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(See Page 3 for the Privacy Act and Public Burden Statements)

FSA-2593
(12-31-07)

U. S. DEPARTMENT OF AGRICULTURE
Farm Service Agency

Position 5

STANDARD SALES CONTRACT
SALE OF REAL PROPERTY BY THE UNITED STATES

PART A - GENERAL

- The offer date of this contract is _____
- The United States, acting through the U.S. Department of Agriculture, Farm Service Agency (Government), as Seller, agrees, to sell to (a) _____
(Purchaser), and said Purchaser agrees to buy, subject to the conditions of this contract, the property located at (b) _____

_____ together with the appurtenances thereunto belonging.

- Earnest money deposit is \$ (a) _____ .
 A. To be refunded to Purchaser at closing;
 B. To be applied to closing costs, at closing, with any balance refunded to Purchaser;
 C. To be applied to closing costs, at closing, with any balance applied to the purchase price;
 Earnest money deposit will be refunded to the Purchaser if this offer is rejected or if Government credit is not approved.
- The price is \$ (a) _____
 (1) Cash at closing \$ _____
 (2) Government financing of \$ (b) _____ ,
 secured by mortgage or deed of trust, providing for equal (c) _____ installments of principal and interest at the Government interest rate (available in any Government office) at the time the Purchaser is notified the sale is approved; with any balance of the loan to be paid in full not later than the (d) _____ anniversary of the loan.
- CONTINGENCY.** If Government financing is indicated above, this contract is contingent upon the Government approving the loan in accordance with its regulations; subject to the availability of funds.
- CONVEYANCE.** Title is to be taken in the following name and style:

7. **SIGNATURE.** This contract is signed by Purchaser or an authorized entity official.

8. **TAXES.** This property is is not subject to taxation while owned by the Government. Taxes will be paid in full prorated in accordance with paragraph 1H of Part B.

9. **SPECIAL STIPULATIONS:**

- The sale shall be closed at _____
 _____ within thirty (30) days after indication by the Seller of readiness to close, unless the parties otherwise agree in writing.

PART B - CONDITIONS OF SALE**1. The following conditions are applicable to all contracts, except as specifically modified in Part A**

- A. **Earnest Money Deposit.** The earnest money deposit shall be in the amount set forth in Government regulations (7 CFR, part 767).
- B. **Deed to the Property.** Within thirty (30) days after acceptance of the contract or removal of any contingency (*if applicable*), whichever occurs last, the Government shall prepare for the Purchaser a **quitclaim deed** to the property for delivery at the closing. The closing shall occur within thirty (30) days after the Government notifies the Purchaser that the sale is ready to be closed. If a loan has been approved, the Government will also provide the required promissory note and security instruments. The Purchaser shall deliver the executed promissory note and security instruments to the Government at the closing. If the Government disapproves the Purchaser's loan, the Purchaser shall be notified of the disapproval and any rights under this contract shall terminate.
- C. **Encumbrances or Defects.** If the Purchaser, before receiving a deed and within thirty (30) days after the Government's acceptance of the bid, submits proof of any encumbrances or title defects, the Government may take any necessary remedial action. If the Government does not elect to exercise the right, the Purchaser may, if the encumbrances or title defect affects the marketability of the title, rescind Purchaser's purchase obligation and recover all amounts paid by Purchaser to the Government on account of the purchase price. However, neither the Purchaser nor parties claiming under Purchaser shall be entitled, under any circumstances, to recover from the Government any damages, interest, or costs on account of any encumbrances or defect affecting the title of the property. Unless proof of encumbrances or defects is submitted by the Purchaser within the time specified above, any and all encumbrances and defects shall be conclusively presumed waived, and the Purchaser and any parties claiming under Purchaser shall be forever barred from asserting them against the Government.
- D. **Abstracts or Title Evidence.** The Government is not obligated to furnish any abstracts or other title evidence but will permit Purchaser to inspect its title papers at a place selected by, and at no expense to, the Government.
- E. **Accepting the Property.** The Purchaser agrees to accept the property **AS IS**, in its present condition. **No** warranty is given on the condition of the property.
- F. **Loss or Damage to Property.** If, through no fault of either party, the property is lost or damaged as a result of fire, vandalism or an act of God between the time of acceptance of the offer and the time the title of the property is conveyed by the Government, the Government will reappraise the property if the reduction in market value is more than \$1,000 as estimated by the Government. When reappraised, value of the property will serve as the amount the Government will accept from the Purchaser. However, if the actual loss, based on reduction in market value as determined by the Government is less than \$500, payment of the full purchase price is required. In the event the Government and the Purchaser cannot agree upon an adjusted price, either party, by mailing notice in writing to the other, may terminate the contract of sale, and the earnest money will be returned to the Purchaser.
- G. **Possession Rights.** The purchaser will accept the property subject to the rights of any person or persons in possession of or presently occupying the property or claiming a right to occupy the property.
- H. **Payment of Taxes.** If the property while in Government inventory is subject to taxation, the taxes will be prorated between the Government and the Purchaser as of the date title is conveyed. If the property is not subject to taxation while in Government inventory, the Purchaser will pay all taxes on the property which become due and payable on or after the date the title of the property is conveyed by the Government.
- I. **Mineral Rights.** The Government will convey to the Purchaser all mineral rights to which it has title.
- J. **Liquidated Damages.** If the purchaser fails to comply with any of the terms or conditions hereof, the Government, by mailing notice in writing, may terminate the contract for sale. The earnest money deposit shall be retained by the Government as full liquidated damages except where failure to close is due to non-approval of credit.
- K. **Representation Regarding Property.** Representations or statements regarding the property made by any representative of the Agency shall not be binding on the Government or considered as grounds for any claim for adjustment in or rescission of any resulting contract. The Purchaser expressly waives any claim for adjustment or rescission based upon any representation or statement not expressly included herein. The Government makes no warranties or representations not set forth in writing herein concerning the condition of title or the permissible uses of the property.

- L. **Subject to Agency Regulations.** All offers and resulting contracts shall be subject to the regulations of the Government, now or hereafter in effect.
- M. **Documentary Stamps.** The Purchaser will be required to purchase and place upon the deed the necessary documentary stamps.
- N. **Entire Agreement.** This contract contains the final and entire agreement between the Government and Purchaser and they shall not be bound by any terms, conditions statements, or representations, oral or written, not herein contained.

2. APPLICABLE TO AGENCY FINANCING ONLY

- A. **Purchaser Financial Information.** The Purchaser will submit financial information and necessary loan application documents upon request of the Agency within thirty (30) days of such request.
- B. **Security Instruments.** Upon closing all deeds and mortgages or other security instruments incident to the sale shall be on Agency forms and shall immediately be filed for record by the Agency at the expense of Purchaser. Any loan made incident to sale is subject to applicable Government regulations and closing procedures

PART C - SIGNATURES				
1. Purchaser's Signature		2. Date		
3. Agency Official Name		4. Title		5. Signature

NOTE: *The following statements are made in accordance with the Privacy Act of 1974 (5 USC 552a): the Farm Service Agency (FSA) is authorized by the Consolidated Farm and Rural Development Act, as amended (7 USC 1921 et seq.), or other Acts, and the regulations promulgated thereunder, to solicit the information requested on its application forms. The information requested is necessary for FSA to determine eligibility for credit or other financial assistance, service your loan, and conduct statistical analyses. Supplied information may be furnished to other Department of Agriculture agencies, the Internal Revenue Service, the Department of Justice or other law enforcement agencies, the Department of Defense, the Department of Housing and Urban Development, the Department of Labor, the United States Postal Service, or other Federal, State, or local agencies as required or permitted by law. In addition, information may be referred to interested parties under the Freedom of Information Act, to financial consultants, advisors, lending institutions, packagers, agents, and private or commercial credit sources, to collection or servicing contractors, to credit reporting agencies, to private attorneys under contract with FSA or the Department of Justice, to business firms in the trade area that buy chattel or crops or sell them for commission, to Members of Congress or Congressional staff members, or to courts or adjudicative bodies. Disclosure of the information requested is voluntary. However, failure to disclose certain items of information requested, including Social Security Number or Federal Tax Identification Number, may result in a delay in the processing of an application or its rejection.*

*According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0560-0234X. The time required to complete this information collection is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. **RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.***

BROKER'S CERTIFICATION (IF SOLD THROUGH A REAL ESTATE BROKER)

The undersigned _____
Broker certifies that neither the Broker nor anyone authorized to act for Broker has declined to sell the property described herein to or to make it available for inspection or consideration by a prospective purchaser because of race, color, religion, sex, age, handicap, national origin or marital status. The undersigned further acknowledges that no commission, as stated on the notice of real property for sale shall be due or earned until and unless this contract is closed and title has passed to the Purchaser herein. Earned commissions will be paid in cash at closing and passing of title only where sufficient cash to cover the commission is paid by Purchaser; otherwise commission is paid by the Agency approximately four weeks after closing.

NOTE: The broker must sign this certification.

1. Signature	2. Date
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