

LAND CONTRACT

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This Land Contract (this "**Contract**"), also known in some states as a contract for deed or installment land contract, is entered into as of [EFFECTIVE DATE] (the "**Effective Date**") by and between:

[SELLER LEGAL NAME(S)], of [SELLER ADDRESS] ("**Seller**"); and

[BUYER LEGAL NAME(S)], of [BUYER ADDRESS] ("**Buyer**").

Seller and Buyer are each a "**Party**" and together the "**Parties**."

Recitals. Seller owns the real property described below and is willing to sell it to Buyer on an installment basis, with Seller financing the purchase and retaining legal title until the price is paid in full. Buyer wishes to buy the property on those terms. In consideration of the mutual promises below, the Parties agree as follows.

1. The Property and Sale

1.1 The Property. Seller agrees to sell and Buyer agrees to buy the real property located at [PROPERTY ADDRESS, CITY, COUNTY, STATE], parcel number [PARCEL NUMBER], with the legal description [LEGAL DESCRIPTION], together with all improvements, fixtures, and appurtenances (the "**Property**").

1.2 Installment sale; retention of title. Seller will retain legal title to the Property as security until Buyer has paid the full Purchase Price and performed all obligations under this Contract. On full payment and performance, Seller will convey title under Section 8. Buyer holds equitable title and the right to possession described in Section 6.

1.3 As-is condition. Except for the representations in Section 9, Buyer accepts the Property in its present "as-is" condition and has had the opportunity to inspect it.

2. Purchase Price and Payment Terms

2.1 Purchase price. The total purchase price for the Property is [\$ PURCHASE PRICE] (the "**Purchase Price**").

2.2 Down payment. Buyer will pay a down payment of [\$ DOWN PAYMENT] on the Effective Date, leaving a financed balance of [\$ FINANCED BALANCE] (the "**Principal Balance**").

2.3 Interest. The Principal Balance bears interest at [RATE]% per year, which will not exceed the maximum rate permitted by applicable usury law. If the stated rate exceeds the lawful maximum, the rate is reduced to that maximum.

2.4 Installments. Buyer will pay the Principal Balance and interest in monthly installments of [\$ MONTHLY PAYMENT], due on the [DAY, e.g. 1st] of each month beginning [FIRST PAYMENT DATE], until paid in full.

2.5 Balloon payment. [SELECT ONE: There is no balloon payment. / The entire remaining balance is due as a balloon payment on [BALLOON DATE].] If a balloon applies, Buyer is responsible for arranging

refinancing or payment by that date.

2.6 Application of payments. Payments are applied first to accrued interest, then to principal, then to any other amounts due, unless applicable law requires another order.

2.7 Prepayment. Buyer may prepay all or part of the Principal Balance at any time without penalty, unless **[a prepayment provision is stated here]**.

2.8 Late charge. If a payment is more than **[NUMBER, e.g. 10]** days late, Buyer will pay a late charge of **[\$ AMOUNT OR PERCENT]**, to the extent permitted by applicable law.

3. Taxes, Insurance, and Assessments

3.1 Property taxes. Buyer will pay all real property taxes and assessments on the Property as they come due **[directly / through an escrow with Seller]**, beginning **[DATE]**, and will provide Seller proof of payment on request.

3.2 Insurance. Buyer will keep the Property insured against fire and other customary hazards for at least its full replacement value, naming Seller as an additional insured or loss payee, and will provide proof of coverage on request.

3.3 Seller's right to cure. If Buyer fails to pay taxes or maintain insurance, Seller may, after notice, pay them and add the amount to the Principal Balance, with interest at the rate in Section 2.3.

4. Existing Liens and Underlying Financing

4.1 Seller's representations on liens. Seller represents that the Property is **[free of liens / subject only to the mortgage or lien described in Schedule A]**.

4.2 Underlying mortgage. If an underlying mortgage exists, Seller will keep it current and will not increase its balance. Buyer's payments will be at least sufficient to allow Seller to keep any underlying loan current.

4.3 Wrap protection. If Seller defaults on an underlying loan, Buyer may make payments directly to the underlying lender and credit those amounts against the installments due under this Contract.

5. Maintenance and Use

5.1 Maintenance. Buyer will keep the Property in good repair, will not commit waste, and will comply with all laws, ordinances, and recorded restrictions applicable to the Property.

5.2 Improvements and alterations. Buyer may make improvements to the Property but will not allow any mechanic's lien to attach. Improvements become part of the Property and security for this Contract.

5.3 No transfer without consent. Buyer will not sell, assign, or encumber its interest in the Property or this Contract without Seller's prior written consent, which will not be unreasonably withheld, except **[as expressly permitted]**.

6. Possession

6.1 Possession. Buyer is entitled to possession of the Property from the Effective Date so long as Buyer is not in default, and may use the Property for any lawful purpose consistent with applicable zoning.

6.2 Quiet enjoyment. So long as Buyer performs under this Contract, Seller will not interfere with Buyer's possession and quiet enjoyment of the Property.

7. Recording

7.1 Recording of contract or memorandum. The Parties **[will / will not]** record this Contract or a memorandum of it in the public records of **[COUNTY, STATE]** to give notice of Buyer's interest. Recording requirements vary by jurisdiction and the Parties should follow local practice.

8. Conveyance on Full Payment

8.1 Deed on payment in full. When Buyer has paid the Purchase Price and interest in full and performed all obligations, Seller will, within **[NUMBER]** days, convey the Property to Buyer by **[WARRANTY DEED / SPECIAL WARRANTY DEED]**, free of liens created by or through Seller, subject only to taxes not yet due and recorded matters existing on the Effective Date.

8.2 Escrow of deed (optional). The Parties **[may / may not]** deposit a signed deed with an escrow agent to be released to Buyer on full payment.

9. Representations and Warranties

9.1 By Seller. Seller represents that, to Seller's knowledge: (a) Seller owns the Property and has authority to enter this Contract; (b) the Property is not subject to undisclosed liens or claims; and (c) Seller has disclosed all material defects required by law.

9.2 By Buyer. Buyer represents that Buyer has authority to enter this Contract and the financial ability to make the payments required.

10. Default and Remedies

10.1 Events of default. Buyer is in default if Buyer fails to make a payment when due, fails to pay taxes or maintain insurance, breaches another material obligation, or files for bankruptcy, and the failure continues after the notice and cure period in Section 10.2.

10.2 Notice and cure. Before exercising remedies, Seller will give Buyer written notice of the default and a period of at least **[NUMBER, e.g. 30]** days (or any longer period required by applicable law) to cure it.

10.3 Seller's remedies. On an uncured default, Seller may pursue the remedies available under applicable law, which may include forfeiture, acceleration, foreclosure of the Contract, or an action for the unpaid balance. The specific remedies and any required redemption or grace periods are governed by the law of **[STATE]**, which varies significantly and may protect a buyer who has built up substantial equity.

10.4 Buyer's remedies. If Seller defaults, Buyer may pursue any remedy available under applicable law, including specific performance and damages, and may withhold or redirect payments as provided in Section 4.3.

11. General Provisions

11.1 Governing law. This Contract is governed by the laws of the State of **[STATE]**, without regard to its conflict-of-laws rules, and by applicable local real property, recording, and consumer-protection law.

11.2 Notices. Notices must be in writing and delivered to the addresses above (or as updated in writing) and are effective on receipt.

11.3 Time of the essence. Time is of the essence as to all payment dates and deadlines.

11.4 Entire agreement; amendment. This Contract is the entire agreement on its subject and supersedes prior discussions. It may be amended only by a writing signed by both Parties.

11.5 **Severability and waiver.** If any provision is unenforceable, the rest remains in effect. Acceptance of a late or partial payment is not a waiver of the right to require timely payment in the future.

11.6 **Counterparts and electronic signature.** This Contract may be signed in counterparts and by electronic signature, each of which is an original and all of which together form one agreement.

IN WITNESS WHEREOF, the Parties have executed this Contract as of the Effective Date.

SELLER

BUYER

Signature: _____

Signature: _____

Printed name: **[NAME]**

Printed name: **[NAME]**

Title (if applicable): **[TITLE / N/A]**

Title (if applicable): **[TITLE / N/A]**

Date: _____

Date: _____

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