrow closing fee is to be paid by Buyer unless required by VA to be paid by Seller.

17. OTHER PROVISIONS. 1. Contingent upon Council approval  
2. Contingent upon Conditional use permit by planning and zoning  
3. Contingent upon subdividing variance re access street improvements and street lighting.

18. EARNEST MONIES/DEPOSITS. The listing office shall deposit and hold all earnest monies and other deposits until the sale is closed. If this offer is not accepted by the Seller, the earnest money shall be returned in full, less any expenses incurred on Buyer's behalf. If Buyer is unable to secure financing as stated in paragraph 5 above or if no agreement is reached regarding conditions found on inspection reports(s) as stated in paragraph 12, Buyer's money shall be returned in full, less any expenses incurred on Buyer's behalf, including any inspections ordered by the Buyer. In any case, the parties agree to execute a cancellation agreement if the transaction does not close.

19. DEFAULT. Upon acceptance of this agreement by the Seller, if either party does not complete the purchase as herein agreed, both parties shall have all the remedies allowed under the laws of the State of South Dakota including but not limited to the right to sue for specific performance or forfeiture of earnest money.

20. DISPUTE RESOLUTION. Any dispute or claim arising out of or relating to the sale of this property shall be submitted to mediation in accordance with the rules and procedures of the Sellers/Buyers Dispute Resolution System. Any costs of mediation will be shared equally between the Buyer and Seller.

21. AGENCY DISCLOSURE. Buyer and Seller acknowledge that they have received a copy of an agency disclosure.

22. LIMITED AGENCY SITUATIONS ONLY: With the knowledge and understanding of the explanation of limited agency, buyer and seller authorize and instruct the broker and licensees to act as limited agents in this transaction.

Buyer's Initials

Seller's Initials

**This is a legally binding contract between the Buyer and Seller, if not understood, seek legal advice.**

Dated this 19 day of March, 2002 at 2:00 A.M./P.M.

This agreement is void if not accepted by the seller before this 1 day of June, 2002 by 2 A.M./P.M.

Buyer's Name - Printed or Typed SS#

Buyer's Name - Printed or Typed SS#

Buyer's Signature

Buyer's Signature

The foregoing is  accepted,  countered (see attached counter offer) or  not accepted this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ at \_\_\_\_\_ A.M./P.M.

Seller's Signature SS#

Seller's Signature SS#

The following is for informational purposes only and they shall not be considered parties to this contract.

Caldwell Banker  
Selling Company

Selling Salesperson -  Seller Agent,  Buyer Agent,  
 Limited Agent,  Transaction Broker

Caldwell Banker  
Listing Company

Listing Salesperson

PA 7/99