Form RD 440-34 (Rev. 02-05)

Position 5

FORM APPROVED OMB NO. 0575-0189

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL DEVELOPMENT FARM SERVICE AGENCY

OPTION TO PURCHASE REAL PROPERTY

1. In consideration of the sum of \$	in hand paid and other valuable consideration, the
	he undersigned (hereinafter called the "Seller"), who covenants to be s, executors, administrators, successors and assigns, offers and agrees
	ame and Address)
(hereinafter called the "Buyer"), and hereby grants to the said	d Buyer the exclusive and irrevocable option and right to purchase, under
the conditions hereinafter provided, the following-described	property, located in
County, State of	:
(Insert here full and complete legal description, including vo and water stock being purchased.)	plume and page where recorded, of the property including any water rights

The title to said property is to be conveyed free and clear of all encumbrances except for the following reservations, exceptions and leases, and no others:
(insert here a full statement of all reservations, exceptions and leases, including in the case of leases, the date of the termination of the lease, the correct name(s) and address(es) of the lessee(s) and, if recorded, the place of recordation)
2. The option is given to enable the Buyer to obtain a loan made by the United States of America, acting through the Rural Housing Service; Rural Utilities Service; Rural Business-Cooperative Service; Farm Service Agency, hereinafter called the "Government" for the purchase of said property. It is agreed that the Buyer's efforts to obtain a loan constitute a part of the consideration for this option and any downpayment will be refunded if the loan cannot be processed by the Government.
3. The total purchase price for said property is \$, said amoun
includes mentioned in paragraph 1 4. The Seller agrees to pay all expenses of title clearance including, if required, abstract or certificate of title or policy of title insurance, continued down to the date of acceptance of this option and thereafter continued down to and including date of recordation of the deed from the Seller to the Buyer, costs of survey, if required, and attorney's fees; and the Seller agrees that, except as herein provided, all taxes, liens, encumbrances or other interests in third persons will be satisfied discharged, or paid by the Seller including stamp taxes and other expenses incident to the preparation and execution of the deed and other evidences of title. Title evidences will be obtained from persons and be in such form as the Government shall approve. (Strike inapplicable language above or insert herein any different agreement regarding the paying of title clearance charges)

- 5. The Seller also agrees to secure for the Buyer, from the records of the Farm Service Agency, aerial surveys of the property when available, all obtainable information relating to allotments and production history and any other information needed in connection with the consideration of the proposed purchase of the property.
- 6. The Seller further agrees to convey said property to the Buyer by general warranty deed (except where the law provides otherwise for conveyances by trustees, officers of courts, etc.) in the form, manner and at the time required by the "Government, conveying to the Buyer a valid, unencumbered, indefeasible fee-simple title to said property meeting all requirements of the Government; that the purchase price shall be paid at the time of recording such deed; and that said lands, including improvements, shall be delivered in the same condition as they now are, customary use and wear excepted.
- 7. Taxes, water assessments and other general and special assessments of whatsoever nature for the year in which the closing of the transaction takes place shall be prorated as of the date of the closing of the transaction, it being expressly agreed that for the purpose of such proration the tax year shall be deemed to be the calendar year. If the closing of the transaction shall occur before the tax rate is fixed, the apportionment of taxes shall be on the basis of the tax rate for the next preceding year applied to the latest assessed valuation.

(Insert here any different tax agreement)

8. This option may be exercised by the Buy	er, at any time while the offer here	in shall remain in force, by mailing, telegraphing or
delivering in person a written notice of acceptance	ce of the offer herein to	
at	, in the city of	
County of	, State of	
The offer herein shall remain irrevocable for a point force thereafter until one (1) year from this offer at any time after the	months irrevocable e at the address of the Buyer. Accep	months from the date hereof and shall remain ninated by the Seller. The Seller may terminate period provided herein by giving to the Buyer tentance of this option by the Buyer within ten (10) he option.
	mage occurs, the Buyer may, without	isk of the Seller until the deed to the Buyer has been out liability, refuse to accept conveyance of title, or stment of the purchase price.
	ise to accept conveyance of the pro-	e Buyer, or the Buyer's assignees, may, if the option perty described herein if the foresaid loan cannot be urchased by, the buyer.
) is now free of termite infestation	e from a reliable firm certifying that the following and (b) either is now free of unrepaired termite the certificate.
	n for the dwelling is functioning pro	nce from the Health Department or a reliable and operly, and the water supply for domestic use meets efore a loan will be approved.
13. The Seller hereby gives the Governmen inspecting or appraising it, in connection with the		aid property at reasonable times for the purpose of operty.
14. Insert here conditions peculiar to this pa	rticular transaction.	(Sellers Telephone Number)
	d the Buyer have set their hands an	d seals this day
of, WITNESSESS:	 .	
		(Seller) *
		(Seller) *
		(Buyer) *
		(Buyer) *

(For use if Seller is a corporation)

	day of		
(CORPORA [*]	ΓΕ SEAL)		
`	,		Name of Corporation
ATTEST:		By:	
		Secretary	President.

ACKNOWLEDGMENT