

# REAL ESTATE PURCHASE AND SALE AGREEMENT

## State of Pennsylvania | Cash Transaction | Investor Form

**1. PARTIES.** This Purchase and Sale Agreement ("Agreement") is made effective as of \_\_\_\_\_, 20\_\_\_\_ ("Effective Date"), by and between \_\_\_\_\_ ("Seller"), and \_\_\_\_\_ **and/or assigns** ("Buyer"). Buyer and Seller are together the "Parties." If the date above is left blank, the Effective Date is the date of the last signature below.

**2. PROPERTY.** Seller agrees to sell and Buyer agrees to buy the real property located at: Street address: \_\_\_\_\_, City: \_\_\_\_\_, County: \_\_\_\_\_, Pennsylvania, ZIP: \_\_\_\_\_. Parcel ID: \_\_\_\_\_. Legal description (attach if lengthy): \_\_\_\_\_

\_\_\_\_\_  
The sale includes all fixtures, improvements, and appurtenances, together with the following personal property, if any:

\_\_\_\_\_  
**3. PURCHASE PRICE.** The total purchase price is \$\_\_\_\_\_ ( \_\_\_\_\_ Dollars), payable in cash or immediately available funds at Closing. **This is a cash transaction. Buyer's obligation to close is not contingent on financing or appraisal.**

**4. EARNEST MONEY.** Within \_\_\_\_\_ business days after the Effective Date, Buyer will deposit \$ \_\_\_\_\_ as earnest money ("Deposit") with \_\_\_\_\_ ("Escrow Agent"), to be held in escrow and credited to the purchase price at Closing. If this Agreement is terminated during the Inspection Period under Section 6, or due to Seller's default or failure of title, the Deposit will be promptly refunded to Buyer in full. If the Parties dispute the Deposit, the Escrow Agent may hold it pending joint written instructions or deposit it with a court of competent jurisdiction, and is released from liability upon doing so.

**5. AS-IS CONDITION.** Buyer is purchasing the Property in its present "**AS-IS, WHERE-IS**" condition, with all faults, whether known or unknown. Seller will make no repairs and gives no warranties regarding the condition of the Property, except for any disclosures required by applicable law, which are summarized in the Disclosures section of this Agreement. Seller agrees to maintain the Property in its present condition, ordinary wear excepted, and to deliver it at Closing free of tenants and occupants unless stated here:

\_\_\_\_\_  
**6. INSPECTION PERIOD.** Buyer has \_\_\_\_\_ calendar days from the Effective Date ("Inspection Period") to inspect the Property and investigate all matters Buyer deems relevant, including condition, title, survey, zoning, and feasibility. Buyer and Buyer's agents, contractors, partners, and assigns may access the Property at reasonable times with prior notice. **Buyer may terminate this Agreement for any reason or no reason by written notice to Seller before the Inspection Period expires, in which case the Deposit will be refunded to Buyer and neither Party will have further obligation.** If Buyer does not terminate before the Inspection Period expires, the Deposit becomes non-refundable except as otherwise provided in this Agreement.

**7. ASSIGNMENT.** Buyer may assign this Agreement, in whole or in part, to any person or entity without Seller's consent. Upon assignment and the assignee's assumption of Buyer's obligations, the original Buyer is released from further liability under this Agreement. Seller acknowledges that Buyer is an investor, may assign this Agreement for a fee or other compensation, and may market its contractual interest in the Property to prospective assignees during the term of this Agreement. The Parties will comply with any disclosure or other requirements of applicable Pennsylvania law relating to the assignment of this Agreement.

**8. MARKETING AND ACCESS.** During the term of this Agreement, Seller authorizes Buyer to advertise and market Buyer's contractual interest in the Property, to show the Property to Buyer's partners, lenders, contractors, and prospective assignees, and to place a lockbox or signage with Seller's consent.

**9. CLOSING.** Closing will occur on or before \_\_\_\_\_, 20\_\_\_\_, or earlier by mutual agreement, at the office of the closing agent designated by ☐ Buyer ☐ Seller. Possession transfers to Buyer at Closing. Buyer may extend Closing by up to \_\_\_\_\_ additional days by written notice if reasonably required to complete title or closing matters. Seller represents that Seller is not a "foreign person" under the Foreign Investment in Real Property Tax Act (FIRPTA); if Seller is a foreign person, the Parties will comply with the withholding requirements of 26 U.S.C. Section 1445 at Closing.

**10. RISK OF LOSS.** Risk of loss remains with Seller until Closing. If the Property is damaged by fire, casualty, or other cause before Closing, Seller will notify Buyer promptly, and Buyer may (a) proceed to Closing with an assignment of Seller's insurance proceeds relating to the damage plus a credit for any deductible, (b) accept the Property in its damaged condition with a price adjustment agreed by the Parties, or (c) if the cost to restore exceeds \_\_\_\_\_% of the purchase price, terminate this Agreement and receive a full refund of the Deposit.

**11. TITLE.** Seller will convey good, marketable, and insurable title by ☐ Special Warranty Deed is the customary deed for arm's-length residential sales in PA ☐ General Warranty Deed ☐ Special Warranty Deed, free of liens and encumbrances except easements and restrictions of record that do not impair the use or value of the Property. If a title examination reveals defects, Buyer will notify Seller in writing and Seller will have \_\_\_\_\_ days to cure. If defects are not cured, Buyer may (a) extend the cure period, (b) accept title as-is, or (c) terminate this Agreement and receive a full refund of the Deposit.

**12. CLOSING COSTS AND PRORATIONS.** Unless stated otherwise here, Buyer pays: closing/settlement fees, title search and owner's title insurance, and recording fees for the deed. Seller pays: satisfaction and release of existing liens, and Seller's own payoff costs. Real estate taxes, assessments, HOA/condo dues, and utilities will be prorated as of the date of Closing. Other terms:

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**13. DEFAULT.** If Buyer defaults after the Inspection Period and Seller is not in default, Seller's sole and exclusive remedy is to receive and retain the Deposit as agreed liquidated damages, and this Agreement terminates. If Seller defaults, Buyer may (a) terminate and receive a full refund of the Deposit, or (b) seek specific performance of this Agreement.

**14. NO COMMISSIONS.** The Parties represent that no real estate broker or agent is involved in this transaction unless listed here, and each Party will indemnify the other against commission claims arising from that Party's own conduct. Broker(s), if any:

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## **PENNSYLVANIA DISCLOSURE REQUIREMENTS (SUMMARY)**

**Seller's Property Disclosure Statement (Real Estate Seller Disclosure Law, 68 Pa.C.S. §§ 7301-7315):** Seller of residential real property (1-4 units) must complete and deliver the property disclosure statement to the buyer BEFORE the buyer signs the agreement of sale (§ 7303); the form must cover the § 7304 subjects (roof, structure, water/sewage, plumbing/HVAC/electric, termites/wood-destroying insects, hazardous substances INCLUDING RADON, flooding/drainage, legal issues, etc.); the State Real Estate Commission form is standard. Buyer remedy: actual damages for willful/negligent violation (§ 7311); statutory exemptions include transfers by fiduciaries, foreclosure-related transfers, and new construction covered by builder warranty (§ 7302). (Applies: all residential resales of 1-4 unit properties, subject to § 7302 exemptions; disclosure is form-based, not contract text.)

**Licensee-prepared Agreement of Sale mandatory statements (zoning, Recovery Fund, etc.) (RELRA § 608.2, 63 P.S. § 455.608b, implemented at 49 Pa. Code § 35.333; zoning also 21 P.S. § 611):** Recovery Fund notice (49 Pa. Code § 35.333(a)): "A Real Estate Recovery Fund exists to reimburse any person who has obtained a final civil judgment against a Pennsylvania real estate licensee owing to fraud, misrepresentation, or deceit in a real estate transaction and who has been unable to collect the judgment after exhausting all legal and equitable remedies. For complete details about the Fund, call (717) 783-3658." Zoning: agreement must state the zoning classification plus the buyer-voidability statement (statutorily required substance; exact phrasing follows the regulation). (Applies: agreements of sale prepared by real estate licensees (zoning requirement under 21 P.S. § 611 reaches sales contracts generally).)

**Coal Severance Notice (bituminous coal areas) (52 P.S. § 1551 (Act of July 17, 1957, P.L. 984)):** Form 1: "NOTICE - THIS DOCUMENT MAY NOT SELL, CONVEY, TRANSFER, INCLUDE OR INSURE THE TITLE TO THE COAL AND RIGHT OF SUPPORT UNDERNEATH THE SURFACE LAND DESCRIBED OR REFERRED TO HEREIN, AND THE OWNER OR OWNERS OF SUCH COAL MAY HAVE THE COMPLETE LEGAL RIGHT TO REMOVE ALL OF SUCH COAL AND, IN THAT CONNECTION, DAMAGE MAY RESULT TO THE SURFACE OF THE LAND AND ANY HOUSE, BUILDING OR OTHER STRUCTURE ON OR IN SUCH LAND. THE INCLUSION OF THIS NOTICE DOES NOT ENLARGE, RESTRICT OR MODIFY ANY LEGAL RIGHTS OR ESTATES OTHERWISE CREATED, TRANSFERRED, EXCEPTED OR RESERVED BY THIS INSTRUMENT." Form 2 (where severance is certain): identical but "THIS DOCUMENT DOES NOT SELL, CONVEY, TRANSFER..." and "...THE OWNER OR OWNERS OF SUCH COAL HAVE THE COMPLETE LEGAL RIGHT TO REMOVE...". Must appear in capital letters, distinctively different type, or set apart by underlining. (Applies: properties in bituminous coal counties (primarily western PA) where coal has or may have been severed from surface title.)

**Sewage Facilities (Act 537) sales contract statement (Pennsylvania Sewage Facilities Act § 7, 35 P.S. § 750.7 (incl. (b)(4.1)(ii)); 25 Pa. Code § 72.32 (sales contracts)):** Statute/regulation prescribe required statement content and DEP publishes model advisory language (form 3850-FS-DEP2028); exact statutory sentence not captured verbatim here - pull from 25 Pa. Code § 72.32 before drafting. (Applies: sales of lots/homes relying on on-lot (septic) sewage or without approved sewage facilities planning.)

**Radon disclosure (68 Pa.C.S. § 7304(b) (radon within the seller disclosure form); Radon Certification Act, 63 P.S. § 2001 et seq. (certification of testers/mitigators only)):** Radon is disclosed through the mandatory Seller's Property Disclosure Statement (known radon tests/levels/mitigation); PA has no separate statute mandating a verbatim radon paragraph in the agreement of sale - the lengthy radon notice in the PAR standard agreement is form practice, not statutory text. (Applies: all residential resales covered by the Seller Disclosure Law.)

**Wholesale transaction disclosures (Act 52 of 2024) (Wholesale Real Estate Transaction Transparency and Protection Act, Act 52 of 2024 (SB 1173, signed July 8, 2024, eff. January 2025), amending RELRA):** Wholesale purchase agreements must disclose that the transaction is a wholesale transaction in which the purchaser intends to transfer its interest for valuable consideration without taking record title, that the consumer may consult appraisers/legal counsel, that the seller may cancel until the earlier of midnight of the 30th day after execution or conveyance, and that payments will be refunded within 10 business days of cancellation; cancellation rights cannot be waived and non-

compliant agreements are cancellable any time before conveyance. (Applies: residential wholesale transactions (contracts intended for assignment/transfer without taking title).)

**Lead-Based Paint (federal, homes built before 1978):** the EPA/HUD "Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards" must be completed and attached, and Buyer acknowledges receipt of the pamphlet "Protect Your Family From Lead In Your Home."

**Closing Practice Note:** recorded instruments: Notary/acknowledgment only - deeds must be acknowledged (21 P.S. §§ 42, 291.1 et seq.) for recording; no witness requirement. Recording accompanied by Realty Transfer Tax Statement of Value (Form REV-183) where needed; coal notice formatting requirements apply in bituminous counties..

**Contract Assignment Regulation (Statewide: Act 52 of 2024 (Wholesale Real Estate Transaction Transparency and Protection Act), eff. January 2025, amending RELRA (63 P.S. § 455.101 et seq.); Philadelphia: Residential Property Wholesaler license, Phila. Code Title 9, ch. 9-5200 (Bill 210778-A, 2021), \$200/yr):** PA now regulates wholesaling STATEWIDE: wholesalers fall within expanded broker/salesperson licensing definitions, must give mandated disclosures in the purchase agreement (wholesale intent, right to consult counsel/appraiser, seller 30-day cancellation right, 10-business-day refund), cannot obtain waivers, and face Real Estate Commission civil penalties (up to \$1,000 per unlicensed practice violation) with non-compliant contracts freely cancellable before conveyance. Philadelphia separately requires a Residential Property Wholesaler license (\$200, insurance certificate, criminal-history check) under Phila. Code ch. 9-5200.

**15. DISCLOSURES ACKNOWLEDGED.** The Parties acknowledge the disclosures summarized above. Was the residence built before January 1, 1978? ☐ Yes ☐ No. If yes, the federal lead-based paint disclosure is attached as an addendum. Is the Property subject to a homeowners' or condominium association? ☐ Yes ☐ No. Any disclosure summarized above that state law requires as a separate standalone form has been or will be delivered as such before or at the execution of this Agreement: ☐ Yes ☐ Not applicable.

**16. MISCELLANEOUS.** This Agreement (a) is the entire agreement of the Parties and supersedes all prior negotiations; (b) may be amended only in a writing signed by both Parties; (c) is governed by the laws of the State of Pennsylvania; (d) is binding on the Parties and their heirs, successors, and permitted assigns; (e) may be signed in counterparts, and electronic or scanned signatures are effective as originals; (f) time is of the essence; and (g) if any provision is held unenforceable, the remaining provisions continue in effect. Notices may be delivered by email to the addresses below and are effective on transmission.

**17. ADDITIONAL TERMS.**

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SELLER signature    Date

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BUYER signature    Date

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SELLER printed name, phone, email

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BUYER printed name / entity, phone, email

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SELLER 2 signature (if applicable)    Date

\_\_\_\_\_  
Escrow Agent acknowledgment of Deposit    Date