

SPECIMEN REAL ESTATE SALES AGREEMENT

**COMMONWEALTH OF PENNSYLVANIA
STATE SYSTEM OF HIGHER EDUCATION**

AGREEMENT FOR THE SALE OF REAL ESTATE

THIS AGREEMENT is made this ____ day of _____, _____, between
_____, _____,
(SELLER's name) (Number and Street)
_____, _____, _____, _____, (hereinafter SELLER),
(Municipality) (County) (State) (Zip)
and _____ University of Pennsylvania of the State System of Higher
Education, _____, _____, Pennsylvania, _____,
(Municipality) (State) (Zip)
(hereinafter BUYER).

The SELLER hereby agrees to sell and convey to the BUYER, and BUYER hereby agrees to purchase, that certain lot or piece of ground with buildings and improvements thereon erected, if any, known as _____,
(Number and Street)
_____, _____, _____, _____, Tax Parcel
(Municipality) (County) (State) (Zip)
Number _____, consisting of approximately _____ acres, and more fully identified in _____ County Deed Book _____, page _____, for the purchase price of _____ Dollars upon the following terms and conditions:

- 1) BUYER will pay to SELLER _____ Dollars in cash or by certified check at the time of settlement.
- 2) BUYER will pay to SELLER _____ Dollars, as deposit monies, upon the approval of this agreement by the Board of Governors of the State System of Higher Education and the Attorney General of the Commonwealth of Pennsylvania.
- 3) Settlement will be made on or before _____, _____.

- 4) Conveyance from SELLER to BUYER will be made by fee simple deed of general warranty or special warranty as acceptable to the Buyer.
- 5) SELLER will pay all transfer taxes as required by law.
- 6) SELLER will pay all taxes, levied and assessed, including but not limited to, all school taxes, municipal/borough and county real estate taxes. The preceding sentence requires SELLER to pay all taxes, including any that may be due for prior years, and also any due for the full tax year (calendar year or other period for which the taxing authorities may assess taxes) in which this sale is made. There will be no pro-ration of taxes. This provision survives settlement. The following shall be prorated as of and at the time of settlement: rents, interest on mortgage assumptions, if any, water and/or sewer rentals, if any, together with any other lienable municipal services.
- 7) The sale and settlement hereunder is hereby made conditional and contingent on the express written approval of the Board of Governors of the State System of Higher Education and the Office of Attorney General of the Commonwealth of Pennsylvania. If said approval is not provided by _____, _____, SELLER may, at SELLER's option, consider this agreement null and void, in which event there will be no further obligation on the part of either the BUYER or the SELLER. Deposit monies as down payment on account of the purchase price shall not be paid to SELLER unless, and until, the Board of Governors of the State System of Higher Education and the Office of Attorney General of the Commonwealth of Pennsylvania have approved this agreement.
- 8) This sale is further contingent upon BUYER securing from their Director of Facilities, or any other inspector of their choosing, a physical inspection of the building within ten (10) days of SELLER's acceptance hereof. If, at the sole discretion of the BUYER, the building condition is such that they wish to terminate this agreement, they may then consider this agreement null and void.
- 9) This agreement is further contingent upon the BUYER's securing financing and/or appropriations to purchase the property.

10) SELLER will turn over to BUYER at the time of settlement a vacant building and vacant lot. BUYER reserves the right to inspect the premises within a 48-hour period prior to settlement to insure that the building is in the condition agreed upon. SELLER agrees to pay any costs incurred in vacating the building and lot.

11) SELLER warrants that there are no leases extending beyond the date of settlement specified above.

12) All deposit monies will be held in an interest-bearing account until the date of settlement, at which time interest on all deposit monies will be paid to the BUYER.

13) SELLER covenants and represents that, as of the approval date of this agreement of sale, no assessments for public improvements have been made against the premises which remain unpaid and that no notice by any government or other authority has been served upon the SELLER, or anyone on the SELLER's behalf, including notices relating to violations of housing, building and safety or fire ordinances which remain uncorrected, unless otherwise specified herein. SELLER will be responsible for any and all notice(s) served upon the SELLER after the approval of this agreement and for the payment of any assessments and charges made after the approval of this agreement for any public improvements. SELLER, furthermore, will be responsible for any improvements, assessments or notices received until the date of settlement, unless the improvements consist of sewer or water lines not in use on or prior to the date of settlement.

14) The premises are to be conveyed free and clear of all liens, encumbrances, and easements, excepting, however, the following: existing building restrictions, ordinances, easements of roads, and/or privileges or rights of public service companies, if any; agreements, or like matters of record, or easements or restrictions visible on the ground. Otherwise, the title to the above-described real estate shall be good and marketable and such as will be insured by a title insurance company of the BUYER's choice at the regular rates.

15) The SELLER will pay the following: premiums for flood insurance, if required (proof by copy of engineering map) of statement, and/or fire insurance for coverage of the aforementioned real estate up to and including the date of settlement. The SELLER shall pay for any survey or surveys which may be required by the title insurance company or abstracting attorney for the preparation of an adequate legal description of the premises (or the correction thereof). BUYER will pay the premium for title search.

16) In the event that the SELLER is unable to give a good and marketable title such as will be insured by the title company chosen by the BUYER, BUYER shall have the option of taking such title as the SELLER can give without abatement of price, or of being repaid all monies paid by BUYER to the SELLER on account of the purchase price and the SELLER will reimburse the BUYER for any and all costs incurred by the BUYER for those items specified above. In the latter event, there shall be no further liability or obligation on either of the parties hereto and this agreement shall become null and void.

17) Deposits or hand money shall be paid to agent of SELLER or SELLER, who shall retain same in an interest-bearing account until the consummation or termination of this agreement in conformity with all applicable laws and regulations.

18) All existing plumbing, heating, lighting fixtures (including chandeliers) and systems appurtenant thereto and forming a part thereof, and any other permanent fixtures, as well as all ranges, laundry tubs, television antennas, masts and rotor systems, together with wall-to-wall carpeting, screens, storm sash and/or doors, shades, awnings, venetian blinds, couplings for automatic washers and dryers, etc., radiator covers, cornices, kitchen cabinets, drapery rods, drapery rod hardware, curtain rods, curtain rod hardware, all trees, shrubbery, plantings now in or on the property, if any, unless specifically excepted

by this agreement, are included in the sale and purchase price. None of the above-mentioned items shall be removed by the SELLER from premises after the date of their signing this agreement. Any remaining heating and/or cooking fuel stored on the premises at the time of settlement is also included under this agreement. SELLER hereby warrants that he will deliver good title to all the articles described in this paragraph and any other fixtures or items of personalty specifically scheduled and to be included in this sale.

19) If SELLER is unable to convey the premises to BUYER in the condition said premises were in at the date of the signing of this agreement due to damage caused by fire or other peril, BUYER may, at BUYER's option, declare this agreement to be null and void. SELLER shall maintain the property (including all items mentioned above), and any personal properties specifically scheduled herein, in its present condition, normal wear and tear excepted.

20) This agreement contains the entire agreement between the SELLER and the BUYER and there are no other terms, obligations, covenants, representations, statements or conditions, oral or otherwise, of any kind concerning this sale. This agreement shall not be altered without the express written agreement of the parties.

21) This agreement shall be binding on the respective heirs, executors, administrators, successors and, to the extent assignable, on the assigns of the parties hereto. Neither party to this agreement shall assign their rights or obligations under this agreement without the written consent of the other party, which consent will not be unreasonably withheld.

22) The said time for settlement, and any other time referred to for the performance of any obligations of this agreement, are hereby agreed to be of the essence of this agreement. Any agreement between the parties to extend the settlement date referred to above must be in writing and signed by both the SELLER and the BUYER.

23) Should the BUYER fail to make settlement, through no fault of SELLER, after this agreement has been approved by the Board of Governors of the State System of Higher Education and the Office of Attorney General of the Commonwealth of Pennsylvania, the deposit money and other sums paid by the BUYER on account of the purchase price may be retained by the SELLER as liquidated damages; the SELLER shall thereby release the BUYER from all liability or obligations and this agreement shall be null and void. SELLER agrees that his retention of said monies as liquidated damages shall be SELLER's exclusive remedy in the event of BUYER's failure to make settlement as referred to above.

24) The following Riders are attached hereto, incorporated herein, and made part of this agreement:

- a) Rider A (Wood Infestation Certification) consisting of one page.
- b) Rider B (Potability Certification) consisting of one page.
- c) Rider C (Use and Occupancy Certification) consisting of one page.
- d) Rider D (Radon Certification) consisting of one page.
- f) Rider E (Hazardous Materials Certification) consisting of one page [or Rider E1 - Environmental Impact Study), to be used in lieu of Rider E whenever there is sufficient concern with the environmental conditions of the property to warrant further study.]

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound, have hereunder set their hands and seals this day.

FOR THE SELLER:

Owner _____
Individual or Partner (If SELLER is an individual or partnership)

Co-owner _____
President or Vice President of Corporate SELLER

Witness _____
Secretary or Treasurer of Corporate Seller

FOR THE COMMONWEALTH:

President
_____ University of Pennsylvania of the State System of Higher Education

Approved as to Form and Legality:

University Legal Counsel
State System of Higher Education

Deputy Attorney General
Commonwealth of Pennsylvania

APPROVED BY THE BOARD OF GOVERNORS OF THE STATE SYSTEM OF HIGHER EDUCATION:

Chancellor
State System of Higher Education

RIDER A

WOOD INFESTATION CERTIFICATION

This sale and settlement hereunder are conditioned and contingent upon the SELLER's obtaining a wood infestation certification as provided hereunder:

1) At least fifteen days prior to settlement, SELLER shall, at SELLER's expense, provide to BUYER a written "Wood Destroying Insect Infestation and Resultant Damage Report" from a reputable pest control operation certified by the Pennsylvania Department of Agriculture. Such report is to provide that an inspection of the readily visible and accessible areas of all structures within the property limits has been made satisfactory to, and in compliance with, applicable laws.

2) If the inspection reveals evidence of active infestation, previous infestation, and/or resultant damage which has not been corrected, SELLER agrees, at SELLER's expense, to have the structure or structures treated for such infestation. SELLER shall, upon receipt of said report, promptly advise BUYER in writing of such conditions and make available to BUYER all documents and drawings received from the pest control operator showing the location of visible evidence of infestation and/or damage.

3) At the time of notice to the BUYER as specified above in paragraph number 2, SELLER shall also advise whether or not the resultant damage will be repaired, at SELLER's expense, prior to settlement. If SELLER elects not to repair the said damage, if any, BUYER shall have the option of accepting the property with the defects revealed by the inspection, without abatement of price, or being repaid all monies paid by the BUYER on account of the purchase price, together with BUYER's expenses, if any, as may be incurred or provided for under the terms of the agreement of sale including, but not limited to, the following:

- a) Cancellation fee for title insurance/search or abstract fee for searching title.
- b) Cancellation fee of binder charge for fire insurance with extended coverage and/or flood insurance, if any.
- c) Appraisal fees, credit report charges, and/or survey costs.

4) In the latter event, there shall be no further liability or obligation on either of the parties hereto and this agreement of sale shall become null and void. BUYER shall notify SELLER in writing of his election within five days after Buyer receives Seller's notice of refusal to correct the conditions.

RIDER B

POTABILITY CERTIFICATION

SELLER shall deliver to BUYER, at least fifteen days before settlement hereunder, a report from a reputable testing company certifying that the well water is fit for human consumption. If the well water is determined to be unfit for human consumption, BUYER shall have the option, exercisable within five days of notification, to declare this agreement null and void and have all deposit monies returned, or to take the property "as is."

RIDER C

USE AND OCCUPANCY CERTIFICATE

Should a Use and Occupancy Certificate be required by the municipality in which the property is located, and if the buyer so chooses, it shall be the sole responsibility of the SELLER to provide the certificate at the time of settlement. Should the municipality require any repairs or corrections of code violations, prior to issuance of the occupancy permit, it shall be the responsibility of the SELLER to make said repairs and/or corrections at the SELLER's expense. The Buyer may waive this requirement at the buyers discretion, if a certificate of occupancy is required by the municipality, and/or repairs and/or corrections are required and the seller fails to provide the required certificate prior to or at the time of settlement, and/or fails to correct the required repairs, Buyer shall have the option, to declare this agreement null and void and have all deposit monies returned, or to take the property "as is."

RIDER D

RADON CERTIFICATION

SELLER shall deliver to BUYER, at SELLER's expense, at least fifteen days before settlement hereunder, a report from a U.S./E.P.A. listed laboratory certifying that the radon levels within the subject property buildings are below 0.02 working levels (4 picocuries/liter). The report must identify the actual levels found, the date of the tests, the test locations within each building, and the duration of each test within each building. The report must identify the type of test conducted, the actual levels found, the test locations, and the duration of each test within each building.

If the radon levels are determined to be in excess of the maximum allowable level stated above, BUYER shall have the option, exercisable within five days of notification, to declare this agreement null and void and have all deposit monies returned, or to take the property "as is."

Information resources: DER Radon Project Office
1100 Grosser Road
Gilbertville, PA 19525
1-800-23RADON
(215) 369-3590

RIDER E

Independent Phase One Environmental Report

Buyer will, within five days of Seller's execution of this agreement, order an Independent Phase I Environmental Report of the premises. Said study will be at the Buyer's expense and will be conducted in accordance with prevailing standards for hazardous materials as identified by prevailing EPA, and/or Pennsylvania Department of Environmental Protection, and/or RCPA listings, as well as for PCB contaminated materials, petroleum products, and asbestos (the latter in accordance with Asbestos Hazard Act [AHERA] Inspection Guidelines and any other applicable law). Seller will cooperate in all respects with the conduct of the environmental study.

In the event the study discloses that any of the above items exist in concentrations or quantities above the aforementioned standards, the Buyer will provide the Seller a copy of the report within five days of receipt of same. If remedial action is necessary, Seller, at Seller's expense, will accomplish the required action and certify the full and successful completion of same. If Seller is unable or unwilling to accomplish the required action and certify full and successful completion of same, the Buyer has the option to accept the property as is or declare the agreement null and void.

Seller will have ten days after receipt of the report to notify Buyer in writing as to whether Seller is willing to have remediation work completed. If Seller proposes to have the remediation work completed, Seller will provide the Buyer at least fifteen days before settlement hereunder a written statement certifying the remediation work has been completed. Seller will provide Buyer with copies of all removal records of the remediation work at least fifteen days before settlement. Buyer will then have ten days to review the records and work, and confirm that the work has been completed to the satisfaction of the Buyer and/or the applicable regulatory agencies in Buyer's sole, unfettered discretion. If the work has not been completed to the satisfaction of the Buyer and/or the applicable regulatory agencies in the Buyer's sole, unfettered discretion, Buyer will have the right to declare the sales agreement null and void with the return of all deposit monies with accumulated interest and the parties will have no further liability or obligation unto the other.

In the event Seller notifies Buyer within the ten-day period that Seller is not going to have the remediation work completed, Buyer will have ten days from receipt of such notice to declare this sales agreement null and void or that Buyer is willing to accept the property with the defects disclosed without abatement of price.

In the event the Buyer declares the sales agreement null and void, all deposit monies will be returned to the Buyer with accumulated interest and there will be no further liability or obligation on the part of either of the parties hereto unto the other.

Information resources: EPA (202) 554-1404
DEP (717) 783-2300

RIDER E-1

Hazardous Materials Certification

Seller will deliver to Buyer, at Seller's expense, at least thirty days before settlement hereunder, a written statement certifying the absence or removal of any hazardous materials as identified by prevailing EPA, DEP and/or RCRA listings. This includes the removal of any known asbestos and PCB contaminated materials such as those found in electrical or heat transfer equipment. A report from a reputable survey company using Asbestos Hazard Act (AHERA) Inspection Guidelines certifying that all of the subject building materials are asbestos free must also be provided at least thirty days before settlement. If the analysis indicates that the building material is less than one percent by weight, then it is considered asbestos free. Any hazardous material, including asbestos, must be removed from the subject property at least thirty days before settlement and be so certified in writing by Seller. Any soil or other building material that was contaminated by leaking PCBs or other hazardous materials must be removed from the property at least thirty days before settlement. Copies of all removal/remediation records must be provided to Buyer at least fifteen days before settlement. If the Seller fails to deliver the required reports and/or fails to take satisfactory remedial corrective actions as specified, the Buyer will have the option to declare this agreement null and void and have all deposit monies returned with accumulated interest or to take the property "as is."

If the analysis indicates that asbestos is present, the asbestos must be removed. After the asbestos abatement, Transmission Electron Microscopy (TEM) clear air analysis must be conducted by a certified lab and a written statement of results submitted showing asbestos levels less than 0.01 fibers/cc. A post inspection by the Buyer's EPA/AHERA certified asbestos building inspector will be conducted after abatement of subject building.

NOTE: Rider E-1 may be used in lieu of Rider E only with prior approval by the university's legal counsel and the Office of the Chancellor.

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