



RE/MAX[®]
ALOHA HOMES

CONTRACT MANUAL

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Part A Purchase Contract

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RE/MAX ALOHA HOMES Standard Purchase Contract Language

Revised and updated 11/17/2021

Highlights of General Purchase Contract Review

**Optional verbiage for contract language is in parenthesis
*Notes are italicized***

Section A: Agency Disclosure

**A-1 & A-2 Be sure that there is “X” or “N/A” in each blank –
Not only in A- 1, but throughout the entire contract.
Effective immediately, the following will be the policy regarding Dual Agency
at RE/MAX ALOHA HOMES:**

**1. When a dual agency situation arises, the Principal Broker or
Broker in Charge will appoint agent(s) as Designated Agents to
advocate for their principals.**

**2. Agency disclosure on the Purchase Contract will disclose Dual
Agency**

(d) No Agency Representation: Buyer or Seller is a Customer (see Paragraph A-2 (d) below).

A-2 Disclosure.

NAR CODE OF ETHICS: Buyer and Seller are aware that the National Association of REALTORS® holds its members accountable for their actions through a strict Professional Code of Ethics, which includes a grievance system to address complaints. Non-members are not held to the same standards as members, nor are they required to participate in the grievance system.

- ☐ (a) **Seller Representation:** Seller is represented by the Brokerage Firm _____ and all its licensees. Brokerage Firm is ☐ is not ☐ a member of the National Association of REALTORS®.
- ☐ (b) **Buyer Representation:** Buyer is represented by the Brokerage Firm _____ and all its licensees. Brokerage Firm is ☐ is not ☐ a member of the National Association of REALTORS®.
- ☒ (c) **Dual Agency Representation:** Seller and Buyer are represented by the Brokerage Firm **RE/MAX ALOHA HOMES** and all its licensees. Brokerage Firm is ☒ is not ☐ a member of the National Association of REALTORS®. **A separate Dual Agency Consent Addendum is required.**
- ☐ (d) **Customer: No Agency Representation**
☐ **Seller** is not represented by a Brokerage Firm (for example “For Sale By Owner”).
☐ **Buyer** is not represented by a Brokerage Firm.

Buyer and Seller acknowledge that oral or written disclosure relative to agency representation was provided to them before the signing of this Purchase Contract.

It is recommended that Buyers and Sellers consult with legal counsel prior to signing a Purchase Contract.

Initials below are for Agency Disclosure acknowledgement and Page 1 review.

**3. The new HAR Designated Agency Disclosure and Agreement
must be completed and made a part of the Purchase Contract**

**It is urgent that you read and understand the new Designated
Agency Agreement in order for you to properly explain it to the
client. IT IS NOT SUFFICIENT TO SIMPLY CHECK DUAL AGENCY ON
THE PURCHASE CONTRACT, ATTACH THE DESIGNATED AGENCY**

ADDENDUM, AND JUST SEND IT OUT FOR DIGITAL SIGNATURES WITHOUT GOING OVER WHAT THIS ADDENDUM MEANS AND HOW IT APPLIES TO THE CLIENT.

4. NEW PROCEDURE: When a dual agency is applicable, you must certify in the email to review the contract that you have disclosed dual agency, designated agency, and have explained the form to the client. The following is sample verbiage:

*I certify that I have disclosed dual and designated agency to the client and the client has given **INFORMED CONSENT** before signing the Designated Agency Disclosure and Agreement addendum.*

5. Remember, RE/MAX ALOHA HOMES does not allow single-agent dual agency.

Section B: B-1 Initial Earnest Money Deposit Receipt
(We recommend)

[X] Buyer shall directly deliver a check to Escrow or wire the initial deposit into Escrow's Deposit

Section C: Offer to Buy and Purchase Price, Section D: Addenda

Addenda – Be sure to mark each blank “X” or “N/A” - never leave any of the brackets blank!

C - 1 Offer to Buy

This Purchase Contract shall be binding if accepted by Seller on or before:

Date:*we recommend to allow enough time so the Seller has the chance to accept (ask the Listing Agent how much time he'll need)*

Time:*Business Hours Please* AM [] PM []

C – 2 Purchase Price:

Whatever financing you use, cash, mortgages or agreement(s) of sale, make sure the figures add up to total purchase price in C-2 of the Purchase Contract.

Initial Deposit: Get as much down as possible as this is attractive to a Seller. Try to get appropriate to the property value. The higher the price, the higher the initial deposit.

Additional deposit:

NOTE: A sizable deposit in Escrow discourages cancellations by the Buyer and assures Seller that the Buyer is sincere about purchasing the property OR it can delay a Buyer signing cancellation agreements if there is a disagreement over the deposit.

***** ALL cash funds to be verified by Agent prior to drafting the Purchase Contract *****

***** (The aggressive version with Escape Clause) *** NEW FIRST MORTGAGE:**

\$ _____ **Total Cash Funds from Buyer exclusive of closing costs**
\$ _____ **contingent on Buyer obtaining a New Conventional (or USDA, or FHA, or VA) type of Mortgage with rates and terms acceptable to the Buyer. (As a general statement this works, however Buyer's circumstances may require more definition here.) Check Box H-3 and H-4 of the Purchase Contract.**
\$ _____ **Total Purchase Price**

CASH AND NEW CONVENTIONAL, JUMBO OR ARM, FIRST MORTGAGE (with or without MCC):

\$ _____ **Total Cash Funds from Buyer exclusive of closing costs**
\$ _____ **By way and subject to Buyer and Property qualifying for a New Conventional Mortgage of Buyer's Choice at Prevailing Rates and Terms. ("you may add with consideration of obtaining MCC") if the Mortgage Credit Certificate is applicable. As a general statement this works, however Buyer's circumstances may require more definition here.) Check Box H-3 and H-4 of the Purchase Contract.**
\$ _____ **Total Purchase Price**

CASH & NEW MORTGAGE FOR FEE CONVERSION:

\$ _____ **Total Cash Funds from Buyer exclusive of closing costs**
\$ _____ **Contingent on Buyer qualifying for and obtaining a new first mortgage of _____ years at prevailing rates and terms (OR at an interest rate not to exceed _____%). See attached Lease-to-Fee Addendum which is made a part of this Purchase Contract. NOTE: Buyer's financing will be based on leasehold price plus fee price of property. The property will be appraised as a fee simple property.**
\$ _____ **Total Purchase Price (Leasehold Price)**

CASH AND ASSUMPTION OF EXISTING MORTGAGE:

\$ _____ **Total Cash Funds from Buyer exclusive of closing costs**
Approximate cash

\$ _____ By way of and contingent upon the buyer assuming the existing first mortgage at no more than ____% per annum, monthly payments of no more than _____ and assumption fee of no more than _____. The exact amount of cash and mortgage to be determined at the close of escrow. **NOTE: Check Box H-3 of Purchase Contract.**

\$ _____ **Total Purchase Price**

SECOND MORTGAGE from lending institution:

\$ _____ **Total Cash Funds from Buyer exclusive of closing costs**

\$ _____ **By way of and contingent on (first mortgage or assumption of existing mortgage)**

\$ _____ **By way of and contingent on Buyer qualifying for and obtaining a second mortgage from a lending institution of Buyer's choice.**

\$ _____ **Total Purchase Price**

SECOND MORTGAGE from Seller:

\$ _____ **Total Cash Funds from Buyer exclusive of closing costs**

\$ _____ **By way of and contingent on (first mortgage or assumption of existing mortgage)**

\$ _____ **By way of a second mortgage by Seller. See attached HAR Purchase Money Mortgage addendum which is made a part of this Purchase Contract.**

\$ _____ **Total Purchase Price**

AGREEMENT OF SALE OR SUB-AGREEMENT OF SALE:

***** This is highly discouraged and to be avoided if at all possible!!*****

\$ _____ **Total Cash Funds from Buyer exclusive of closing costs**

\$ _____ **By way of an Agreement of Sale (Sub-Agreement of Sale) with the Seller. See attached HAR Agreement of Sale Addendum, which is made part of this Purchase Contract.**

\$ _____ **Total Purchase Price**

SELLER FINANCING - PURCHASE MONEY MORTGAGE

*****Property must be free and clear of any mortgage*****

\$ _____ Total Cash Funds from Buyer exclusive of closing costs
\$ _____ By way of a note secured by a purchase money first mortgage in favor of the Seller. See attached HAR Purchase Money Addendum, which is made a part of this Purchase Contract.
\$ _____ Total Purchase Price

VA MORTGAGE:

\$ _____ Total Cash Funds from Buyer exclusive of closing costs
\$ _____ By way of and contingent on Buyer qualifying for and obtaining a VA guaranteed loan (at prevailing rates and terms OR with maximum allowable VA interest rate not to exceed ____% per annum with a loan term of not less than ____ years). See attached VA Addendum, which is made part of the Purchase Contract. **NOTE: Check VA addendum for substituting eligibility.**
\$ _____ Total Purchase Price

FHA MORTGAGE:

\$ _____ Total Cash Funds from Buyer exclusive of closing costs
\$ _____ By way of and contingent on Buyer qualifying for and obtaining an FHA Mortgage with an FHA interest rate not to exceed ____ per annum with a loan term of not less than ____ years. See attached FHA Addendum which is made part of this Purchase Contract.

USDA MORTGAGE:

\$ _____ Total Cash Funds from Buyer exclusive of closing costs
\$ _____ By way of and contingent on Buyer qualifying for and obtaining an USDA Mortgage with an interest rate not to exceed ____ per annum with a loan term of not less than ____ years.

MCC (Mortgage Credit Certificate)

Q-1

The buyer may consider obtaining MCC (Mortgage Credit Certificate) Mortgage Credit Certificate if applicable. There will be no extra cost to the Seller.

Section D-1: Addenda

[X] RE/MAX ALOHA HOMES Standard Addendum

(unless the listing agent is attaching their own Standard Addendum)

[X] "As Is" Condition (Please use with all transactions)

[X] Lead Based Paint Disclosure

(Please use with all transactions for Properties built before the year of 1978)

Do not leave Blank! Always use [X] or [N/A]

Section E: Property

E-1 Description:

A. SINGLE FAMILY RESIDENCE: All that certain (fee simple/leasehold) parcel of land consisting of approximately _____ square feet, together with all improvements thereon including but not limited to a _____ bedroom _____ bath dwelling with (attached/detached carport/garage) (cottage).

NOTE: *** Do not state the square footage of the improvements, as these figures may not be accurate ***

B. CONDOMINIUM/Townhouse: All that certain (fee simple/leasehold) condominium apt. # _____ in the _____ (name of the bldg.) consisting of _____ bedrooms, _____ baths, together with _____ parking stall(s) # _____ (covered/uncovered) and a proportionate interest in the common and limited elements.

C. CO-OP: _____ (NUMBER) SHARE(S) OF STOCK IN (Co-op's name) entitling proprietary use of _____ bedroom(s) _____ bath(s), Apt # _____ and _____ parking stall(s) # _____ and co-use of common elements.

Special Term for Co-Op Purchase (Section Q):

CO-OP: Buyer is aware that Buyer is purchasing a proprietary percent in a co-operative, and Buyer's purchase is contingent upon approval of the Board of Directors no later than _____ or Buyer may declare this contract null and void and all deposits will be returned to Buyer.

D. VACANT LAND: All that certain (fee simple/leasehold) parcel of land consisting or approximately _____ square feet, zoned _____ (Lot # _____)(of the _____ Subdivision)(together with any existing improvements, Including _____).

NOTE: Improvements on vacant land would usually include streets, utilities (such as electricity, gas, telephone, water meters and sewers).

E-2 Inclusions:

Do not leave blank, either "X" or "N/A" each blank. If other inclusions not listed (i.e. sprinkler system, etc.) is to be included, add these as inclusions. It is best to clarify certain items even though they are attached to the property. Another helpful term to use in the "Other" blank is "if attached, as attached"

E-3 Inclusion of Photovoltaic System (Leased System) ...if Owned System checked "Other" please ask for the Power Agreement if applicable (Electricity Purchased and particular rate and terms from HECO)

E-4 Inclusion of Furnishings.

E-5 Exclusions:

Do not leave blank. Put none or N/A or whatever items are applicable.

Section F: Closing

F-2 Scheduled Closing Date:

Put a specific date (ensure that the Bureau of Conveyances is open on that date) or a time period such as
"on or before 45 days after acceptance" - Ensure that the calculated closing date does not fall on a weekend day or state holiday and there will be flexibility to close earlier if needed or possible.

F-3 Change to the Scheduled Closing Date:

Please select either [x] (a) or [x] (b)

Extensions due to financing are permitted in this version of the Purchase Contract pursuant to the dates indicated in F-3.

Should this event occur, please use the HAR Standard Form **“Written Notice to Escrow of Extension of Closing Date”** to fulfill the written notice requirement.

F-4 Escrow:

Please include the Escrow Company, Branch location and contact number(s) in this field. Including the Escrow Officer's name is fine.

F-5 Prorations and Closing Adjustments:

Do not leave blank. Include what is applicable, or N/A or none.

F-7 Notice on Conveyance Tax:

Is this Buyer's Principal Residence or not? Please check one and do not leave blank! Buyer shall provide written notification to Seller and Escrow no later than **15 Days**

F-8 Assessments:

- (a) Do not leave blank. Check which is applicable. Put **None** in the blank “Exceptions, if any.”
- (b) Do not leave blank. Check which is applicable. Put **None** in the blank “Exceptions, if any.”

Section G: Title

G-2 Title:

- (b) Buyer may elect, within **Five (5) Days**
- (c) **Ten (10) Days**

G-3 Vesting and Tenancy:
Fifteen (15) Days

Never advise Buyer or Seller on Tenancy – this is a legal matter that should be discussed with an attorney or other professional advisor(s). Enter “To be Determined” in this field unless specifically directed by the Buyer(s).

Section H: Cash Funds and Financing Contingency
[Choose Paragraph H-1 or H-2]

H-1 No Contingency on Obtaining Cash Funds:

- (a)[x] verification of Cash Funds within up to 3 Days**
(recommended)Seller may elect, within 2 Days

H-2 Contingency on Obtaining Cash Funds:

- [X] Select the applicable contingency**
(a) within 2 Days

H-4 Buyer's Obligation.

- (a) within 2 Days WITH review... (it's preferred that you attach with the offer)**
(b) On or before 10 days prior to closing
(c) Five days

Section I: Seller's Obligation to Disclose and Disclosure Agreement

I-1 Seller's Obligation to Disclose:

Hawaii Revised Statutes, Sec. 508-D Requires all Sellers to provide Property Disclosure Statement, save for Sellers on exemption list 508D-3. Recommend Buyer and Seller have an inspection done per paragraph J-1.
(b) no later than 3 days...

I-2 Amended Disclosure Statement
Within 3 days...

I-3 Buyer's Rights and Obligations...

- (a) Within 3 days...**
(b) Within Seven Days...
(c) Seven Days...

I-4 Buyers Rights and Obligations Upon Later Discovered Inaccurate Information
(b) Ten Days...

Section J: Inspection, Maintenance and Warranties

J-1: General Inspection of Property Contingency
Insert Ten Days after acceptance date

J-2: Recommendation Regarding Home Inspection:

NOTE: Obtain a written acknowledgement if Buyer elects not to follow our recommendation to have an inspection. The document "Home Inspections and Why You Should Obtain One" is an example of sufficient written acknowledgement.

J-3: Property Condition and Final Walk Through:
Final Walk Through of the Property no later than 5 Days

J-7: Existing Warranty:
Select

J-8: Removal of Items From Property:
Five Days

J-9: Cleaning:

There is no longer any provision for a "cleaning credit," as Lenders reportedly did not like that provision. Also, note that any carpets must now be professionally shampooed (i.e. providing receipt from carpet cleaner, and not from a do-it-yourself rug shampoo machine rental) at Seller's cost.

No later than Five Days prior to...
Check box [X] Seller shall have the entire property professionally cleaned...

J-10: Pet Related Treatment:
Select if there are pets on the property.
Treatment shall be performed within One Day after closing..

Section K: Staking and Survey

K-1 Staking:
NA

K-2 Survey:

**Select for all Single Family Homes
Input Within 15 Days...**

Note: If the buyer insists on waiving K-2 for the purchase of any single family property, buyer must sign RE/MAX ALOHA HOMES Buyer's Waiver of Section K Addendum.

K-3 Boundary Encroachment:

A recently enacted law, Act 131, applicable since June 1997, allows for minimal "structure position discrepancies." The law states "for residentially-zoned real estate less than 6 inches, for Agriculture properties its 9 inches, for commercially-zoned property less than 3 inches, and for preservation 18 inches.

Unless the property is a high-rise condominium, please complete all blanks in K-3.

**Buyer may elect to accept...Within Seven Days
if neither occurs...Within Ten Days
no later than...Ten Days**

NOTE: Check for possible exceptions. Law does not apply to City and County land and State land.

Section L: Termite Provisions**L-2 Termite Inspection Contingency:**

Be sure to complete all five blanks. *NOTE: We recommend Buyer select Termite Inspector. Termite Inspection Reports are only valid for 15 days.*

Section M Additional Seller Obligations Regarding Documents

- M-1 (d) Deliver documents to buyer no later than Ten Days
Within Two Days of receipt**
- (e) Buyer shall have Ten Days to review**
- (f) Two days to return**

**Section N Rental Property Matters
Select N-1 or N-2**

If N-2 is selected

**Seller to provide Buyer within Seven Days...
If within Seven Days of receipt to cancel**

Section O Termination Contingencies

O-3 Insert Seven Days

Section Q Special Terms

Number each Special Term (i.e. Q-1, Q-2, Q-3, etc.) in this space.

Indicate “None” if no Special Terms are applicable

Section R: Brokerage Firms Services and Disclaimers

R-6 (a) check if applicable and disclose if licensed

SPECIAL TERMS LANGUAGE LIBRARY

APPRAISAL CONTINGENCY:

“ In the event the appraisal is less than the agreed-upon purchase price, the Buyer agrees to increase the down payment in an amount sufficient up to \$XX,000.00 but no more than \$XX,000.00 to close this purchase transaction ”

APPRAISAL LOWER THAN SALES PRICE:

“All parties agree it is possible the property may not appraise for the full amount of the sale price. In the event the property does not appraise for the full amount of the sale price, the Buyer and Seller agree the Buyer will increase the amount of down payment as required to close the transaction, (as long as the additional amount of the down payment is no greater than \$ _____ If the additional required down payment is more than _____ Buyer may elect to terminate the Purchase Contract.”

***** (Aggressive Version usually not the best fit for a strong Seller's type of Market)**

APPRAISAL LOWER THAN SALES PRICE:

***** “All parties agree it is possible the property may not appraise for the full amount of the sale price. In the event the property does not appraise for the full amount of the sale price, the Buyer and Seller agree to adjust the purchase price to the Appraised Value.”*****

NOTE: Buyer has the right not to purchase property if appraisal is lower than the sale price. For VA financing, the borrower may elect to proceed with the loan by placing additional down payment funds into the transaction at his/her sole election (in a case the Appraisal Clause was not used)

APPROVAL OF BUYER'S ACCOUNTANT OR ATTORNEY:

"This Purchase Contract is contingent upon the Buyer's accountant and/or attorney's review and approval in the terms of this contract within _____ calendar days of acceptance; provided, however, that such approval will be deemed to be given unless written notice of disapproval is given within said time. If, for any reason, the Buyer's accountant and/or attorney disapproves of any of the terms in this contract, the Buyer may elect to terminate this Purchase Contract pursuant to Paragraph O-2."

AS-IS CONDITION:

*****YOU MUST USE the HAR Standard Existing "As-Is" Condition Addendum*** unless authorized otherwise by the Principal Broker. Include any of the following clauses in the Special Terms section of the Purchase Contract as an addition to said Addendum. *NOTE: Consider adding a statement to the effect that "Buyer understands Seller has priced the property to reflect its "As-Is condition."***

ASSIGNABILITY (of the PURCHASE CONTRACT):

State law maintains that a contract can be assigned unless the contract specifically stipulates otherwise. If Seller does not want the contract assigned, state in Purchase Contract Special Terms (Section Q): "Consent of Seller is required to assign this contract." Assignability is not common in Residential Real Estate, it is common in Commercial Real Estate. Please consult with Principal Broker prior to adding this into a contract.

BACK-UP OFFER:

Utilize the RE/MAX ALOHA HOMES Backup Offer Addendum. If unavailable, you may utilize the following special terms language:

“Buyer is aware the Sellers are accepting this offer as a BACK-UP offer as the Sellers already have an accepted Purchase Contract on the subject property. Acceptance of this BACK-UP offer is subject to the written cancellation of the Purchase Contract which is presently in effect. Buyer reserves the right to withdraw this back-up offer until such time as he/she is informed his/her offer has been accepted as the primary offer. All dates in Buyer’s Purchase Contract will become effective upon notification that Buyer’s offer has become the primary offer.” *NOTE: Do not put specific dates in a backup offer - state timeframes instead.*

BANKRUPTCY SALE:

“Sale is subject to Court confirmation by no later than _____. Buyers will receive a limited warranty deed at closing.” If Court confirmation is not received by _____, then Buyer may terminate the Purchase Contract pursuant to Paragraph O-3, and all deposits shall be returned to Buyer.

BUILDING ORDINANCES (Broker Disclaimer):

“Buyer acknowledges that Buyer has investigated the city, county, state zoning and building ordinances and requirements as to the erection of a building(s) on the property, and Buyer has investigated the availability of water, sewer, gas, and electrical services for the property, and the fees and costs related thereto. Buyer further acknowledges that Buyer is relying solely upon data obtained by Buyer from outside sources on all these matters and is not relying upon any representations made by the Seller, RE/MAX ALOHA HOMES or its agents, nor _____ or its agents.”

OR

“Buyer understands that the _____ was built without a building permit and may not meet building code requirements.” OR: “Prior to closing of escrow, Seller will provide Buyer with a building permit for _____ from the City Building Department.”

OR

“Should improvements on subject property be non-conforming, Seller shall provide Buyer necessary documentation prior to closing, insuring house is in compliance with City and County building codes.”

BUILDING PERMITS:

It is highly suggested that Buyer requests Seller to provide a permit package if there is ANY question that something on an older property, or new with an addition may have been done without a permit.

“Buyer is aware that the _____ was built without a building permit, does not conform to the tax office records, and may not meet current building codes. Therefore, if the _____ is destroyed, Buyer may not be able to rebuild under the present zoning code. In addition, Buyer is aware that to obtain a permit, the County Building Department may require additional work to be done and/or demolition of the existing improvements. The Seller shall not be required to make any repairs or pay for any expenses with respect to any non conformance. The Buyer hereby accepts the property with this knowledge and releases and agrees to hold harmless, the Seller and RE/MAX ALOHA HOMES and its agents, and _____ and its agents from any and all claims arising from or connected with said nonconformance and lack of building permits.”

OR

NOTE: If representing Buyer: "The Seller warrants that all necessary building permits have been obtained for all improvements to the property and if not, Seller agrees to obtain said permits, at his sole expense, prior to closing. If said permits are not completed by closing, Seller agrees that an amount of \$_____ (equal to 150% of the estimated costs obtaining the necessary permits) be held in escrow to ensure completion. Seller to provide copy of permits for Buyer's approval by _____ days prior to closing or Buyer may elect to terminate this Purchase Contract and Termination Provision O-2 shall apply."

CANCELLATION AND RELEASE OF PRIOR PURCHASE CONTRACT (for Buyer):

"Seller is aware that Buyer has made an offer on another property and the acceptance of this offer by Seller is subject to the complete cancellation by all parties of the prior offer within _____ hours of written notification or Seller may elect to terminate this Purchase Contract pursuant to Paragraph O-3. If the prior offer is completely canceled, this offer will be in full force and effect."

CANCELLATION AND RELEASE OF PRIOR PURCHASE CONTRACT (for Seller):

"Seller's acceptance and obligation to perform under the terms of this contract is specifically conditioned upon the failure of a buyer under a contract dated _____, 20____, to perform on or before _____, 20____. Seller shall obtain a written release from Buyer under said contract of all claims against the Seller and to any rights, title or interest that the Buyer might otherwise have to the property described herein. This release to be obtained within ____ days from date of acceptance."

CASH TRANSACTIONS:

“Buyer agrees to deposit the entire purchase price in escrow _____ calendar days (business days) prior to closing to assure Seller he/she can confidently vacate the property without concern.”

WATER CATCHMENT:

“The Buyer is aware and understands that water is provided to this property by catchment system only and is aware problems may arise that cause lead contamination in the system. In addition, the supply of water from this system may not be sufficient in quantity at all times and the Buyer may be required to obtain water from another source at times. Buyer accepts the water system subject to these risks and agrees not to assert any claims against the Seller, RE/MAX ALOHA HOMES and its agents and _____ and its agents, based on the water system. Buyer shall complete any and all inspections of this system pursuant to J-1.”

CONDITIONAL TRANSACTIONS (See Kick-out Clause):

“The Buyer and Seller agree that the Seller may continue his efforts to sell the subject property. If Seller receives a written offer from a third party, he shall give written notice to the Buyer or the Buyer’s agent and the Buyer shall have _____ hours after receipt to waive the conditions specified. If Buyer does not execute a waiver of said condition, Seller may accept the third party’s offer, in which event, Seller may elect to terminate Purchase Contract pursuant to Paragraph O-3.”

CONDOMINIUM VOTING RIGHTS:

“Subject to the Seller’s right to reserve his vote on matters affecting his security interest in the property, Buyer shall, during the term of Agreement of Sale, be entitled to exercise all rights of an apartment owner.”

CONSTRUCTION AND REMODELING CONTRACTS:

NOTE: There are only a few phrases which should be put in a Purchase Contract on new construction or remodeled properties. Each contract must have phrases which are applicable to the property being sold and the status of the construction.

The closing date to state approximate closing. It should be noted the contractor will give 30 days notice prior to completion and the contractor will be penalized only if the delay is his fault and not the fault of the weather, strikes, etc.

Contractor to provide evidence of Notice of Completion by providing the newspaper publication.

“Seller promises, agrees and expressly warrants that: (a) all improvements have been constructed in compliance w/standards generally accepted in the community, all building, zoning, health, safety and other codes, regulations and laws, and that all required building permits and certificates have been obtained: (b) the dwelling is habitable and fit for the intended purpose of habitation; and all elements, both interior and exterior, will be in a finished condition upon delivery. The Seller shall convey to the Buyer all existing contractors’ warranties and guarantees: (a) against defective materials and workmanship; and (b) that the dwelling has been built in accordance with the plans and specifications. Should the contractor’s guarantees not exist or be insufficient to assure correction of defects within one (1) year of recordation of the conveyance document to the buyer, the Seller agrees to provide his own warranty to assure correction of defects within one (1) year of recordation of the conveyance document to the buyer. The Seller also warrants that the design of the dwelling is sufficient to avoid water penetration or infiltration.”

OR

“The Seller warrants there are no mechanics’ liens on the property. If the time for filing has not expired and any mechanics’ liens arising from the seller’s ownership of the property are filed, the Seller agrees to be financially responsible for clearing such liens, including any and all attorney’s fees and costs.”

OR

“Buyer is aware RE/MAX ALOHA HOMES and its agents are the real estate agents only and are not to be held liable for the construction of the home. RE/MAX ALOHA HOMES makes no warranties or representations in regard to the construction of the home. Buyer agrees to indemnify and hold harmless RE/MAX ALOHA HOMES and its agents.”

Other Special Terms for Contractor Sales:

- 1) Seller/Contractor: “The Seller/Contractor will provide to the Buyer a Standard Builders’ Warranty which will be in effect for one year from the date of the issuance of the Notice of Completion. The Seller/Contractor shall provide a copy of the Notice of Completion and Honolulu City and County Building Department records which will state the name of the architect, the licensed general Contractor, the electrical and plumbing contractors and pool Contractor, if any.”**

- that
- 2) If the Seller is not a contractor, but the improvements are considered to be new construction: "The Seller must warrant a general contractor licensed in the state of Hawaii supervised all construction and that if any warranties exist, they will be conveyed to the Buyer. The Seller shall provide a copy of the Notice of Completion and Honolulu City and County Building Department records which will state the name of the architect, the licensed general contractor, the electrical and plumbing contractors and pool contractors, if any." Building Department records are easily obtainable through Hawaii Real Property Research for a fee.
- 3) Owner-Builder: "This contract will include a copy of the Owner-Builder Law of the City and County of Honolulu, Hawaii which will be signed and acknowledged by the Seller as a statement of compliance with the Owner-Builder Law. The Seller will also provide a copy of the Notice of Completion and Honolulu City and County Building Department records which will state the name of the architect, the electrical and plumbing contractors and pool contractor, if any."

"IF THE NOTICE OF COMPLETION HAS NOT BEEN ISSUED PRIOR TO RECORDATION, THEN THE SELLER (OR SELLER-BUILDER) WILL INDEMNIFY THE BUYER AGAINST ANY AND ALL POSSIBLE LIENS; MECHANICS LIENS, SUPPLIER LIENS, ETC., UNTIL THE ISSUANCE OF THE NOTICE OF COMPLETION."

NEW CONSTRUCTION WITHIN the SUBDIVISION WILL BE GOVERNED BY CC&R'S (CODES, COVENANTS AND RESTRICTIONS) AND SPECIFIC ARCHITECTURAL GUIDELINES. WITHIN SUCH A SUBDIVISION USE AND ADDITIONAL PHRASE "THE SELLER (SELLER/CONTRACTOR) WARRANTS THAT ALL IMPROVEMENTS HAVE MET THE GUIDELINES OF (THE NEIGHBORHOOD) AND DOCUMENTS HAVE BEEN OBTAINED TO VERIFY COMPLIANCE."

CONTINGENT CLAUSE (General):

"This offer is contingent upon _____ within _____ calendar days of acceptance (or by _____ 20 _____). If this contingency is not satisfied within said time period, Buyer (or Seller) may elect to terminate this Purchase Contract pursuant to Paragraph O-3."

CONTINGENT ON CLOSE OF ESCROW ON BUYER'S PROPERTY:

Use RE/MAX ALOHA HOMES Buyer's Home Sale Contingency Addendum, or if unavailable,

“Buyer’s offer is contingent upon successful close of escrow on Buyer’s property located at _____ presently in escrow with _____ (escrow company). Seller and/or Seller’s agent has permission from Buyer to contact said escrow company to confirm and monitor progress of Buyer’s escrow.”

OR

“This offer is contingent upon the sale and closing or escrow of Buyer’s property situated at _____, which is (currently on the market/presently in escrow). Closing of this sale shall take place simultaneously with closing of Buyer’s property but no later than _____. If escrow is not opened on sale of Buyer’s property by _____, this contract will be null and void with all deposits being returned to Buyer. Seller has the right to continue marketing subject property and, if another offer acceptable to Seller is received prior to opening of escrow on _____ Buyer shall have _____ hours from written notification from Seller’s agent of said offer to remove this contingency or this contract is null and void and all deposits will be returned to Buyer. Any extensions of this contract must be mutually agreed upon by both Buyer and Seller in writing prior to the scheduled closing date. After escrow is opened on _____ any offers received by Seller shall be in a Backup position to this Purchase Contract.

Accepting an offer:

“Buyer acknowledges that the Seller has an accepted contract subject to the close of escrow for the sale of Buyer’s (name of buyer) property; and that (name of Buyer) has _____ hours to remove this contingency after receipt of written notice that another acceptable written offer has been received. Sellers accept this offer contingent on cancellation of the existing contract dated _____ between Seller and (name of buyer) no later than _____ calendar days or Buyer may cancel this contract. Escrow will not be opened until Buyer has received written notice from Seller that cancellation of existing contract dated _____ has occurred.”

CONTINGENT ON SELLER’S PURCHASE OF REPLACEMENT PROPERTY:

Use RE/MAX ALOHA HOMES Sellers Purchase of Replacement Property Addendum, or if unavailable,

“This offer is contingent on: (1) the Seller making an offer for the purchase of new residence, and the acceptance of that offer within _____ banking days from acceptance of the PURCHASE CONTRACT; and that (2) the closing of the escrow for the purchase of said new residence shall be simultaneous with the closing of this PURCHASE CONTRACT (but not later than _____). If the Seller does not make an offer for the purchase of a new residence and/or if closing does not occur as required above, the Seller (or Buyer) may elect to terminate this PURCHASE CONTRACT pursuant to Paragraphs C-20 and C-21. Thereafter neither the Buyer, the Seller nor any brokers shall have any further rights, obligations or liabilities under the PURCHASE CONTRACT. The Seller promises and agrees to purchase a new residence and authorizes the Buyer and his representatives to contact the escrow company for the Seller’s purchase transaction to monitor its progress. The Seller further promises to use his best efforts to comply with this Special Term.”

COUNTER OFFERS (Multiple):

Use RE/MAX ALOHA HOMES Multiple Counter Offers Addendum, or if unavailable,

“Buyer is aware, understands and agrees that the Seller has made simultaneous counter offers to more than one party, including the prospective Buyer. If all counter-offers are accepted, or if a proposed purchaser counters with a higher price and/or terms acceptable to Seller, then Seller reserves the right, at the Seller’s sole discretion, to choose, without any liability from any proposed Buyer, which contract(s) to reject and which contract to accept. In such an event, Seller shall notify Buyer of Seller’s decision within 24 hours after the expiration of the time deadlines set forth in such offers and/or counter-offers. No contract shall be binding upon Seller until notification in writing by Seller to Buyers of the contract Seller is choosing to accept and the contract(s) Seller is choosing to reject.”

DEFERRED PAYMENT:

“If Buyer’s monthly payments are insufficient to pay Buyer’s interest, taxes, lease rent, insurance or maintenance fees and any other fees, such deficiency shall be deferred until Satisfaction of the Agreement of Sale and added to the principal balance due.”

ESCALATION CLAUSE (less aggressive “may consider”):

Q-1: In the event of one or more competing offer(s), Buyer may consider to raise contract purchase price by \$5,000 (or other amount) higher than the highest bona fide competing offer received by Seller on the subject property”. Subject of Seller providing proof of pages 1, 2, 13 and 14 of the highest bona fide competing offer.

EARLY OCCUPANCY:

Early Occupancy:

***** is a highly discouraged practice *****

If you plan to use a date of occupancy prior to recordation (a highly discouraged practice), then enter the appropriate date in the blank and type “See Special Term Q-__.” Then state in Special Term Q-__: “See attached Early Occupancy Agreement which is made a part of this Purchase Contract.” *NOTE: Do not use a Rental Agreement. Early Occupancy is a highly discouraged practice because Risk of loss transfers to Buyer at occupancy or closing, whichever occurs first.*

OR

Use the POST CLOSING OCCUPANCY CONTRACT (HAR)

Late/Delayed Occupancy:

If the Seller intends to remain in the property after closing, then enter the date the Seller will vacate in the blank and type “See Special Term Q- __.” Then state in Special Term Q- __: “The Buyer and Seller mutually agree the Seller will rent the property from the buyer after closing for a period of _____ (months)(years), with rent of \$_____ per month and one month’s rent security deposit. The parties agree to execute a Rental Agreement within _____ days (after or before a trigger date). Buyer and Seller agree to abide by the terms of the executed rental agreement upon the effective date and understand after closing they will be in a relationship of landlord (Buyer) and tenant (Seller).”

*****NOTE: HAR Standard Rental Agreement is to be used for Late Occupancy *****

ESCALATION CLAUSE (more aggressive “agrees”):

Q-1: In the event of one or more competing offer(s), Buyer agrees to raise contract purchase price to \$5,000 (or other amount) higher than the highest bona fide competing offer received by Seller on the subject property, up to \$X,XXX,XXX.00 (Please indicate the Buyer's Maximum Price he is willing or qualified to pay = Buyer's Max. Price)

Seller agrees to provide a copy of pages 1, 2, 12 and 14 of the highest bona fide competing offer for verification purposes within 24 hours of mutual acceptance.

EXCHANGE:

Use RE/MAX ALOHA HOMES 1031 Exchange Addendum, or if unavailable,

“All parties to this transaction acknowledge they have been notified that the transfer of properties under this contract will incorporate the provisions of Section 1031 Tax Deferred Exchange at no additional cost or delay to Seller. Parties other than the exchanger may have documents reviewed by their counsel at their own expense.

EXCHANGE (Time is of the Essence) (1031):

“Buyer understands that the Seller is selling by way of 1031 Tax Deferred Exchange and will lose his tax advantages if the specified time frames are not met in this Purchase Contract.”

FLOOD ZONE:

“The Buyer is aware and accepts that this property is located in a flood zone and that the flood zone designation is _____. Buyer's lender may require flood zone insurance and the Buyer should contact his insurance agent in advance to determine the cost and availability of said insurance. Buyer accepts the property subject to these risks and agrees not to assert any claims against the Seller or RE/MAX ALOHA HOMES or its agents and _____ or its agents based upon the location of the property in flood zone.”

It's acceptable to ask Seller's Agent what the cost of the existing Flood policy is and if it is transferable.

(Additional provisions: Tsunami zone, aircraft noise path, hazardous waste).

KICK-OUT CLAUSE:

Use RE/MAX ALOHA HOMES Buyer's Home Sale Contingency Addendum whenever possible.

"Seller has the right to continue marketing subject property and, if another offer acceptable to Seller is received prior to opening of escrow on _____, Buyer shall have _____ hours from written notification from Seller's agent of said offer to remove this contingency or this contract is null and void and all deposits will be returned to Buyer. Any extensions of this contract must be mutually agreed upon by both Buyer and Seller in writing prior to the scheduled closing date.

MULTIPLE OFFERS:

Use RE/MAX ALOHA HOMES Multiple Offer Addendum, or if unavailable,

"Seller is aware that Buyer is submitting offers on other properties simultaneously with this offer. This offer will not be binding upon Buyer unless acknowledged by Buyer in writing as set forth in the deadlines in said offer (or Counter Offer).

Multiple Offers Submitted Need to be disclosed, exception is possible based on case to case basis and subject of BIC's Approval

NEW CONTRACT REPLACING PREVIOUS ONE:

"This contract is intended by the parties to replace and discharge a previous contract between Buyer(s) and Seller(s) dated _____ which is mutually rescinded."

NONCONFORMANCE CORRECTION:

"The Buyer is aware, understands and agrees that the (describe the area of non-conformance) does not conform to Tax Office Records, was built without a building permit and may not meet the applicable building codes."

"The Seller agrees to take all actions necessary to correct said nonconformance prior to closing, at Seller's sole cost and expense, including obtaining building permits covering all nonconforming improvements. The Seller is aware he may be required to submit architectural plans and specifications to the County Building Dept. to obtain such permits and may be required to rebuild the nonconforming improvements. This offer is contingent upon the correction of all non-conformances and any additional non-conformance which may be discovered by the county building inspector in connection with inspection of the Property. Should this contingency not be satisfied by

(date) the Buyer may, at Buyer's sole option, elect to terminate this Purchase Contract pursuant to Paragraph O-3. The Buyer shall not be responsible for any of the Seller's costs relating to the nonconformance(s)."

NONCONFORMANCE OF PROPERTY:

"The Buyer is aware, understands and agrees that the (describe the area of non-conformance) does not conform to Tax Office Records, was built without a building permit and may not meet the applicable building codes. The Buyer accepts the Property in "AS-IS" condition with full disclosure of the nonconformance of the Property to Tax Office records and the construction of improvements at the Property without building permits. The Buyer is aware of the County Building Dept. may require additional work at the property and/or the demolition of existing improvements. The Seller will not be required to make any repairs or pay for any expenses with respect to any nonconformance. The Buyer hereby releases and agrees to hold harmless the Seller and RE/MAX ALOHA HOMES and its agents and _____ and its agents from any and all claims arising from or connected with said nonconformance and the lack of building permits."

OR

"See attached tax office drawing which is incorporated into this Purchase Contract and Exhibit 1."

NON-CONFORMING USE:

"Zoning or improvements on the property may not be permitted under present zoning law. It could have been pre-existing zoning, but not permitted today if improvements of 50% or more were damaged by fire, flood etc. or torn down".

OR

"Buyer is aware that some buildings in Hawaii have "non-conforming uses" whereby the use of the building is not permitted by current zoning. This may cause problems with respect to reconstruction, repairs, use, financing and resale. Buyer and Seller are advised that RE/MAX ALOHA HOMES and its agents and _____ and its agents do not make and should not be relied on for any such determinations. Buyer is responsible for making such determinations."

PRIVATE ROAD:

“Buyer is hereby advised that the subject property is located on a private road which may require Buyer to contribute to the maintenance of said road for continued access. Buyer should have his/her attorney review the roadway agreement (if one exists) within _____ days of acceptance.” ***NOTE: Some lending sources may refuse to provide financing if no maintenance agreement exists or is insufficient in form. NOTE: Add that in some cases an association may have to be formed and then a roadway agreement executed.***

SHORELINE PROPERTY:

MUST use HAR Standard Oceanfront Addendum.

SIGNATURES ON THE PURCHASE CONTRACT (Required):

SELLERS: ALL PERSONS WHOSE NAMES ARE ON TITLE must sign the Purchase Contract if offer is accepted or countered. NEVER sign as agent for the Seller. If an offer is accepted or countered by phone, then state in Purchase Contract that offer is accepted/countered by phone but is contingent on Seller’s signature on the Purchase Contract or Counter Offer. NOTE: (Probate Sales) - Sales and commissions are subject to approval of the Probate Court.

BUYERS: IT IS NOT NECESSARY TO HAVE ALL BUYERS WHO PLAN TO BE ON TITLE, AS LONG AS AMENDMENT/ASSIGNMENT IS COMPLETED LATER. WE HIGHLY RECOMMEND HAVING ALL BUYERS’ SIGNATURES ON THE ORIGINAL PURCHASE CONTRACT TO AVOID FUTURE CONTRACT AMENDMENT(S).

PRECAUTIONS:

- 1. If more than one Buyer will be qualifying for financing, have all Buyers sign Purchase Contract as the sale could fall through if the Buyer who did not sign chooses not to apply for loan.**
- 2. When there is to be a co-signer for the mortgage (ex: a young couple whose parents will co-sign to help them qualify for the loan), then have co-signers sign a Purchase Contract.**

SIGNATURES (Additional Requirements):

PROBATE SALE: Personal Representative signs Purchase

Contract. (Sign subject to approval of Probate Court.)

TRUSTS: Trustee signs.
Ex: Individual who is trustee for property:
“John Doe Revocable Trust, John Doe, Trustee”

Ex: Trust Co. or bank is trustee for property:
“Hawaiian Trust Company, Trustee for John Doe Revocable Trust”
Signatures of 2 officers of Hawaiian Trust Co.

PENSION PLANS: Trustee signs.
Ex: “Hawaiian Trust, trustee for RE/MAX ALOHA HOMES Money Purchase Pension Plan”
Signatures of 2 officers of Hawaiian Trust Company
NOTE: Principal of Plan CANNOT guarantee Payment or transaction is not valid (Pension law requirement)

CORPORATION: Officer with authority signs. Corporate seal needed. Attach a Corporate Resolution with proper signatures authorizing the purchase. In addition, you may want Buyers to personally guarantee payment.

POWER OF ATTORNEY: Document must be recorded in Bureau of Conveyances. ***NOTE: “RE/MAX ALOHA HOMES Associates may not act as Attorney-in-fact under Power or Attorney for their clients.”***

SOIL CONDITION:

“Buyer understands that the property is in a landslide area. Seller to provide a soils report with ____ calendar days from the date of acceptance on this Purchase Contract. This offer is subject to Buyer’s review and approval of said report within ____ calendar days of receipt.”

SPECIAL DESIGN DISTRICT:

Buyer understands this property is in a Special Design District and subject to the City and County Regulations for this Special Design District.

SPECIAL MANAGEMENT AREA:

“Buyer understands this property is in a Special Management Area and subject to the City and County Regulations for the same.

SUBJECT TO CLOSING:

“This offer is subject to the successful close of escrow of buyer’s property which is scheduled to close _____ (date) and is in escrow at _____ (name of escrow company).”

SUBJECT TO FINDING ANOTHER PROPERTY:

“This offer is subject to the seller finding another property within (time period) from acceptance of this offer.”

VACANT LAND CESSPOOL DISCLOSURE:

“Buyer has been advised to contact the State of Hawaii Department of Health regarding wastewater disposal. Buyer is aware that present policies may change at any time, and Buyer is accepting property without representation, statements or promises by Seller or Real Estate Companies and their agents regarding wastewater disposal.”

VERIFICATION OF BUYER’S CASH FUNDS:

“Within ____ calendar days of acceptance, Buyer will provide Seller with his satisfaction verification from Buyer’s bank that cash funds for purchase of this property are available. If Buyer does not provide this verification in the time stated, or Seller is not satisfied with verification, Seller may elect to terminate this Purchase Contract pursuant to Paragraph O-3.”

ZONING:

“Buyer understands that property is zoned _____ and that the (basement apt.) (rental unit) may not meet local zoning requirements.”

“Property is in a (flood) (slide area) (Special Design District) (Conservation District).” If property is in a conservation-zoned area where there are water tanks instead of city water,” offer is subject to Buyers Approval of condition of water tanks.”

“Buyer understands that the property is zoned Agricultural and that farming is permitted. Neighbors may be farming and have chicken or animal husbandry farms.”

Part B Buyer’s Representation Contract

1, AKA “ Buyer’s Listing “ highly recommended to be signed with all Buyers Clients

2, Term: Minimum of Six months, Maximum of One Year

3, FORMS TO BE INCLUDED FOR PURCHASE CONTRACT REVIEW AND APPROVAL-BUYERS

Ideally, all offers and counter offers should be reviewed and approved by our BIC/PB prior to presentation to client including a Seller’s counter offer that our client would like to accept outright. Time constraints may mean having a client sign a contract before the review, but **contracts MUST be reviewed prior to submitting it to the other party**. This policy helps to minimize the agent’s potential liability.

I FORMS TO BE INCLUDED FOR REVIEWS OF BUYER’S OFFERS: (Send as separate PDF)

- ☐ Purchase Contract and all Addenda
- ☐ Cooperating Broker’s Separate Agreement (verify commission and GET)
- ☐ Full Agent MLS Printout
- ☐ TMK Info from MLS Realist

II. FORMS TO BE INCLUDED FOR REVIEWS OF COUNTER OFFERS, INCLUDING the SELLER'S COUNTER OFFERS WHEN BUYER IS ACCEPTING OUTRIGHT: (Send as Separate PDF)

- ☐ Purchase Contract and all Addenda
- ☐ Seller’s Counter Offer,
- ☐ Buyer’s Counter Offer, if applicable
- ☐ Full Agent MLS Printout
- ☐ TMK Info from MLS Realist

III. HELPFUL TIPS AND REMINDER

- **PROOFREAD!** Most errors are minor oversights that can be easily prevented. Mistakes on seemingly small details can prove costly for your client. Your goal is to submit contracts 100% free of errors. Proofreading is your first line of defense to minimize liability. The review process is your LAST line of defense.
- **PROVIDE BACKGROUND NOTES.** In your email, please mention special circumstances as to why you may have unusual terms in your offer. This minimizes delays in the review process.
- **ASK QUESTIONS.** If you are unsure how to structure a complicated transaction, ask the Contract Review Team prior to submitting your review. This creates less work for everyone involved. If you are partnering with a Senior Agent, have them proofread your contract prior to submitting.

IV. CONTRACT REVIEW PROCESS

- ☐ Email the forms in Part I or II above as email attachments to:
BIC@AlohaHomesAgents.com Text BIC/PB
- ☐ Include in your review request email a specific ""review by"" deadline (date/time).
- ☐ Call and/or text if review is urgent. If the Primary Contract Review Team is unavailable, then contact our Alternate Reviewers. *Mahalo for your kakua in keeping urgent reviews to a minimum when possible.*

Part C Listing Agreement

LISTING AGREEMENT rev 12/15/2021

Standard Practice:

1. Agent to provide Principal Broker with printed C&C Tax Info at the time of BIC signature request to include what debt is on the property. If debt isn't recorded then Seller provides the Agent the same.
2. If debt is higher than market value plus closing costs, then Short Sale Addendum and Distressed property Addendum must be added.
3. If the property appears to have had structural changes, additions, or any other physical changes, the agent will advise the seller to obtain a Permit Package within two weeks of the fully executed Listing Agreement.

4. If Seller is an investor, the agent should inquire if the seller intends to do a 1031 Tax Deferred Exchange.
5. A-4 Listing period. One year is ideal, 9 month is a good compromise, 6 months is minimum unless approved by the Principal Broker or Broker in Charge.
6. A-8 Protection Period: One hundred and twenty days. If the Seller objects then it can be reduced to 100 or 90 days. It is not to be less than 90 days.
7. A-9 Compensation to Cooperating Brokerage Firm: Wording is "Minimum 2.5%" unless otherwise approved by Principal Broker.
8. A-9 **Compensation is always to be expressed as a percentage of the final sale price.**
9. RE/MAX ALOHA HOMES **does not accept net listings.**

FORMS TO BE INCLUDED FOR LISTING AGREEMENT

CONTRACT REVIEW AND APPROVAL - SELLERS

Ideally, all contracts (like Listing Agreement, Purchase Agreement, Counter Offer) should be reviewed and approved by our BIC/PB prior to presentation to client. Time constraints may mean having a client sign a contract before the review, but all **Listing Contracts must be reviewed & signed by BIC**. This policy helps to minimize the agent's potential liability.

I FORMS TO BE INCLUDED FOR REVIEWS OF A NEW LISTINGS: (Send as separate PDF)

- ☐ EXCLUSIVE RIGHT-TO-SELL LISTING CONTRACT and all Addenda
- ☐ "AS IS" CONDITION ADDENDUM & HICENTRAL MLS, LTD. PROPERTY TYPE-SINGLE FAMILY OR CONDO
- ☐ DUAL AGENCY ADDENDUM TO LISTING AGREEMENT
- ☐ TMK Info from MLS Realist or FastWeb from First American Title

II. HELPFUL TIPS AND REMINDER

***** Have the Seller fill out the SELLER'S REAL PROPERTY DISCLOSURE STATEMENT after they'll sign the listing agreement as well** (you'll be happy you did, keep it, use it as a sales tool and have it ready for the Escrow Part of the transaction , no need to send it to BIC)

III. HELPFUL TIPS AND REMINDER

- **PROOFREAD!** Most errors are minor oversights that can be easily prevented. Mistakes on seemingly small details can prove costly for your client (as we as for you - MLS fines and liabilities). Your goal is to submit contracts 100% free of errors. Proofreading is your first line of defense to minimize liability. The review process is your LAST line of defense.
- **PROVIDE BACKGROUND NOTES.** In your email, please mention special circumstances as to why you may have unusual terms in your Listing Agreement. This minimizes delays in the review process.
- **ASK QUESTIONS.** If you are unsure how to structure a complicated Listing Agreement type of deal, ask the Contract Review Team (BIC/PB) prior to submitting your review. This creates less work for everyone involved. If you are partnering with a Senior Agent, have them proofread your contract prior to submitting.

IV. CONTRACT REVIEW PROCESS

- ☐ Email the forms in Part I as email attachments to: BIC@AlohaHomesAgents.com, Text BIC & PB as well
- ☐ Include in your "review request email a specific ""review by" deadline (date/time).
- ☐ Call and/or text if review is urgent. If the Primary Contract Review Team is unavailable, then contact our Alternate Reviewers. *Mahalo for your kakua in keeping urgent reviews to a minimum when possible.*

Part D Property Management Agreement

Please limit doing Property Management! It's a huge amount of work for a minimal amount of income! It also drives up the cost of Errors and Omissions Insurance and Commercial Liability Insurance due to the high risk associated with conducting this type of Real Estate business! Furthermore the time you spend doing Property Management will take away from the time you have to cultivate your Listing and Sales Business.

You need to run by the Principal Broker the property you are considering managing prior to creating a Property Management Agreement. The property and property owner needs to be the right fit for RE/MAX ALOHA HOMES in order to protect your license and that of the Brokerage.

The Property Management Fee is to be 10%, length of initial term to be one year, termination fee after the initial term is: Two months Management Fee or \$500 whichever is greater.

Special Terms: 1. RE/MAX ALOHA HOMES will not do GE Tax Filing on behalf of the Property Owner as we are not a licensed Accounting Firm. The link for Owners to set up the online payment of the GE Tax with the State of Hawaii is www.HiTax.Hawaii.Gov

Special Terms 2. Owner to receive proceeds via the following, to be Initialed:

- a) check mailed within the United States _____
- b). Direct Deposit in Bank of Hawaii _____, First Hawaiian Bank _____, American Savings Bank _____
- c) ACH Bank Authorization: _____

Part E Rental Agreement

1. Rent: Payment is due by 5:00PM the 1st day of the month.
2. Tenants must pay a late fee of 8% after a grace period of 3 days.
3. Security Deposit to equal a full month's rent. Security Deposit to be held by RAH Client Trust Account.
4. Rental Term: To be Six months minimum and One Year maximum, can roll into month to month thereafter.
5. Receipt By Tenant: Make sure House Rules are provided if this is a Condominium. Make sure Lead Based paint Pamphlet is included for pre 1978 housing.
6. Addenda:
 - a). Again Lead Paint Addendum for pre 1978 housing.
 - b). Property Condition Form.
 - c.) Always include RE/MAX ALOHA HOMES Rental Addendum.

