

**BOND FOR DEED**

**UNITED STATES OF AMERICA**

**BY:**

**STATE OF LOUISIANA**

**TO:**

**PARISH OF \_\_\_\_\_**

BE IT KNOWN, that on this \_\_\_\_\_ day of \_\_\_\_\_ A.D. 20\_\_\_\_, before me, the undersigned Notary Public duly commissioned and qualified in and for the State and Parish aforesaid, and in the presence of the competent witnesses hereinafter named and undersigned, PERSONALLY CAME AND APPEARED:

\_\_\_\_\_  
(Hereinafter called "Seller")

AND

\_\_\_\_\_  
(Hereinafter called "Purchaser")

Collectively the Seller and Purchaser are hereinafter referred to as "Appearers".

Appearers declare that this Contract is a **Bond for Deed** with each other to the effect that Seller will sell land; Purchaser will purchase the immovable property as hereinafter described with any and all improvements situated thereon.

NOW IT IS CLEARLY UNDERSTOOD AND AGREED THAT THIS DOCUMENT IS NOT A SALE, TRANSFER OR CONVEYANCE BUT ONLY A WRITTEN AGREEMENT TO SELL, TRANSFER AND CONVEY THE HEREIN DESCRIBED PROPERTY IN THE FUTURE PROVIDED ALL OF THE TERMS, CONDITIONS, PAYMENTS AND OBLIGATIONS SET FORTH HEREIN ARE FULLY, COMPLETELY AND TIMELY MET BY PURCHASER.

TERMS OF SALE: Appearers further declare that contemporaneously with the final payment, a sale is to be executed by the said Seller in favor of the said Purchaser in the standard form for a Louisiana cash sale with full warranty of title. The cost of all necessary certificates and vendor's fee shall be paid by Seller and all notarial fees and other expenses shall be paid by Purchaser.

PROPERTY: If, and only if, Purchaser makes all payments prescribed herein and promptly pays all tax assessments and insurance as set forth hereinafter. Seller will at that time execute a sufficient warranty deed, selling and conveying unto Purchaser the following described real property, to wit:

*PROPERTY DESCRIPTION*

The said property is subject to any and all restrictions, conditions and servitudes that may appear in the records of \_\_\_\_\_.

CERTIFICATES: Appearers take cognizance of the fact that no survey, nor title examination has been made on the herein described property examination has been made on the herein described property in connection with this Act, and Appearers do hereby relieve and release me, Notary, from any and all liability in connections with encroachment which might appear on such survey and title defects which might have been disclosed by such title examination.

PUBLIC RECORDS: This Bond for Deed will be recorded in the mortgage and conveyance records of the Parish where the Property is located.

PURCHASE PRICE: The total purchase price for the property and any improvements thereon shall be the sum of

\_\_\_\_\_ (\$\_\_\_\_\_) DOLLARS.

Appearers declared that contemporaneously with the execution of this instrument, Purchaser has paid to Seller the sum of

\_\_\_\_\_ (\$\_\_\_\_\_) DOLLARS,

cash in hand paid, the receipt whereof and the sufficiency thereof is hereby acknowledged, and Purchaser does hereby bind assigns, to pay unto Seller the additional sum of

\_\_\_\_\_ (\$\_\_\_\_\_) DOLLARS,

with interest at the rate of \_\_\_\_\_% per annum on the unpaid principal balance, payable as follows:

PAYMENTS: Said payments are to be made beginning \_\_\_\_\_, 20\_\_, and on the same day of each succeeding month thereafter until the full principal sum has been paid. All payments are to be made to Seller, or to any banking or savings institution designated by Seller. If such an institution is designated, the Purchaser will pay the collection fees required.

ACCELERATION: Seller may require immediate payment in full of all sums if:

1. Within any consecutive twelve-month period Purchaser defaults by failing to pay in full any two monthly payments within 30 days of the due date; OR,
2. Purchaser defaults by failing to pay in full any principal payment required by this Bond for Deed Contract within 30 days of the due date; OR
3. Purchaser defaults by failing, for a period of thirty days after notice, to perform any other obligations contained in this Bond for Deed contract.

**WARRANTY:** Seller further declares and warrants that the property is not subject to any liens or encumbrances whatsoever and has not been alienated since its acquisition of the same and transferred to the said Purchaser, execute or permit any mortgages, liens or encumbrances to be placed on the said property and will at the time that the title is transferred, clear any inscriptions appearing on the Mortgage and conveyance Certificates.

Further, the parties acknowledge that this contract is binding and heritable upon the heirs and assigns of all parties. In the event that the Purchaser must take legal action to cure any title defect, cancel any lien or encumbrance or other wise incur legal expenses to ensure transfer of the property (e.g. open succession in the event of the seller's death) those expenses, including attorneys' fees, will be paid by the Seller.

**TAX DEDUCTION:** The interest paid by the Purchaser shall be deductible on the income tax return of Purchaser as allowed by IRS.

**WAIVER:** Purchaser expressly consents to a waiver of the requirement of Louisiana Revised Statute 9:2943 that a Louisiana bank be designated as "Escrow" Agent. Seller and Purchaser expressly waive any right that they may have to claim the invalidity of this Bond for Deed Contract because of the noncompliance with the said statute and all parties agree not to initiate or suggest that any action be taken against Seller under R.S. 9:2947. Purchaser further understands that the said statutes are the Purchaser's protection.

**SPECIAL MORTGAGE:** In order to secure the full and faithful performance of the foregoing obligation of Seller to deliver title to the above described property, Seller does by these presents further specially mortgage and hypothecate the hereinabove property unto and in favor of Purchaser and Purchaser's successors and assigns.

The amount of this special mortgage is equal to the sum of all payments, including but not limited to interest, principal, insurance premiums, taxes, escrow or collection fees, the expenses of maintenance and repairs, and all other payments permitted and/or required by this contract, including reasonable

attorney's fees, paid by the Purchaser. This special mortgage shall also secure the loss value to Purchaser, which loss of value is defined to be the difference between the principal purchase price and the market value of the property at the time of foreclosure of this property. The maximum amount of the obligation secured by this special mortgage shall be three (3) times the purchase price.

**REPAIRS AND OCCUPANCY:** Purchaser is hereby granted the immediate right of exclusive occupancy of the herein described property and agrees to keep the property in good repair, to repair and maintain the improvements, and assume all risk of loss and destruction of said improvements. Purchaser agrees to keep the subject property covered under a termite contract with licensed and bonded pest control contractor.

**NO LIENS OR PRIVILEGES:** No person shall be entitled to a lien or privilege on the immovable property described hereinabove, nor a claim against Seller as owner, under R.S. 9:4801 or R.S. 9:4802 unless Seller shall have specifically agreed in writing to the price and work of any undertaking by Purchaser or any other Person.

**TAXES:** All taxes assessed against the herein described property up to and including the tax year 20\_\_ have been paid. Taxes for the tax year 20\_\_ have been prorated through the date hereof. All property taxes, any state, local or other assessments, from the date of this Act and thereafter shall be the responsibility of Purchaser, and will be promptly paid by Purchaser when due, prior to the time the same become delinquent.

**INSURANCE:** Purchaser further agrees to carry, at Purchaser's expense, fire and extended coverage (minimum \$ \_\_\_\_\_ personal liability) insurance and flood insurance in the minimum amount required. All necessary insurance policies to protect all parties to be in the names of the respective parties, Seller and Purchaser, as required. Certificates of such insurance shall be delivered to Seller at the time of execution of this agreement. It is understood and agreed that all insurance proceeds that might be paid under said insurance policies will be distributed between Seller and Purchaser as their respective interest may exist at the time of the payment of such insurance proceeds. If the existing insurance is continued, Purchaser agrees to review coverage to ascertain the suitability.

**DEFAULT:** Appearers further declare that the payment of each installment, plus the payment of all taxes, and any state, local or other assessments and insurance premiums is of the essence of this agreement and that if any of the said installments, taxes, assessments or insurance premiums are not paid when due or if Purchaser shall in any other manner violate the covenants hereunder, them in any of such events, Purchaser shall be in default and Seller shall have the right, at Seller's option:

1. To seek specific performance of this Agreement, and to accelerate all installments due for the unexpired term of this Agreement, and declare said amount immediately due and payable, together with an attorney's fee of 20% of the total amount due by Purchaser in the event an attorney is employed to protect any interest or enforce any rights of Seller under this Agreement. Upon payment of all such amounts Seller will immediately convey title to the herein described property to Purchaser. Purchaser expressly waives demand and all notices of demand; OR
2. To have this Agreement and the Special Mortgage granted hereinabove canceled in accordance with the provisions of R.S. 2945 and Civil Code Art. 2017, without the necessity of a judicial dissolution. It is expressly agreed that Seller may serve the required forty-five day notice. Purchaser expressly waives any additional time in which to perform that may be allowed by Louisiana Civil Code Art. 2013. In such event all of Purchaser's rights under this Agreement shall be forfeited as hereinafter provided.

**FORFEITURE:** in the event of such default and cancellation under R.S. 9:2945, the title to the above described property shall be free and clear from any and all claims by Purchaser, and Seller shall be entitled to retain all payments heretofore made by Purchaser and all improvements placed upon the said premises without reimbursing Purchaser therefor.

It is expressly agreed and stipulated that the initial payment, plus the total installments paid by Purchaser, constitute the stipulated compensatory amount and/or liquidated damages which Seller is entitled to retain to fairly compensate Seller for: (1) the fair and reasonable rental value of the property involved herein which is owed to Seller for Purchaser's use of the property during the term of this Agreement, (2) reasonable compensation owed to Seller for Seller's removal of the said property from the market, and the resultant loss of all opportunities to sell the subject property to a third party during the term of this agreement, (3) reimbursement of real estate broker's commission, closing fees and costs, taxes, fees and Federal and State incomes taxes paid or incurred by Seller as a result of this Agreement.

Further, Purchaser covenants and agrees that they and all persons holding possession of the property described herein shall immediately surrender said property and the improvements thereon to Seller upon cancellation of this Agreement.

**NO WAIVER:** Seller's failure to strictly and promptly enforce his rights under this Agreement shall NOT operate as a waiver of Seller's rights, and said Seller hereby expressly reserves the right to always enforce prompt payment of all installments during the entire term of this Agreement, or to seek cancellation of this Agreement and forfeiture of all payments to day of such cancellation, regardless of any indulgences or extensions previously granted.

COMPLIANCE: Each party agrees to comply with the reasonable requirements of the taxing and policing authorities having dominion over the property. Seller agrees to take no act which renders performance impossible by the Purchaser and to take all reasonable measures to permit Purchaser to satisfy Purchaser's obligations.

THUS DONE AND SIGNED, in my notarial offices at on the day, month and year first written at the beginning of this Agreement in the presence of \_\_\_\_\_ and \_\_\_\_\_, lawful and competent witnesses, who herewith sign their names with the Appearers, and me, Notary, after due reading of the whole.

WITNESSES:

SELLER

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

PURCHASER

\_\_\_\_\_  
\_\_\_\_\_

BEFORE ME

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NOTARY PUBLIC