

Chapter 47H.

Contracts for Deed.

§ 47H-1. Definitions.

The following definitions apply in this Chapter:

- (1) Contract for deed or contract. – An agreement, whether denominated a "contract for deed," "installment land contract," "land contract," "bond for title," or any other title or description in which the seller agrees to sell an interest in property to the purchaser and the purchaser agrees to pay the purchase price in five or more payments exclusive of the down payment, if any, and the seller retains title to the property as security for the purchaser's obligation under the agreement.
- (2) Cure the default. – To perform the obligations under the contract that are described in the notice of default and intent to forfeit required by G.S. 47H-4 and that are necessary to reinstate the contract. This term is synonymous with the term "cure."
- (3) Down payment. – A payment made by the purchaser to the seller that constitutes part of the purchase price of property that is the subject of a contract for deed and that is made or agreed to in connection with the execution of that contract.
- (4) Forfeiture. – The termination of all of a purchaser's rights, title, and interest, and those of persons or entities claiming by or through a purchaser, in property that is the subject of a contract for deed, to the extent permitted by this Chapter, because of a breach of one or more of the purchaser's obligations under the contract.
- (5) Property. – Either (i) real estate located in this State, upon which there is located or there is to be located a structure or structures designed principally for occupancy of from one to four families that is or will be occupied by the purchaser as the purchaser's principal dwelling, or (ii) a manufactured home, as that term is defined in G.S. 143-149.9, that is located in this State and is or will be occupied by a purchaser as the purchaser's principal dwelling, if the purchase price is five thousand dollars (\$5,000) or more.
- (6) Purchaser. – An individual or entity that purchases an interest in property under a contract for deed, or any legal successor in interest to that individual.
- (7) Seller. – A person or entity that makes a sale of property by means of a contract for deed, or the person's or entity's successor in interest. (2010-164, s. 4.)