WORKING WITH REAL ESTATE AGENTS

When buying or selling real estate, you may find it helpful to have a real estate agent assist you. Real estate agents can provide many useful services and work with you in different ways. In some real estate transactions, the agents work for the seller. In others, the seller and buyer may each have agents. And sometimes the same agents work for both the buyer and the seller. It is important for you to know whether an agent is representing you as **your** agent or simply assisting you while acting as an agent of the other party.

This brochure addresses the various types of agency relationships that may be available to you. It should help you decide which relationship you want to have with a real estate agent. It will also give you useful information about the various services real estate agents can provide buyers and sellers, and it will help explain how real estate agents are paid.

SELLERS

Seller's Agent

If you are selling real estate, you may want to "list" your property for sale with a real estate firm. If so, you will sign a "listing agreement" authorizing the firm and its agents to represent you in your dealings with buyers as your *seller's agent*. You may also be asked to allow agents from other firms to help find a buyer for your property.

Be sure to read and understand the listing agreement before you sign it. Your agent must give you a copy of the listing agreement after you sign it.

Duties to Seller: The listing firm and its agents must • promote your best interests • be loyal to you • follow your lawful instructions • provide you with all material facts that could influence your decisions • use reasonable skill, care and diligence, and • account for all monies they handle for you. Once you have signed the listing agreement, the firm and its agents may not give any confidential information about you to prospective buyers or their agents without your permission so long as they represent you. But until you sign the listing agreement, you should avoid telling the listing agent anything you would not want a buyer to know.

Services and Compensation: To help you sell your property, the listing firm and its agents will offer to perform a number of services for you. These may include • helping you price your property • advertising and marketing your property • giving you all required property disclosure forms for you to complete • negotiating for you the best possible price and terms • reviewing all written offers with you and • otherwise promoting your interests.

For representing you and helping you sell your property, you will pay the listing firm a sales commission or fee. The listing agreement must state the amount or method for determining the sales commission or fee and whether you will allow the firm to share its commission with agents representing the buyer.

Dual Agent

You may even permit the listing firm and its agents to represent you **and** a buyer at the same time. This "dual agency relationship" is most likely to happen if an agent with your listing firm is working as a *buyer's agent* with someone who wants to purchase your property. If this occurs and you have not already agreed to a dual agency relationship in your listing agreement, your listing agent will ask you to amend your listing agreement to permit the agent to act as agent for both you and the buyer.

It may be difficult for a *dual agent* to advance the interests of both the buyer and seller. Nevertheless, a *dual agent* must treat buyers and sellers fairly and equally. Although the *dual agent* owes them the same duties, buyers and sellers can prohibit *dual agents* from divulging **certain** confidential information about them to the other party.

Some firms also offer a form of dual agency called "designated agency" where one agent in the firm represents the seller and another agent represents the buyer. This option (when available) may allow each "designated agent" to more fully represent each party.

If you choose the "dual agency" option, remember that since a dual agent's loyalty is divided between parties with competing interests, it is especially important that you have a clear understanding of • what your relationship is with the *dual agent* and • what the agent will be doing for you in the transaction.



BUYERS

When buying real estate, you may have several choices as to how you want a real estate firm and its agents to work with you. For example, you may want them to represent only you (as a buyer's agent). You may be willing for them to represent both you and the seller at the same time (as a dual agent). Or you may agree to let them represent only the seller (seller's agent or subagent). Some agents will offer you a choice of these services. Others may not.

Buyer's Agent

Duties to Buyer: If the real estate firm and its agents represent you, they must • promote your best interests • be loyal to you • follow your lawful instructions • provide you with all material facts that could influence your decisions • use reasonable skill, care and diligence, and • account for all monies they handle for you. Once you have agreed (either orally or in writing) for the firm and its agents to be your buyer's agent, they may not give any confidential information about you to sellers or their agents without your permission so long as they represent you. But until you make this agreement with your buyer's agent, you should avoid telling the agent anything you would not want a seller to know.

Unwritten Agreements: To make sure that you and the real estate firm have a clear understanding of what your relationship will be and what the firm will do for you, you may want to have a written agreement. However, some firms may be willing to represent and assist you for a time

as a buyer's agent without a written agreement. But if you decide to make an offer to purchase a particular property, the agent must obtain a written agency agreement before writing the offer. If you do not sign it, the agent can no longer represent and assist you and is no longer required to keep information about you confidential.

Be sure to read and understand any agency agreement before you sign it. Once you sign it, the agent must give you a copy of it.

Services and Compensation: Whether you have a written or unwritten agreement, a buyer's agent will perform a number of services for you. These may include helping you • find a suitable property • arrange financing • learn more about the property and • otherwise promote your best interests. If you have a written agency agreement, the agent can also help you prepare and submit a written offer to the seller.

A buyer's agent can be compensated in different ways. For example, you can pay the agent out of your own pocket. Or the agent may seek compensation from the seller or listing agent first, but require you to pay if the listing agent refuses. Whatever the case, be sure your compensation arrangement with your buyer's agent is spelled out in a buyer agency agreement before you make an offer to purchase property and that you carefully read and understand the compensation provision.

Dual Agent

You may permit an agent or firm to represent you and the seller at the same time. This "dual agency relationship" is most likely to happen if you become interested in a property listed with your buyer's agent or the agent's firm. If this occurs and you have not already agreed to a dual agency relationship in your (written or oral) buyer agency agreement, your buyer's agent will ask you to amend the buyer agency agreement or sign a separate agreement or document permitting him or her to act as agent for both you and the seller. It may be difficult for a dual agent to advance the interests of both the buyer and seller. Nevertheless, a dual agent must treat buyers and sellers fairly and equally

Although the dual agent owes them the same duties, buyers and sellers can prohibit dual agents from divulging certain confidential information about them to the other party.

Some firms also offer a form of dual agency called "designated dual agency" where one agent in the firm represents the seller and another agent represents the buyer. This option (when available) may allow each "designated agent" to more fully represent each party.

If you choose the "dual agency" option, remember that since a dual agent's loyalty is divided between parties with competing interests, it is especially important that you have a clear understanding of • what your relationship is with the dual agent and • what the agent will be doing for you in the transaction. This can best be accomplished by putting the agreement in writing at the earliest possible time.



Seller's Agent Working With a Buyer

If the real estate agent or firm that you contact does not offer *buyer agency* or you do not want them to act as your *buyer agent*, you can still work with the firm and its agents. However, they will be acting as the *seller's agent* (or "subagent"). The agent can still help you find and purchase property and provide many of the same services as a *buyer's agent*. The agent must be fair with you and provide you with any "material facts" (such as a leaky roof) about properties.

But remember, the agent represents the seller not you—and therefore must try to obtain for the seller the best possible price and terms for the seller's property.

Furthermore, a *seller's agent* is required to give the seller any information about you (even personal, financial or confidential information) that would help the seller in the sale of his or her property. Agents must tell you *in writing* if they are *sellers' agents* before you say anything that can help the seller. But **until you are sure that an agent is not a** *seller's agent*, you should avoid saying anything you do *not* want a seller to know. *Sellers' agents* are compensated by the sellers.

Disclosure of Seller Subagency

(Complete, if applicable)

When showing you property and assisting you in the purchase of a property, the above agent and firm will represent the SELLER. For more information, see "Seller's Agent Working with a Buyer" in the brochure.

Agent's Initials Acknowledging Disclosure:

losure:

(Note: This brochure is for informational purposes only and does not constitute a contract for service.) The North Carolina Real Estate Commission
P.O. Box 17100 • Raleigh, North Carolina 27619-7100 919/875-3700 • Web Site: www.ncrec.gov REC 3.45 3/1/13
00,000 copies of this public document were printed at a cost of \$.000 per copy.



Scan the code above to access the Commission Web site from your mobile devices.

FOR BUYER/SELLER

| Agent Name: Ja | ines itempoki | — |
|-----------------|----------------------|---|
| License Number: | 271183 | |
| Firm Name: | Mallard Realty Group | |
| Date: | | |

Agent Name, James Kemnski

Agents are required to review this with you and must retain this acknowledgment for their files. This is not a contract.

By signing, I acknowledge that the agent named below furnished a copy of this brochure and reviewed it with me.

Buyer Signature

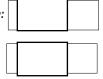
Co-Buyer Signature

Disclosure of Seller Subagency

(Complete, if applicable)

When showing you property and assisting you in the purchase of a property, the above agent and firm will represent the SELLER. For more information, see "Seller's Agent Working with a Buyer" in the brochure.

Buyer's Initials Acknowledging Disclosure:



This is a summary of how deposits, due diligence, and earnest money work in NC. In the offer, there are 3 different dollar amounts that we will need to include.

- The 1st is (of course) the offer price.
- The 2nd is the due diligence fee, and the 3rd is the earnest money. In NC, buyers are allowed a certain period of time, called the due diligence period (which is negotiable) to do your inspections, negotiate on any repairs that are necessary, and to get the appraisal done through your bank. Within 24 hours of going under contract, we will need to deliver the due diligence check to the seller. The amount of this fee is negotiable and is determined completely based on the house and if we are competing with any other offers. If for any reason you decide to terminate the contract, the seller keeps this deposit no matter what. If all goes as planned, then you will get it back as a credit towards your down payment and closing costs. We can get into details of the different scenarios of why a buyer would terminate a contract once we start looking at homes.
- Lastly, as for the earnest money, this amount is generally 1%-1.5% of the offer price, but this also depends on the situation of the house. Like I mentioned with the due diligence fee. The earnest money is held in escrow with our closing attorney and is refundable during the due diligence period if the contract is terminated. If for some reason the contract is terminated AFTER the due diligence period, then the seller keeps this deposit as well. I will be perfectly honest though, the only time I've seen a contract fall through after the due diligence period is when a buyer either got extreme cold feet, or something crazy happens with their financing. Again, if all goes as planned, then you will get this money back as a credit towards your down payment and closing costs. I know this all sounds a bit much, so please let me know if you have any questions.

We didn't go into great detail about some of the costs that are related to purchasing a home, so here are some estimated costs for inspections, appraisal, and some other items. I've included a list below of these items for you to keep as a reference.

Home Inspection - Between \$450-\$650 + (depending on size and age of home)

Termite Inspection – Between \$90-\$125 +

HVAC Inspection - Between \$150-\$150 + (depending on how many units)

Property Survey (Not Required)- Between \$450-\$550 + (price varies depending on the size of land)- N/A for a condo or townhome.

Appraisal - This differs depending on which lender you choose, but usually about \$425-\$550 +

Attorney Fee - Between \$900-\$1200 + (this is a closing cost, so this isn't paid upfront)

Here are a few lenders that I wanted to share with you in case you wanted to shop around a bit. If you do reach out to any of them, please be sure to tell them that you're working with me and they will take extra special care of you.

Tina Konidaris

DASH Lending

919-256-3122 - Office

919-412-5301 - Cell

tkonidaris@primeres.com

William Scroggs

corporate Investors

<u>919.525.3660 - Office</u>

<u>919.428.5140 - Cell</u>

will@robbyoakes.com

www.robbyoakes.com

Audra Ange

Homeside Mortgage

919-973-2836 - Office

919-491-8369 - Cell

aange@gohomeside.com

At some point, you will need to get a homeowners insurance policy set up once we are under contract, so I have a couple of insurance agents that I refer clients to that are extremely helpful:

Dimetrius Hatcher Allstate 4324 S Alston AV Durham NC 27713 Bus. 919-249-7291

Cell. 413-246-6732

Matt Ellington

Farm Bureau Insurance

2902 S. Miami Blvd, Suite A

Durham, NC, 27703

Bus <u>919.544.4953</u>

Fax <u>919.572.8936</u>

Maz Ganim

Brightway Insurance

office: 919-443-3300 ext. 3

cell: 919-744-1019

maz.ganim@brightway.com

Here is the contact information for the home inspectors I recommend to all of my clients. They all do a really great job and would be able to help with any home we end up finding.

Billy Spaker

<u>919-818-2022</u>

billy@allinspected.com

Luis Turner

919-291-1160

Itinspections1@gmail.com

http://www.ltinspections.com

Yu Zhang

Clarity Home Inspections

919-413-6106

hiyu64@gmail.com

Q: Should I be present when the home inspection is performed?

A: Whenever possible, you should be present. The inspector can review with you the results of the inspection and point out any problems found. Usually the inspection of the home can be completed in two to three hours (the time can vary depending upon the size and age of the dwelling). The Home Inspector must give you a written report of the home inspection within three business days after the inspection is performed (unless otherwise stated in your contract with the Home Inspector). The home inspector neport is your property. The Home Inspector may only give it to you and may not share it with other persons without your permission.



Q: Are all inspection reports the same?

A: No. While the Home Inspector Licensure Board has established a minimum requirement for report-writing, reports can vary greatly. They can range from a "checklist" of the systems and components to a full narrative evaluation or any combination of the two. Home Inspectors are required to give you a written "Summary" of their inspection identifying any system or component that does not function as intended, or adversely affects the habitability of the dwelling, or appears to warrant further investigation by a specialist. The summary does not necessarily include all items that have been found to be defective or deficient. Therefore, do not read <u>only</u> the summary. Carefully read and understand the entire home inspection report.





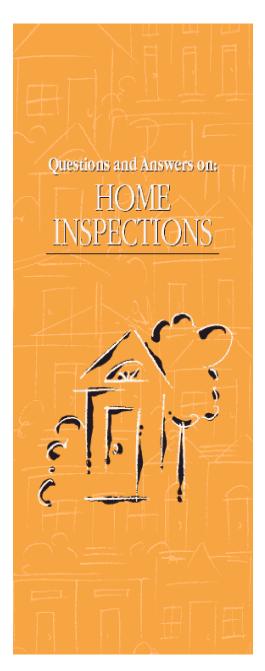
Q: What should I do if I feel something has been missed on the inspection?

A: Before any repairs are made (except emergency repairs), call the inspector or inspection company to discuss the problem. Many times a "trip charge" can be saved by explaining the problem to the inspector who can answer the question over the telephone. This also gives the inspector a chance to promptly handle any problems that may have been overlooked in the inspection.

Q: If, following the home inspection, the seller repairs an item found in the home inspection, may I have the Home Inspector perform a "re-inspection"?

A: Yes. Some repairs may not be as straightforward as they might seem. The inspector may be able to help you evaluate the repair, but you should be aware that the re-inspection is not a warranty of the repairs that have been made. Some Home Inspectors charge a fee for re-inspections. The North Carolina Real Estate Commission P.O. Box 17100 Raleigh, North Carolina 27619-7100 919/875-3700 Web Site: www.ncrec.state.nc.us

REC 3.46 8/1/05



Questions and Answers on: HOME INSPECTIONS

For most persons, purchasing a home is the largest investment they will ever make. It is no wonder then that many homebuyers employ professionals to inspect the structural and mechanical systems of the home and report to them on their condition. Sometimes sellers also employ Home Inspectors to alert them to problems with their homes which could arise later in the transaction. But normally Home Inspectors are employed by buyers. For this reason, this brochure is written from the viewpoint of the potential homebuyer.

This brochure is a joint publication of the North Carolina Home Inspector Licensure Board and the North Carolina Real Estate Commission designed to give consumers a better understanding of the home inspection process. What a home inspection is, who can perform an inspection and what to expect. If you have further questions regarding home inspections and Home Inspectors, you should contact the North Carolina Home Inspector Licensure Board, 322 Chapanoke Road, Suite 200, Raleigh, NC 27603 919/662-4480.



Q: What is a home inspection?

A: It is an evaluation of the visible and accessible systems and components of a home (plumbing system, roof, etc.) and is intended to give the client (usually a homebuyer) a better understanding of their condition. It is also important to know what a home inspection is not! It is not an appraisal of the property's value; nor should you expect it to address the cost of repairs. It does not guarantee that the home complies with local building codes (which are subject to periodic change) or protect you in the event an item inspected fails in the future. [Note: Warranties can be purchased to cover many items.] Nor should it be considered a "technically exhaustive" evaluation, but rather an evaluation of the property on the day it is inspected, taking into consideration normal wear and tear.



Q: Can anyone perform a home inspection?

A: No. Only persons licensed by the North Carolina Home Inspector Licensure Board are permitted to perform home inspections for compensation. To qualify for licensure, they must satisfy certain education and experience requirements and pass a state licensing examination. Their inspections must be conducted in accordance with the Board's Standards of Practice and Code of Ethics.



Q: Why should I have the home inspected?

A: Most homebuyers lack the knowledge, skill and emotional detachment needed to inspect homes themselves. By using the services of a licensed Home Inspector, they can gain a better understanding of the condition of the property, especially whether any items do not "function as intended" or "adversely affect the habitability of the dwelling" or "warrant further investigation" by a person who specializes in the item in question.

Q: In my home purchase I have chosen to sign the standard *Offer to Purchase and Contract** form which many real estate and legal professionals use. It states that I have the right to have the home inspected and the right to request that the seller repair identified problems with the home. Will the home inspection identify all of these problems?

*Jointly approved and copyrighted by the North Carolina Association of REALTORS® and the North Carolina Bar Association.

A: Yes and No. Home Inspectors typically evaluate structural components (floors, walls, roofs, chimneys, foundations, etc.), mechanical systems (plumbing, electrical, heating/air conditioning), installed appliances and other major components of the property. The Home Inspector Licensure Board's Standards of Practice do not require Home Inspectors to report on: wood-destroying insects, environmental contamination, pools and spas, detached structures and certain other items listed in the *Offer to Purchase and Contract* form. Always ask the Home Inspector if he covers all the things which are important to you. If not, it is your responsibility to arrange for an inspection of these items by the appropriate professionals. For a description of the services to be provided by the Home Inspector (and their cost), you should read carefully the written contract which the Home Inspector must give you and which you must sign before the Home Inspection can be performed.



Q: How do I request a home inspection, and who will pay for it?

A: You can arrange for the home inspection or ask your real estate agent to assist you. Unless you otherwise agree, you will be responsible for payment of the home inspection and any subsequent inspections. If the inspection is to be performed after you have signed the purchase contract, be sure to schedule the inspection as soon as possible to allow adequate time for any repairs to be performed.

Continued

PROFESSIONAL SERVICES DISCLOSURE AND ELECTION

[See Guidelines (Form 760G) for instructions on completing this form]

| Proper | ty Address: | | | |
|--------|-------------|----------------------|--|--|
| Buyer | or Seller: | | | |
| Real E | state Firm: | Mallard Realty Group | | |

("Property")

("Firm")

1. There are professional services that typically are performed in connection with the purchase and sale of real estate. Buyer or Seller understands that Firm cannot give advice in certain matters that may relate to the purchase or sale of the Property, including but not limited to matters of law, taxation, financing, surveying, wood-destroying insect infestation, structural soundness of engineering.

2. Buyer or Seller acknowledges Firm has recommended that Buyer or Seller consult with a professional for an opinion regarding each service listed below to be performed pursuant to Buyer or Seller's purchase or sale of the Property. Regarding each such service, Buyer or Seller has either selected the service provider listed or elected not to have the service performed. Although Firm may provide Buyer or Seller the names of providers who claim to perform services in one or more of the listed areas, Buyer or Seller understands that Firm cannot guarantee the quality of service or level of expertise of any such provider. Buyer or Seller agrees to pay the full amount due for all services directly to the service provider whether or not the transaction closes.

| Service | Selected (initial) | Waived (initial) | Name(s) of Service Providers(s) | Who Orders |
|-----------------------------|--------------------|-------------------------|--|---------------|
| Accountant/CPA /Tax Advisor | | | | |
| Appraisal | | | Tim McNamera 919-329-2997 Kevin Hayes 919-698-2009 | Bank |
| Attorney/Title Exam/Closing | | | Arges Law - 919-384-8000 Arnette Law - 919-747-2208 | Client |
| Home Inspections | | | ' Billy Spaker 919-818-2022 Jeff Moss-Structural Engineer 919-740-0188 | Client |
| Home Warranty | | | Americas Prefered 800-648-5006 HSA Home Warranty 800-367-1448 | Client |
| Mortgage Loan | | | Home side Mortgage-919-491-8369 Will Scroggs Corp INV- 919-428-5140 Dash Lending -919-413-4847 | Client |
| Property Insurance | | | Dimetrius Hatcher Allstate 919-249-7291 Matt Ellington Farm Bureau Ins. 919-544-4953 | Client |
| Radon Inspection | | | Billy Spaker 919-818-2022 | Client |
| Septic Inspection | | | Water work inc http://waterworkinc.com/ | Client |
| Survey* (see note below) | | | Cliff Credle- 919-682-2006 | Client |
| Title Insurance | | | Arges Law - 919-384-8000 | Client |
| Well/Water Inspection | | | Water work inc http://waterworkinc.com/ | Client |
| Wood Infestation | | | Billy Spaker 919-818-2022 | Client |
| HVAC ac/heat | | | Hayes AC/ Heat 919-471-8020 | |
| | | | | |
| | | | | |



North Carolina Association of REALTORS®, Inc.



STANDARD FORM 760 Revised 7/2013 ©7/2013

Individual Agent initials_

Buyer or Seller initials

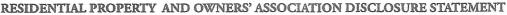
3. Buyer or Seller hereby agrees to indemnify and hold Firm harmless from and against any and all liability, claim, loss, damage, suit, or expense that Firm may incue either as a result of Buyer or Seller's selection and use of any of the listed service providers or Buyer or Seller's election not to have one or more of the listed services performed.

*NOTE REGARDING SURVEYS: Situations arise all too often that could have been avoided if the buyer had obtained a new survey from a NC registered surveyor. A survey will normally reveal such things as encroachments on the Property from adjacent properties (fences, driveways, etc.); encroachments from the Property onto adjacent properties; road or utility easements crossing the Property; violations of set-back lines; lack of legal access to a public right-of-way; and indefinite or erroneous legal descriptions in previous deeds to the Property. Although title insurance companies may provide lender coverage without a new survey, the owner's policy contains an exception for easements, set-backs and other matters which would have been shown on a survey. Many such matters are not public record and would not be included in an attorney's title examination. In addition, if the buyer does not obtain their own survey, they would have no claim against a surveyor for inaccuracies in a prior survey.

THE NORTH CAROLINA ASSOCIATION OF REALTORS®, INC. MAKES NO REPRESENTATION AS TO THE LEGAL VALIDITY OR ADEQUACY OF ANY PROVISION OF THIS FORM IN ANY SPECIFIC TRANSACTION.

| Buyer or Seller | Signature of individual agent |
|-----------------|-------------------------------|
| | Mallard Realty Group |
| Buyer or Seller | Real Estate Firm (print name) |
| Date: | Date: |

STATE OF NORTH CAROLINA



Instructions to Property Owners

- 1. The Residential Property Disclosure Act (G.S. 47E) ("Disclosure Act") requires owners of residential real estate (single-family homes, individual condominiums, townhouses, and the like, and buildings with up to four dwelling units) to furnish buyers a Residential Property and Owners' Association Disclosure Statement ("Disclosure Statement"). This form is the only one approved for this purpose. A disclosure statement must be furnished in connection with the sale, exchange, option, and sale under a lease with option to purchase where the tenant does not occupy or intend to occupy the dwelling. A disclosure statement is not required for some transactions, including the first sale of a dwelling which has never been inhabited and transactions of residential property made pursuant to a lease with option to purchase where the lessee occupies or intends to occupy the dwelling. For a complete list of exemptions, see G.S. 47E-2.
- 2. You must respond to each of the questions on the following pages of this form by filling in the requested information or by placing a check ($\sqrt{}$) in the appropriate box. In responding to the questions, you are only obligated to disclose information about which you have actual knowledge.
 - a. If you check "Yes" for any question, you must explain your answer and either describe any problem or attach a report from an attorney, engineer, contractor, pest control operator or other expert or public agency describing it. If you attach a report, you will not be liable for any inaccurate or incomplete information contained in it so long as you were not grossly negligent in obtaining or transmitting the information.
 - b. If you check "No," you are stating that you have no actual knowledge of any problem. If you check "No" and you know there is a problem, you may be liable for making an intentional misstatement.
 - c. If you check "No Representation," you are choosing not to disclose the conditions or characteristics of the property, even if you have actual knowledge of them or should have known of them.
 - d. If you check "Yes" or "No" and something happens to the property to make your Disclosure Statement incorrect or inaccurate (for example, the roof begins to leak), you must promptly give the buyer a corrected Disclosure Statement or correct the problem.
- 3. If you are assisted in the sale of your property by a licensed real estate broker, you are still responsible for completing and delivering the Disclosure Statement to the buyers; and the broker must disclose any material facts about your property which he or she knows or reasonably should know, regardless of your responses on the Disclosure Statement.
- 4. You must give the completed Disclosure Statement to the buyer no later than the time the buyer makes an offer to purchase your property. If you do not, the buyer can, under certain conditions, cancel any resulting contract (See "Note to Buyers" below). You should give the buyer a copy of the Disclosure Statement containing your signature and keep a copy signed by the buyer for your records.

Note to Buyer: If the owner does not give you a Residential Property and Owners' Association Disclosure Statement by the time you make your offer to purchase the property, you may under certain conditions cancel any resulting contract without penalty to you as the buyer. To cancel the contract, you must personally deliver or mail written notice of your decision to cancel to the owner or the owner's agent within three calendar days following your receipt of the Disclosure Statement, or three calendar days following the date of the contract, whichever occurs first. However, in no event does the Disclosure Act permit you to cancel a contract after settlement of the transaction or (in the case of a sale or exchange) after you have occupied the property, whichever occurs first.

5. In the space below, type or print in ink the address of the property (sufficient to identify it) and your name. Then sign and date. Property Address:

Owner's Name(s):___

| Owner(s) acknowl | edge(s) having ex | camined this Disclosu | re Statement befor | re signing and | l that all information | n is true and correct as |
|---------------------|-------------------|-----------------------|--------------------|----------------|------------------------|--------------------------|
| of the date signed. | 0 | | 5 | 0 0 | 5 | |
| | | | | | | |

Date

Owner Signature:

| | Date |
|--|---|
| Buyers acknowledge receipt of a copy of this Disclosure Statement; that they have ex | camined it before signing; that they understand that |
| this is not a warranty by owners or owners' agents; that it is not a substitute for an | y inspections they may wish to obtain; and that the |
| representations are made by the owners and not the owners' agents or subagents. | Buyers are strongly encouraged to obtain their own |
| inspections from a licensed home inspector or other professional. As used herein, wor | rds in the plural include the singular, as appropriate. |
| | |

Buyer Signature: Date _____ Date _____

REC 4.22 REV 7/18 Property Address/Description: _

The following questions address the characteristics and condition of the property identified above about which the owner has <u>actual knowledge</u>. Where the question refers to "dwelling," it is intended to refer to the dwelling unit, or units if more than one, to be conveyed with the property. The term "dwelling unit" refers to any structure intended for human habitation.

| 1 | | Yes | No | <u>No</u> <u>Representation</u> |
|-----|--|------------|----------------|------------------------------------|
| 1. | In what year was the dwelling constructed? Explain if necessary: | | | |
| 2. | Is there any problem, malfunction or defect with the dwelling's foundation, slab, fireplaces/chimneys, floors, windows (including storm windows and screens), doors, ceilings, interior and exterior walls, attached garage, patio, deck or other structural components including any modifications to them? | | | |
| 3. | The dwelling's exterior walls are made of what type of material? Vinyl Synthetic Stucco Composition/Hardboard Concrete Fiber Cement Aluminum Asbestos Other(Check all that apply) | | | |
| 4. | In what year was the dwelling's roof covering installed? (Approximate if no records are available) Explain if necessary: | | | |
| 5. | Is there any leakage or other problem with the dwelling's roof? | | | |
| 6. | Is there any water seepage, leakage, dampness or standing water in the dwelling's basement, crawl space, or slab? | | | |
| 7. | Is there any problem, malfunction or defect with the dwelling's electrical system (outlets, wiring, panel, switches, fixtures, generator, etc.)? | | | |
| 8. | Is there any problem, malfunction or defect with the dwelling's plumbing system (pipes, fixtures, water heater, etc.)? | | | |
| 9. | Is there any problem, malfunction or defect with the dwelling's heating and/or air conditioning? | | | |
| | What is the dwelling's heat source? Furnace Heat Pump Baseboard Other (Check all that apply) Age of system: | | | |
| | What is the dwelling's cooling source? Central Forced Air Wall/Window Unit(s) Other (Check all that apply) Age of system: | | | |
| 12. | What are the dwelling's fuel sources? Electricity Natural Gas Propage DOID Other | | | 2-Manual grad |
| | (Check all that apply) If the fuel source is stored in a tank, identify whether the tank is above ground or below ground, and whether the tank is leased by seller or owned by seller. (Check all that apply) | | | |
| 13. | What is the dwelling's water supply source? City/County Community System Private Well Shared Well Other (Check all that apply) | | | |
| 14. | The dwelling's water pipes are made of what type of material? Copper Galvanized Plastic Polybutylene Other (Check all that apply) | | | |
| 15. | Is there any problem, malfunction or defect with the dwelling's water supply (including water quality, quantity, or water pressure)? | | | |
| | What is the dwelling's sewage disposal system? Septic Tank Septic Tank with Pump Community System Connected to City/County System City/County System available Straight pipe (wastewater does not go into a septic or other sewer system [note: use of this type of system violates state law]) Other (Check all that apply) | | | |
| 17. | If the dwelling is serviced by a septic system, do you know how many bedrooms are allowed by the septic system permit? | (contract) | Printeenergy . | |
| 10 | If your answer is "yes," how many bedrooms are allowed? No records available | | | |
| 10. | Is there any problem, malfunction or defect with the dwelling's sewer and/or septic system? | | | |
| 19. | Is there any problem, malfunction or defect with the dwelling's central vacuum, pool, hot tub, spa, attic fan, exhaust fan, ceiling fans, sump pump, irrigation system, TV cable wiring or satellite dish, garage door openers, gas logs, or other systems? | لسما | | |
| 20. | Is there any problem, malfunction or defect with any appliances that may be included in the | | | |
| | (range/oven, attached microwave, hood/fan, dishwasher, disposal, etc.)? | | | |

| Buyer Initials and Date | | Owner Initials and Date |
|-------------------------|--------------------------------------|-------------------------|
| Buyer Initials and Date | Weberstein and a state of the space. | Owner Initials and Date |
| REC 4.22 | _ | |

REC 4.22 REV 7/18

| | | Yes | No | No Representation |
|--------|---|---------------|---------------|-------------------------------|
| 21. | Is there any problem with present infestation of the dwelling, or damage from past infestation of wood destroying insects or organisms which has not been repaired? | | | |
| 22. | Is there any problem, malfunction or defect with the drainage, grading or soil stability of the property? | | | |
| 23. | Are there any structural additions or other structural or mechanical changes to the dwelling(s) to be conveyed with the property? | | | |
| 24. | Is the property to be conveyed in violation of any local zoning ordinances, restrictive covenants, or other land- use restrictions, or building codes (including the failure to obtain proper permits for room additions or other changes/improvements)? | | | |
| 25. | Are there any hazardous or toxic substances, materials, or products (such as asbestos, formaldehyde, radon gas, methane gas, lead-based paint) which exceed government safety standards, any debris (whether buried or covered) or underground storage tanks, or any environmentally hazardous conditions (such as contaminated soil or water, or other environmental contamination) which affect the property? | | | |
| 26. | Is there any noise, odor, smoke, etc. from commercial, industrial, or military sources which affects the property? | | | |
| | Is the property subject to any utility or other easements, shared driveways, party walls or encroachments from or on adjacent property? | | | |
| 28. | Is the property the subject of any lawsuits, foreclosures, bankruptcy, leases or rental agreements, judgments, tax liens, proposed assessments, mechanics' liens, materialmens' liens, or notices from any governmental agency that could affect title to the property? | | | |
| 29. | Is the property subject to a flood hazard or is the property located in a federally-designated flood hazard area? | | | |
| | Does the property abut or adjoin any private road(s) or street(s)? | | | |
| | If there is a private road or street adjoining the property, is there in existence any owners' association or maintenance agreements dealing with the maintenance of the road or street? | | | |
| If yo | ou answered "yes" to any of the questions listed above (1-31) please explain (attach additional sheets if ne | cessa | L ury): | |
| | | | | |
| In lie | eu of providing a written explanation, you may attach a written report to this Disclosure Statement by a pu | 11. | | |
| | ney, engineer, land surveyor, geologist, pest control operator, contractor, home inspector, or other expert, dealin cope of that public agency's functions or the expert's license or expertise. | blic g wit | agen th ma | cy, or by an atters within |

The following questions pertain to the property identified above, including the lot to be conveyed and any dwelling unit(s), sheds, detached garages, or other buildings located thereon.

| 32. | Is the property subject to governing documents which impose various mandatory covenants, conditions, and restrictions upon the lot or unit? If you answered "yes" to the question above, please explain (attach additional sheets if necessary): | Yes | <u>№</u> | No Representation |
|-----------------|--|-----|----------|----------------------|
| 33. | Is the property subject to regulation by one or more owners' association(s) including, but not limited to, obligations to pay regular assessments or dues and special assessments? If you answer is "yes," please provide the information requested below as to each owners' association to which the property is subject [insert N/A into any blank that does not apply]: | | | |
| | (specify name) whose regular assessments ("dues") are \$ per The name, address and telephone number of the president of the owners' association or the association manager are | | | |
| | • (specify name)whose regular assessments ("dues") are \$per The name, address and telephone number of the president of the owners' association or the association manager are | | | |
| Buy | ver Initials and Date Owner Initials and Date Ver Initials and Date Owner Initials and Date | | | |
| REC 4 REV 7. | | | | |

| *If you answered "Yes" to question 33 above, you must complete the remainder of this Disclosure Statem "No" or "No Representation" to question 33 above, you do not need to answer the remaining question Statement. Skip to the bottom of the last page and initial and date the page. | ent. If you is on this | u answered Disclosure No. |
|--|---|---------------------------------|
| 34. Are any fees charged by the association or by the association's management company in connection with the conveyance or transfer of the lot or property to a new owner? If your answer is "yes," please state the amount of the fees: | <u>Yes</u> <u>No</u> | Representation |
| 35. As of the date this Disclosure Statement is signed, are there any dues, fees, or special assessments which have been duly approved as required by the applicable declaration or bylaws, and that are payable to an association to which the lot is subject? If your answer is "yes," please state the nature and amount of the dues, fees, or special assessments to which the property is subject: | | |
| 36. As of the date this Disclosure Statement is signed, are there any unsatisfied judgments against, or pending lawsuits <i>involving the property or lot to be conveyed</i> ? If your answer is "yes," please state the nature of each pending lawsuit, and the amount of each unsatisfied judgment: | - - | |
| 37. As of the date this Disclosure Statement is signed, are there any unsatisfied judgments against, or pending lawsuits <i>involving the planned community or the association to which the property and lot are subject</i> , with the exception of any action filed by the association for the collection of delinquent assessments on lots other than the property and lot to be conveyed? If your answer is "yes," please state the nature of each pending lawsuit, and the amount of each unsatisfied judgment: | | |
| 38. Which of the following services and amenities are paid for by the owners' association(s) identified above out of the association's regular assessments ("dues")? (Check all that apply). | | No |
| Management Fees | Yes No | Representation |
| Exterior Building Maintenance of Property to be Conveyed | An | |
| Master Insurance | | |
| Exterior Yard/Landscaping Maintenance of Lot to be Conveyed | | |
| Common Areas Maintenance | | |
| Trash Removal | | |
| Recreational Amenity Maintenance (specify amenities covered) | | |
| Pest Treatment/Extermination | | |
| Street Lights | | |
| Water | | |
| Sewer | | |
| Storm water Management/Drainage/Ponds | | |
| Internet Service | | |
| Cable | | |
| Private Road Maintenance | | |
| Parking Area Maintenance | | |
| Gate and/or Security | | |
| Other: (specify) | | <u></u> |
| | | |
| | | |
| Buyer Initials and Date Owner Initials and Date Buyer Initials and Date Owner Initials and Date | | |
| | | |
| REC 4.22 Page 4 of 4 | | |



STATE OF NORTH CAROLINA MINERAL AND OIL AND GAS RIGHTS MANDATORY DISCLOSURE STATEMENT

Instructions to Property Owners

- The Residential Property Disclosure Act (G.S. 47E) ("Disclosure Act") requires owners of certain residential real estate such as singlefamily homes, individual condominiums, townhouses, and the like, and buildings with up to four dwelling units, to furnish purchasers a Mineral and Oil and Gas Rights Disclosure Statement ("Disclosure Statement"). This form is the only one approved for this purpose.
- 2. A disclosure statement is not required for some transactions. For a complete list of exemptions, see G.S. 47E-2(a). <u>A DISCLOSURE STATEMENT IS REQUIRED FOR THE TRANSFERS IDENTIFIED IN G.S. 47E-2(b)</u>, including transfers involving the first sale of a dwelling never inhabited, lease with option to purchase contracts where the lessee occupies or intends to occupy the dwelling, and transfers between parties when both parties agree not to provide the Residential Property and Owner's Association Disclosure Statement.
- 3. You must respond to each of the following by placing a check $\sqrt{1}$ in the appropriate box.

MINERAL AND OIL AND GAS RIGHTS DISCLOSURE

Mineral rights and/or oil and gas rights can be severed from the title to real property by conveyance (deed) of the mineral rights and/or oil and gas rights from the owner or by reservation of the mineral rights and/or oil and gas rights by the owner. If mineral rights and/or oil and gas rights are or will be severed from the property, the owner of those rights may have the perpetual right to drill, mine, explore, and remove any of the subsurface mineral and/or oil or gas resources on or from the property either directly from the surface of the property or from a nearby location. With regard to the severance of mineral rights and/or oil and gas rights, Seller makes the following disclosures:

| | | Yes | No | No Representation |
|----------------|--|-----|----|-------------------|
| Buyer Initials | 1. Mineral rights were severed from the property by a previous owner. | | | |
| Buyer Initials | 2. Seller has severed the mineral rights from the property. | | | |
| Buyer Initials | 3. Seller intends to sever the mineral rights from the property prior to transfer of title to the Buyer. | | | |
| Buyer Initials | 4. Oil and gas rights were severed from the property by a previous owner. | | | |
| Buyer Initials | 5. Seller has severed the oil and gas rights from the property. | | | |
| Buyer Initials | 6. Seller intends to sever the oil and gas rights from the property prior to transfer of title to Buyer. | | | |

Note to Purchasers

If the owner does not give you a Mineral and Oil and Gas Rights Disclosure Statement by the time you make your offer to purchase the property, or exercise an option to purchase the property pursuant to a lease with an option to purchase, you may under certain conditions cancel any resulting contract without penalty to you as the purchaser. To cancel the contract, you must personally deliver or mail written notice of your decision to cancel to the owner or the owner's agent within three calendar days following your receipt of this Disclosure Statement, or three calendar days following the date of the contract, whichever occurs first. However, in no event does the Disclosure Act permit you to cancel a contract after settlement of the transaction or (in the case of a sale or exchange) after you have occupied the property, whichever occurs first.

Property Address:

Owner's Name(s):

| Owner(s) acknowledge having examined this Disclosure Statement before signing and that al date signed. | ll information is true and correct as of the |
|---|--|
| Owner Signature: | Date |
| Owner Signature: | Date |
| Purchaser(s) acknowledge receipt of a copy of this Disclosure Statement; that they have examine that this is not a warranty by owner or owner's agent; and that the representations are made to or subagent(s). | ned it before signing; that they understand by the owner and not the owner's agent(s) |
| Purchaser Signature | Date |
| Purchaser Signature: | Date |

LEAD-BASED PAINT OR LEAD-BASED PAINT HAZARD ADDENDUM

| Property: | |
|-----------|--|
| Seller: | |
| Buyer: | |

This Addendum is attached to and made a part of the Offer to Purchase and Contract ("Contract") between Seller and Buyer for the Property.

During the Due Diligence Period, Buyer shall have the right to obtain a risk assessment or inspection of the Property for the presence of lead-based paint and/or lead-based paint hazards* at Buyer's expense. Buyer may waive the right to obtain a risk assessment or inspection of the Property for the presence of lead-based paint and/or lead-based paint hazards at any time without cause.

*Intact lead-based paint that is in good condition is not necessarily a hazard. See EPA pamphlet "Protect Your Family From Lead in Your Home" for more information.

Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards

Lead Warning Statement

Every Buyer of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The Seller of any interest in residential real property is required to provide the Buyer with any information on lead-based paint hazards from risk assessments or inspections in the Seller's possession and notify the Buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based hazards is recommended prior to purchase.

Seller's Disclosure (initial)

(a) Presence of lead-based paint and/or lead-based paint hazards (check one below): Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).

Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

(b) Records and reports available to the Seller (check one)

- Seller has provided the Buyer with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).
- Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Buyer's Acknowledgement (initial)

- (c) Buyer has received copies of all information listed above.
- (d) Buyer has received the pamphlet Protect Your Family from Lead in Your Home.
- (e) Buyer has (check one below):
 - Received the opportunity during the Due Diligence Period to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or
 - Waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

| 1 | T |
|-----|------|
| | K |
| | |
| REA | LTOR |

Page 1 of 2 This form jointly approved by: North Carolina Bar Association North Carolina Association of REALTORS®, Inc.



Phone: (919)747-1950

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Seller Initials

Phyllis Brown & Associates, 4 Wynmore Drive Durham, NC 27713 Michael Newport

Buyer Initials

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www.zipLogix.com

Agent's Acknowledgement (initial)

(f) Agent has informed the Seller of the Seller's obligations under 42 U.S.C. 4852d and is aware of his/her responsibility to ensure compliance.

Certification of Accuracy

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information provided by the signatory is true and accurate.

IN THE EVENT OF A CONFLICT BETWEEN THIS ADDENDUM AND THE CONTRACT, THIS ADDENDUM SHALL CONTROL, EXCEPT THAT IN THE CASE OF SUCH A CONFLICT AS TO THE DESCRIPTION OF THE PROPERTY OR THE IDENTITY OF THE BUYER OR SELLER, THE CONTRACT SHALL CONTROL.

THE NORTH CAROLINA ASSOCIATION OF REALTORS®, INC. AND THE NORTH CAROLINA BAR ASSOCIATION MAKE NO REPRESENTATION AS TO THE LEGAL VALIDITY OR ADEQUACY OF ANY PROVISION OF THIS FORM IN ANY SPECIFIC TRANSACTION. IF YOU DO NOT UNDERSTAND THIS FORM OR FEEL THAT IT DOES NOT PROVIDE FOR YOUR LEGAL NEEDS, YOU SHOULD CONSULT A NORTH CAROLINA REAL ESTATE ATTORNEY BEFORE YOU SIGN IT.

| Buyer: | | | (SEAL) Date: | |
|---------------|--|--------|--------------|---|
| Buver: | | | (SEAL) Date: | |
| | | | | |
| Entity Duyer. | (Name of LLC/Corporation/Partnership/Trust/etc.) | | | |
| | | | Date: _ | |
| Name: | | Title: | | |
| | | | | |
| | | | | |
| | | | | |
| | (Name of LLC/Corporation/Partnership/Trust/etc.) | | | |
| | | | | |
| Agent: | | | | |
| | | | | |
| | Page 2 of 2 | | | |
| | | | | STANDARD FORM 2A9-T Revised 7/2014 © 7/2014 |

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EXCLUSIVE BUYER AGENCY AGREEMENT

[Consult "Guidelines" (Form 201G) for guidance in completing this form]

This EXCLUSIVE BUYER AGENCY AGREEMENT ("Agreement") is entered into (Date) _

| betw | een | ALC: N | as | Buyer(s) | ("Buyer"), |
|------|-----|---|--------|----------|------------|
| and | · | je staller i se | 18 mar | | ("Firm") |
| | | an ann a chuir a | A | 100 | |

as the Buyer's exclusive agent to assist the Buyer in the acquisition of real property which may include any purchase, option and/or exchange on terms and conditions acceptable to Buyer. The individual agent who signs this Agreement on behalf of the Firm shall, on behalf of the Firm, be primarily responsible for ensuring that the Firm's duties hereunder are fulfilled; however, it is understood and agreed that other agents of the Firm may be assigned to fulfill such duties if deemed appropriate by the Firm. For purposes of this Agreement, the term "Firm," as the context may require, shall be deemed to include the individual agent who signs this Agreement and any other agents of the Firm.

Buver represents that, as of the commencement date of this Agreement, the Buyer is not a party to a buyer representation agreement with any other real estate firm. Buyer has received a copy of the "WORKING WITH REAL ESTATE AGENTS" brochure and has reviewed it with Firm. Buyer further represents that Buyer has disclosed to Firm information about any properties of the type described in paragraph 1 below that Buyer has visited at any open houses or that Buyer has been shown by any other real estate firm.

| 1. TYPE OF PROPERTY. | Residential (improved and unimproved)Other | Commercial (improved and unimproved) |
|-----------------------|---|--------------------------------------|
| (a) General Location: | | |
| (b) Other: | | |

2. EFFECT OF AGREEMENT. Buyer intends to acquire real property of the type described in paragraph 1. By employing Firm as Buyer's exclusive agent, Buyer agrees to conduct all negotiations for such property through Firm, and to refer to Firm all inquiries received in any form from other real estate firms, prospective sellers or any other source, during the time this Agreement is in effect.

| 3. DURATION OF AGENCY. Firm's authority as Buyer's exclusive agen | nt shall | begin _ | | | | | , an | d su | bject |
|---|----------|---------|-------|----------|------|----------|------|------|-------|
| to paragraph 4, shall expire at midnight, | , or | when | Buyer | acquires | real | property | of | the | type |
| described in paragraph 1, whichever occurs sooner. | | | | | | | | | |

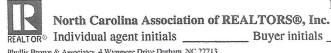
4. COMPENSATION OF FIRM.

- (a) Firm acknowledges receipt of a non-refundable retainer fee in the amount of \$ ____ which shall shall not be credited toward any compensation due Firm under this Agreement.
- (b) Buyer agrees that Firm's fee for services hereunder shall be in the amount of _____

("Fee")

(Insert dollar amount, percentage of purchase price, or other method of determining Firm's compensation for each type of property the Buyer may purchase, such as resale, new construction, land/lot and/or unrepresented seller. Do not insert N/A or a zero (\$0)).

- (i) Firm shall seek the Fee from a cooperating listing firm (through the listing firm's offer of compensation in MLS or otherwise) or from the seller if there is no listing firm, and Buyer agrees that Firm shall be entitled to receive same in consideration for Firm's services hereunder.
- (ii) If Buyer purchases property where the compensation offered by the listing firm and/or seller is less than the Fee, or where no compensation is offered by either the listing firm or the seller, Buyer and Firm agree that Buyer will pay the difference between the Fee and the compensation offered unless prohibited by law. Firm will timely inform Buyer if the compensation offered is less than expected.
- (iii) If additional compensation, incentive, bonus, rebate and/or other valuable consideration ("Additional Compensation") is offered through the MLS or otherwise, Buyer will permit the Firm to receive it in addition to the Fee. Firm shall timely disclose the promise or expectation of receiving any such Additional Compensation and confirm the disclosure in writing before Buver makes or accepts an offer to buy. (Note: NCAR Form #770 may be used to confirm the disclosure of any such Additional Compensation)
- (c) The compensation shall be deemed earned under any of the following circumstances:
 - (i) If, during the term of this Agreement, Buyer, any assignee of Buyer or any person/legal entity acting on behalf of Buyer directly or indirectly enters into an agreement to purchase, option, and/or exchange any property of the type described above regardless of the manner in which Buyer was introduced to the property; or



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REALTOR® Individual agent initials Buyer initials

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- (ii) If, within ______ days after expiration of this Agreement, Buyer enters into a contract to acquire property introduced to Buyer during the term of this Agreement by Firm or any third party, unless Buyer has entered into a valid buyer agency agreement with another real estate firm; or
- (iii) If, having entered into an enforceable contract to acquire property during the term of this Agreement, Buyer defaults under the terms of that contract.
- (d) The compensation will be due and payable at closing or upon Buyer's default of any purchase agreement. If Buyer defaults, the total compensation that would have been due the Firm will be due and payable immediately in cash from the Buyer. No assignment of rights in real property obtained for Buyer or any assignee of Buyer or any person/legal entity acting on behalf of Buyer pursuant to this Agreement shall operate to defeat any of Firm rights under this Agreement.

NOTE: Buyer understands and acknowledges that there is the potential for a conflict of interest generated by a percentage of price based fee for representing Buyer. The amount, format or rate of real estate commission is not fixed by law, but is set by each broker individually, and may be negotiable between Buyer and Firm.

5. **OTHER POTENTIAL BUYERS.** Buyer understands that other prospective purchasers represented by Firm may seek property, submit offers, and contract to purchase property through Firm, including the same or similar property as Buyer seeks to purchase. Buyer acknowledges, understands and consents to such representation of other prospective purchasers by Firm through its agents.

6. **FIRM'S DUTIES.** During the term of this Agreement, Firm shall promote the interests of Buyer by: (a) performing the terms of this Agreement; (b) seeking property at a price and terms acceptable to Buyer; (c) presenting in a timely manner all written offers or counteroffers to and from Buyer; (d) disclosing to Buyer all material facts related to the property or concerning the transaction of which Firm has actual knowledge; and (e) accounting for in a timely manner all money and property received in which Buyer has or may have an interest. Unless otherwise provided by law or Buyer consents in writing to the release of the information, Firm shall maintain the confidentiality of all personal and financial information and other matters identified as confidential by Buyer, if that information is received from Buyer during the brokerage relationship. In satisfying these duties, Firm shall exercise ordinary care, comply with all applicable laws and regulations, and treat all prospective sellers honestly and not knowingly give them false information. In addition, Firm may show the same property to other buyers, represent other buyers, represent sellers relative to other properties, or provide assistance to a seller or prospective seller by performing ministerial acts that are not inconsistent with Firm's duties under this Agreement.

Upon closing of any sale of property not entered in a listing service of which Firm is a member, Buyer authorizes Firm to submit pertinent information concerning the property, including sales price, to such listing service.

7. DISCLOSURE OF BUYER'S NAME/MAILING ADDRESS.

(a) Unless otherwise stated in Paragraph 13 below, Firm has Buyer's permission to disclose Buyer's name.

(b) In accordance with NC General Statutes Section 93A-12, if a dispute regarding the return or forfeiture of any earnest money deposit arises between Buyer and the seller of any real property Buyer may agree to purchase, the escrow agent holding the deposit may deposit the disputed monies with the appropriate Clerk of Court following written notice to the parties. In the event of any such dispute, Buyer directs Firm to disclose Buyer's last known mailing address to the escrow agent upon request to enable the escrow agent to comply with the notice requirement of such law.

8. NON DISCRIMINATION. THE AGENT (FIRM) SHALL CONDUCT ALL BROKERAGE ACTIVITIES IN REGARD TO THIS AGREEMENT WITHOUT RESPECT TO THE RACE, COLOR, RELIGION, SEX, NATIONAL ORIGIN, HANDICAP OR FAMILIAL STATUS OF ANY PARTY OR PROSPECTIVE PARTY TO THE AGREEMENT. FURTHER, REALTORS® HAVE AN ETHICAL DUTY TO CONDUCT SUCH ACTIVITIES WITHOUT RESPECT TO THE SEXUAL ORIENTATION OR GENDER IDENTITY OF ANY PARTY OR PROSPECTIVE PARTY TO THIS AGREEMENT.

9. BUYER'S DUTIES. Buyer shall: (a) work exclusively with Firm during the term of this Agreement; (b) pay Firm, directly or indirectly, the compensation set forth above; (c) comply with the reasonable requests of Firm to supply any pertinent financial or personal data needed to fulfill the terms of this Agreement; (d) be available for reasonable periods of time to examine properties; and (e) pay for all products and/or services required in the examination and evaluation of properties (examples: surveys, water/soil tests, title reports, property inspections, etc.).

10. OTHER PROFESSIONAL ADVICE. In addition to the services rendered to Buyer by the Firm under the terms of this Agreement, Buyer is advised to seek other professional advice in matters of law, taxation, financing, insurance, surveying, wood-destroying insect infestation, structural soundness, engineering, and other matters pertaining to any proposed transaction. Although Firm may provide Buyer the names of providers who claim to perform such services, Buyer understands that Firm cannot guarantee the quality of service or level of expertise of any such provider. Buyer agrees to pay the full amount due for all services directly to the service provider whether or not the transaction closes. Buyer also agrees to indemnify and hold Firm harmless from and against any

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_ Buyer initials __

and all liability, claim, loss, damage, suit, or expense that Firm may incur either as a result of Buyer's selection and use of any such provider or Buyer's election not to have one or more of such services performed.

Buyer acknowledges receipt of a sample copy of an Offer to Purchase And Contract for review purposes.

Buyer acknowledges receipt of a copy of the brochure Questions and Answers on: Home Inspections.

Buyer acknowledges receipt of a sample copy of a Professional Services Disclosure and Election form (form #760) for review purposes.

11. HOME WARRANTY. The seller of any property Buyer may be interested in buying may or may not provide a home warranty as a part of any sale. If the seller does not provide a home warranty, Buyer may elect to purchase one. Buyer understands that although Firm will assist Buyer in identifying available home warranty products, Buyer must refer specific questions regarding coverage afforded by any such product to the provider thereof. If Firm assists Buyer in obtaining a home warranty, a fee of

will be offered to Firm by the person or entity through or from which any home warranty is obtained as compensation to Firm for its assistance in obtaining the home warranty, and Buyer hereby consents to Firm's receipt of such fee.

12. CONFIDENTIALITY OF OFFERS. Real estate brokers are prohibited by N.C. Real Estate Commission rule from disclosing the price or other material terms contained in a party's offer to purchase, sell, lease, rent or option real property to a competing party without the express authority of the party making the offer. However, sellers may elect not to treat the existence, terms, or conditions of any offers Buyer may make as confidential. Additionally, sellers may elect not to disclose or authorize seller's agent to disclose the existence of any other offer(s).

13. ADDITIONAL PROVISIONS.

14. DUAL AGENCY. Buyer understands that the potential for dual agency will arise if Buyer becomes interested in viewing property listed with Firm. Firm may represent more than one party in the same transaction only with the knowledge and informed consent of all parties for whom Firm acts.

- (a) Disclosure of Information. In the event Firm serves as a dual agent, Buyer agrees that without permission from the party about whom the information pertains, Firm shall not disclose to the other party the following information:
 - (1) that a party may agree to a price, terms, or any conditions of sale other than those offered;
 - (2) the motivation of a party for engaging in the transaction, unless disclosure is otherwise required by statute or rule; and
 - (3) any information about a party which that party has identified as confidential unless disclosure is otherwise required by statute or rule.

(b) Firm's Role as Dual Agent. If Firm serves as agent for both Buyer and a seller in a transaction, Firm shall make every reasonable effort to represent Buyer and seller in a balanced and fair manner. Firm shall also make every reasonable effort to encourage and effect communication and negotiation between Buyer and seller. Buyer understands and acknowledges that:

- (1) Prior to the time dual agency occurs, Firm will act as Buyer's exclusive agent;
- (2) In its separate representation of Buyer and seller, Firm may obtain information which, if disclosed, could harm the bargaining position of the party providing such information to Firm;
- (3) Firm is required by law to disclose to Buyer and seller any known or reasonably ascertainable material facts.

Buyer agrees Firm shall not be liable to Buyer for (i) disclosing material facts required by law to be disclosed, and (ii) refusing or failing to disclose other information the law does not require to be disclosed which could harm or compromise one party's bargaining position but could benefit the other party.

(c) Buyer's Role. Should Firm become a dual agent, Buyer understands and acknowledges that:

- (1) Buyer has the responsibility of making Buyer's own decisions as to what terms are to be included in any purchase and sale agreement with a seller client of Firm;
- (2) Buyer is fully aware of and understands the implications and consequences of Firm's dual agency role as expressed herein to provide balanced and fair representation of Buyer and seller and to encourage and effect communication between them rather than as an advocate or exclusive agent or representative;
- (3) Buyer has determined that the benefits of dual agency outweigh any disadvantages or adverse consequences;
- (4) Buyer may seek independent legal counsel to assist Buyer with the negotiation and preparation of a purchase and sale agreement or with any matter relating to the transaction which is the subject matter of a purchase and sale agreement.

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Page 3 of 5

Individual agent initials _____ Buyer initials _____

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Should Firm become a dual agent, Buyer waives all claims, damages, losses, expenses or liabilities, other than for violations of the North Carolina Real Estate License Law and intentional wrongful acts, arising from Firm's role as a dual agent. Buyer shall have a duty to protect Buyer's own interests and should read any purchase and sale agreement carefully to ensure that it accurately sets forth the terms which Buyer wants included in said agreement.

(d) Authorization (initial only ONE).

Buyer authorizes the Firm to act as a dual agent, representing both the Buyer and the seller, subject to the terms and conditions set forth in this Paragraph 14.

Buyer desires exclusive representation at all times during this agreement and does NOT authorize Firm to act in the capacity of dual agent. If Buyer does not authorize Firm to act as a dual agent, the remainder of this paragraph shall not apply.

(e) Designated Agent Option (Initial only if applicable).

Buyer hereby authorizes the Firm to designate an individual agent(s) to represent the Buyer, to the exclusion of any other individual agents associated with the Firm. The individual designated agent(s) shall represent only the interests of the Buyer to the extent permitted by law.

NOTE: When dual agency arises, an individual agent shall not practice designated agency and shall remain a dual agent if the individual agent has actually received confidential information concerning a seller client of the Firm in connection with the transaction or if designated agency is otherwise prohibited by law.

(f) Dual Agency Compensation. If the Firm acts as a dual agent (including designated agency), the total fee the Firm expects to receive for its services in representing Buyer and the seller shall be

(Insert dollar amount, percentage of purchase price, or other method of determining Firm's compensation for each type of property such as resale, new construction and/or land/lot the Buyer may purchase.). THIS WILL IN NO WAY AFFECT OR MODIFY THE AMOUNT OF THE FEE SET FORTH IN PARAGRAPH 4 ABOVE THAT FIRM EXPECTS TO RECEIVE FOR ITS SERVICES IN REPRESENTING BUYER UNDER THIS AGREEMENT. In the event Buyer is interested in purchasing a property where the Firm's total fee is different from that described in this subparagraph (f), the Firm shall timely disclose the fee to Buyer and confirm it in writing before Buyer makes or accepts an offer to buy or sell any such property.

15. MEDIATION. If a dispute arises out of or related to this Agreement or the breach thereof, and if the dispute cannot be settled through negotiation, the parties agree first to try in good faith to settle the dispute by mediation before resorting to arbitration, litigation, or some other dispute resolution procedure. If the need for mediation arises, the parties will choose a mutually acceptable mediator and will share the cost of mediation equally.

16. ENTIRE AGREEMENT/CHANGES/TERMINATION. This Agreement constitutes the entire agreement between Buyer and Firm relating to the subject thereof, and any prior agreements pertaining thereto, whether oral or written, have been merged and integrated into this Agreement. This Agreement may be signed in multiple originals or counterparts, all of which together constitute one and the same instrument. No modification of any of the terms of this Agreement shall be valid, binding upon the parties, or entitled to enforcement unless such modification has first been reduced to writing and signed by both Buyer and Firm. Buyer acknowledges and understands that this Agreement constitutes a binding contract between Buyer and Firm. Although Buyer may at any time withdraw from the fiduciary relationship existing between Buyer and Firm, the contract created by this Agreement may not be terminated by Buyer or Firm prior to its Expiration Date without legally sufficient cause. Any such termination shall be by mutually-acceptable written agreement signed by both Buyer and Firm.

NOTE: Buyer should consult with Firm before visiting any resale or new homes or contacting any other real estate firm representing sellers, to avoid the possibility of confusion over the brokerage relationship and misunderstandings about liability for compensation.

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Individual agent initials _____ Buyer initials _

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Buyer and Firm each hereby acknowledge receipt of a signed copy of this Agreement.

THE NORTH CAROLINA ASSOCIATION OF REALTORS®, INC. MAKES NO REPRESENTATION AS TO THE LEGAL VALIDITY OR ADEQUACY OF ANY PROVISION OF THIS FORM IN ANY SPECIFIC TRANSACTION.

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OFFER TO PURCHASE AND CONTRACT

[Consult "Guidelines" (Form 2G) for guidance in completing this form]

For valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, Buyer offers to purchase and Seller upon acceptance agrees to sell and convey the Property on the terms and conditions of this Offer To Purchase and Contract and any addendum or modification made in accordance with its terms (together the "Contract").

1. TERMS AND DEFINITIONS: The terms listed below shall have the respective meaning given them as set forth adjacent to each term. (a) "Seller":

(b) "**Buyer**":

(c) "Property": The Property shall include all that real estate described below together with all appurtenances thereto including the improvements located thereon and the fixtures and personal property listed in Paragraphs 2 and 3 below.

NOTE: If the Property will include a manufactured (mobile) home(s), Buyer and Seller should consider including the Manufactured (Mobile) Home provision in the Additional Provisions Addendum (Standard Form 2A11-T) with this offer.

Street Address:

City:_ County:

, North Carolina

Zip:

NOTE: Governmental authority over taxes, zoning, school districts, utilities and mail delivery may differ from address shown.

| Legal Description: (Complete ALL applica | ble) | |
|--|--|--|
| Plat Reference: Lot/Unit, Block/Se | ction , Subdivision/Cond | dominiumat Page(s) |
| | , as shown on Plat Book | c/Slide at Page(s) |
| The PIN/PID or other identification number | r of the Property is: | |
| Other description: | | |
| Some or all of the Property may be describ | ed in Deed Book | at Page |
| (d) "Purchase Price": | | |
| \$ | paid in U.S. Dollars upon the | e following terms: |
| \$ | BY DUE DILIGENCE FEE | E made payable and delivered to Seller by the Effective |
| \$ | Date BY INITIAL EARNEST MC | ONEY DEPOSIT made payable and delivered to Escrow |
| \$ | ↓ wire transfer, □ electronic (5) days of the Effective Date BY (ADDITIONAL) EARNI Escrow Agent named in Para | EST MONEY DEPOSIT made payable and delivered to agraph 1(f) by cash, official bank check, wire transfer or |
| \$ | TIME BEING OF THE ESS BYASSUMPTION of the unp | han 5 p.m. on, <i>SENCE.</i> paid principal balance and all obligations of Seller on the a deed of trust on the Property in accordance with the |
| \$ | attached Loan Assumption Ac | Addendum (Standard Form 2A6-T). G in accordance with the attached Seller Financing |
| \$ | BV BIIII DING DEPOSIT | in accordance with the attached New Construction |
| * | Addendum (Standard Form 2) | in accordance with the attached New Construction |
| \$ | BALANCE of the Purchase P paid with the proceeds of a ne | Price in cash at Settlement (some or all of which may be |

Should Buyer fail to deliver either the Due Diligence Fee or any Initial Earnest Money Deposit by their due dates, or should any check or other funds paid by Buyer be dishonored, for any reason, by the institution upon which the payment is drawn, Buyer shall have one (1) banking day after written notice to deliver cash, official bank check, wire transfer or electronic transfer to the payee. In the event Buyer does not timely deliver the required funds, Seller shall have the right to terminate this Contract upon written notice to Buyer.

Page 1 of 15

REALTOR

This form jointly approved by: North Carolina Bar Association North Carolina Association of REALTORS[®], Inc.



STANDARD FORM 2-T Revised 7/2020 7/2020

Buyer's initials _____ Seller's initials

(e) "Earnest Money Deposit": The Initial Earnest Money Deposit, the Additional Earnest Money Deposit and any other earnest monies paid or required to be paid in connection with this transaction, collectively the "Earnest Money Deposit", shall be deposited and held in escrow by Escrow Agent until Closing, at which time it will be credited to Buyer, or until this Contract is otherwise terminated. In the event: (1) this offer is not accepted; or (2) a condition of any resulting contract is not satisfied, then the Earnest Money Deposit shall be refunded to Buyer. In the event of breach of this Contract by Seller, the Earnest Money Deposit shall be refunded to Buyer upon Buyer's request, but such return shall not affect any other remedies available to Buyer for such breach. In the event of breach of this Contract by Buyer, the Earnest Money Deposit shall be paid to Seller. The payment of the Earnest Money Deposit to Seller and the retention of any Due Diligence Fee by Seller (without regard to their respective amounts, including zero) together shall serve as liquidated damages ("Liquidated Damages") and as Seller's sole and exclusive remedy for such breach, but without limiting Seller's rights under Paragraphs 4(d) and 4(e) for damage to the Property. It is acknowledged by the parties that the amount of the Liquidated Damages is compensatory and not punitive, such amount being a reasonable estimation of the actual loss that Seller would incur as a result of a breach of this Contract by Buyer. The payment to Seller and/or retention by Seller of the Liquidated Damages shall not constitute a penalty or forfeiture but actual compensation for Seller's anticipated loss, both parties acknowledging the difficulty determining Seller's actual damages for such breach. If legal proceedings are brought by Buyer or Seller against the other to recover the Earnest Money Deposit, the prevailing party in the proceeding shall be entitled to recover from the non-prevailing party reasonable attorney fees and court costs incurred in connection with the proceeding.

(f) "Escrow Agent" (insert name):

Buyer and Seller consent to disclosure by the Escrow Agent of any material facts pertaining to the Earnest Money Deposit to the parties to this transaction, their real estate agent(s) and Buyer's lender(s).

NOTE: In the event of a dispute between Seller and Buyer over the disposition of the Earnest Money Deposit held in escrow, a licensed real estate broker ("Broker") is required by state law (and Escrow Agent, if not a Broker, hereby agrees) to retain the Earnest Money Deposit in the Escrow Agent's trust or escrow account until Escrow Agent has obtained a written release from the parties consenting to its disposition or until disbursement is ordered by a court of competent jurisdiction. Alternatively, if a Broker or an attorney licensed to practice law in North Carolina ("Attorney") is holding the Earnest Money Deposit, the Broker or Attorney may deposit the disputed monies with the appropriate clerk of court in accordance with the provisions of N.C.G.S. §93A-12.

THE PARTIES AGREE THAT A REAL ESTATE BROKERAGE FIRM ACTING AS ESCROW AGENT MAY PLACE THE EARNEST MONEY DEPOSIT IN AN INTEREST BEARING TRUST ACCOUNT AND THAT ANY INTEREST EARNED THEREON SHALL BE DISBURSED TO THE ESCROW AGENT MONTHLY IN CONSIDERATION OF THE EXPENSES INCURRED BY MAINTAINING SUCH ACCOUNT AND RECORDS ASSOCIATED THEREWITH.

(g) "Effective Date": The date that: (1) the last one of Buyer and Seller has signed or initialed this offer or the final counteroffer, if any, and (2) such signing or initialing is communicated to the party making the offer or counteroffer, as the case may be. The parties acknowledge and agree that the initials lines at the bottom of each page of this Contract are merely evidence of their having reviewed the terms of each page, and that the complete execution of such initials lines shall not be a condition of the effectiveness of this Agreement.

(h) "Due Diligence": Buyer's opportunity to investigate the Property and the transaction contemplated by this Contract, including but not necessarily limited to the matters described in Paragraph 4 below, to decide whether Buyer, in Buyer's sole discretion, will proceed with or terminate the transaction.

(i) "**Due Diligence Fee**": A negotiated amount, if any, paid by Buyer to Seller with this Contract for Buyer's right to terminate the Contract for any reason or no reason during the Due Diligence Period. It shall be the property of Seller upon the Effective Date and shall be a credit to Buyer at Closing. The Due Diligence Fee shall be non-refundable except in the event of a material breach of this Contract by Seller, or if this Contract is terminated under Paragraph 8(n) or as otherwise provided in any addendum hereto. Buyer and Seller each expressly waive any right that they may have to deny the right to conduct Due Diligence Fee, it being the intent of the parties to create a legally binding contract for the purchase and sale of the Property without regard to the existence or amount of any Due Diligence Fee.

(j) "Due Diligence Period": The period beginning on the Effective Date and extending through 5:00 p.m. on _____

TIME BEING OF THE ESSENCE.

(k) "Settlement": The proper execution and delivery to the closing attorney of all documents necessary to complete the transaction contemplated by this Contract, including the deed, settlement statement, deed of trust and other loan or conveyance documents, and the closing attorney's receipt of all funds necessary to complete such transaction.

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Buyer's initials ______Seller's initials

NOTE: See paragraph 12, DELAY IN SETTLEMENT/CLOSING for conditions under which Settlement may be delayed.

(m) "Closing": The completion of the legal process which results in the transfer of title to the Property from Seller to Buyer, which includes the following steps: (1) the Settlement (defined above); (2) the completion of a satisfactory title update to the Property following the Settlement; (3) the closing attorney's receipt of authorization to disburse all necessary funds; and (4) recordation in the appropriate county registry of the deed(s) and deed(s) of trust, if any, which shall take place as soon as reasonably possible for the closing attorney after Settlement. Upon Closing, the proceeds of sale shall be disbursed by the closing attorney in accordance with the settlement statement and the provisions of Chapter 45A of the North Carolina General Statutes. If the title update should reveal unexpected liens, encumbrances or other title defects, or if the closing attorney is not authorized to disburse all necessary funds, then the Closing shall be suspended and the Settlement deemed delayed under Paragraph 12 (Delay in Settlement/Closing).

WARNING: The North Carolina State Bar has determined that the performance of most acts and services required for a closing constitutes the practice of law and must be performed only by an attorney licensed to practice law in North Carolina. State law prohibits unlicensed individuals or firms from rendering legal services or advice. Although non-attorney settlement agents may perform limited services in connection with a closing, they may not perform all the acts and services required to complete a closing. A closing involves significant legal issues that should be handled by an attorney. Accordingly, it is the position of the North Carolina Bar Association and the North Carolina Association of REALTORS® that all buyers should hire an attorney licensed in North Carolina to perform a closing.

(n) "Special Assessments": A charge against the Property by a governmental authority in addition to ad valorem taxes and recurring governmental service fees levied with such taxes, or by an owners' association in addition to any regular assessment (dues), either of which may be a lien against the Property. A Special Assessment may be either proposed or confirmed.

"Proposed Special Assessment": A Special Assessment that is under formal consideration but which has not been approved prior to Settlement.

"Confirmed Special Assessment": A Special Assessment that has been approved prior to Settlement whether payable in a lump sum or future installments.

NOTE: Any Proposed and Confirmed Special Assessments must be identified by Seller in paragraph 7(c), and Buyer's and Seller's respective responsibilities for Proposed and Confirmed Special Assessments are addressed in paragraphs 6(a) and 8(k).

2. FIXTURES AND EXCLUSIONS:

WARNING: THE PARTIES SHOULD NOT ASSUME THAT AN ITEM WILL OR WILL NOT BE INCLUDED IN THE SALE BASED ON AN ORAL OR WRITTEN STATEMENT OR UNDERSTANDING THAT IS NOT A PART OF THIS CONTRACT. BUYER AND SELLER SHOULD BE SPECIFIC WHEN NEGOTIATING WHAT ITEMS WILL BE INCLUDED OR EXCLUDED FROM THE SALE.

[THIS SPACE INTENTIONALLY LEFT BLANK]

Page 3 of 15

Buyer's initials ______ Seller's initials

(a) Fixtures Are Included in Purchase Price: ALL EXISTING FIXTURES ARE INCLUDED IN THE SALE AS PART OF THE PURCHASE PRICE, FREE OF LIENS, UNLESS EXCLUDED IN SUBPARAGRAPHS (d) OR (e).

(b) Specified Items: Buyer and Seller agree that the following items shall be included in the sale as part of the Purchase Price free of liens, unless excluded in subparagraphs (d) or (e) below. ALL ITEMS LISTED BELOW INCLUDE BOTH TRADITIONAL AND "SMART" VERSIONS AND ANY EXCLUSIVELY DEDICATED, RELATED EQUIPMENT AND/OR REMOTE CONTROL DEVICES.

- · Alarm and security systems (attached) for security, fire, smoke, carbon monoxide or other toxins with all related access codes, sensors, cameras, dedicated monitors, hard drives, video recorders, power supplies and cables; doorbells/chimes
- · All stoves/ranges/ovens; built-in appliances; attached microwave oven; vent hood
- Antennas; satellite dishes and receivers
- Basketball goals and play equipment (permanently attached or in-ground)
- · Ceiling and wall-attached fans; light fixtures (including existing bulbs)
- Fireplace insert; gas logs or starters; attached fireplace screens; wood or coal stoves
- Floor coverings (attached)
- Fuel tank(s) whether attached or buried and including any contents that have not been used, removed or resold to the fuel provider as of Settlement. NOTE: Seller's use, removal or resale of fuel in any fuel tank is subject to Seller's obligation under Paragraph 8(c) to provide working, existing utilities through the earlier of Closing or possession by Buyer. NOTE: State law provides that it is unlawful for any person, other than the supplier or the owner of a fuel supply tank, to disconnect, interrupt or fill the supply tank with liquefied petroleum gas (LP gas or propane) without the consent of the supplier.

- · Garage door openers
- · Generators that are permanently wired
- Invisible fencing with power supply
- Landscape and outdoor trees and plants (except in moveable containers); raised garden; landscape and foundation lighting; outdoor sound systems; permanent irrigation systems; rain barrels; landscape water features; address markers
- · Mailboxes; mounted package and newspaper receptacles
- Mirrors attached to walls, ceilings, cabinets or doors; all bathroom wall mirrors
- Storage shed; utility building .
- Swimming pool (excluding inflatable); spa; hot tub
- Solar electric and solar water heating systems
- Sump-pumps, radon fans and crawlspace ventilators; de-• humidifiers that are permanently wired
- Surface-mounting brackets for television and speakers; recess-mounted speakers; mounted intercom system
- Thermostats
- Water supply equipment, including filters, conditioning and softener systems; re-circulating pumps; well pumps and tanks
- Window/Door blinds and shades, curtain and drapery rods and brackets, door and window screens and combination doors, awnings and storm windows

(c) Unpairing/deleting data from devices: Prior to Closing, Seller shall "unpair" any devices that will convey from any personal property devices (hubs, intelligent virtual assistants, mobile devices, vehicles, etc.) with which they are paired, delete personal data from any devices that will convey, and restore all devices to factory default settings unless otherwise agreed.

NOTE: ANY FIXTURE OR OTHER ITEM DESCRIBED IN SUBPARAGRAPHS (a) AND (b) THAT WILL NOT BE A PART OF THE SALE SHOULD BE IDENTIFIED IN SUBPARAGRAPHS (d) OR (e), AS APPLICABLE.

(d) Items Leased or Not Owned: Any item which is leased or not owned by Seller, such as fuel tanks, antennas, satellite dishes and receivers, appliances, and alarm and security systems must be identified here and shall not convey:

(e) Other Items That Do Not Convey: The following items shall not convey (identify those items to be excluded under subparagraphs (a) and (b)):

Seller shall repair any damage caused by removal of any items excluded above.

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Buyer's initials ______Seller's initials _____

3. **PERSONAL PROPERTY:** The following personal property shall be transferred to Buyer at no value at closing:

NOTE: ANY PERSONAL PROPERTY THAT WILL BE A PART OF THE SALE SHOULD BE IDENTIFIED IN THIS PARAGRAPH. Buyer is advised to consult with Buyer's lender to assure that the Personal Property items listed above can be included in this Contract.

4. BUYER'S DUE DILIGENCE PROCESS:

WARNING: BUYER IS STRONGLY ENCOURAGED TO CONDUCT DUE DILIGENCE DURING THE DUE DILIGENCE PERIOD. If Buyer is not satisfied with the results or progress of Buyer's Due Diligence, Buyer should terminate this Contract, PRIOR TO THE EXPIRATION OF THE DUE DILIGENCE PERIOD, unless Buyer can obtain a written extension from Seller. SELLER IS NOT OBLIGATED TO GRANT AN EXTENSION. Although Buyer may continue to investigate the Property following the expiration of the Due Diligence Period, Buyer's failure to deliver a Termination Notice to Seller prior to the expiration of the Due Diligence Period will constitute a waiver by Buyer of any right to terminate this Contract based on any matter relating to Buyer's Due Diligence. Provided however, following the Due Diligence Period, Buyer may still exercise a right to terminate if Seller fails to materially comply with any of Seller's obligations under Paragraph 8 of this Contract or for any other reason permitted under the terms of this Contract or North Carolina law.

(a) Loan: Buyer, at Buyer's expense, shall be entitled to pursue qualification for and approval of the Loan if any.

NOTE: Buyer's obligation to purchase the Property is not contingent on obtaining a Loan. Therefore, Buyer is advised to consult with Buyer's lender prior to signing this offer to assure that the Due Diligence Period allows sufficient time for the appraisal to be completed and for Buyer's lender to provide Buyer sufficient information to decide whether to proceed with or terminate the transaction.

(b) Property Investigation: Buyer or Buyer's agents or representatives, at Buyer's expense, shall be entitled to conduct all desired tests, surveys, appraisals, investigations, examinations and inspections of the Property as Buyer deems appropriate, including but NOT limited to the following:

(i) Inspections: Inspections to determine the condition of any improvements on the Property, the presence of unusual drainage conditions or evidence of excessive moisture adversely affecting any improvements on the Property, the presence of asbestos or existing environmental contamination, evidence of wood-destroying insects or damage therefrom, and the presence and level of radon gas on the Property.

(ii) Review of Documents: Review of the Declaration of Restrictive Covenants, Bylaws, Articles of Incorporation, Rules and Regulations, and other governing documents of any applicable owners' association and/or subdivision. If the Property is subject to regulation by an owners' association, it is recommended that Buyer review the completed Residential Property and Owners' Association Disclosure Statement provided by Seller prior to signing this offer. It is also recommended that the Buyer determine if the owners' association or its management company charges fees for providing information required by Buyer's lender or confirming restrictive covenant compliance.

(iii) Insurance: Investigation of the availability and cost of insurance for the Property.

(iv) Appraisals: An appraisal of the Property.

(v) Survey: A survey to determine whether the property is suitable for Buyer's intended use and the location of easements, setbacks, property boundaries and other issues which may or may not constitute title defects.

(vi) Zoning and Governmental Regulation: Investigation of current or proposed zoning or other governmental regulation that may affect Buyer's intended use of the Property, adjacent land uses, planned or proposed road construction, and school attendance zones.

(vii) Flood Hazard: Investigation of potential flood hazards on the Property, and/or any requirement to purchase flood insurance in order to obtain the Loan

(viii) Utilities and Access: Availability, quality, and obligations for maintenance of utilities including water, sewer, electric, gas, communication services, stormwater management, and means of access to the Property and amenities.

(ix) Streets/Roads: Investigation of the status of the street/road upon which the Property fronts as well as any other street/road used to access the Property, including: (1) whether any street(s)/road(s) are public or private. (2) whether any street(s)/road(s) designated as public are accepted for maintenance by the State of NC or any municipality, or (3) if private or not accepted for

Page 5 of 15

Buyer's initials _____ Seller's initials

public maintenance, the consequences and responsibility for maintenance and the existence, terms and funding of any maintenance agreements.

(x) Fuel Tank: Inspections to determine the existence, type and ownership of any fuel tank located on the Property.

NOTE: Buyer is advised to consult with the owner of any leased fuel tank regarding the terms under which Buyer may lease the tank and obtain fuel.

(c) **Sale/Lease of Existing Property:** As noted in paragraph 5(b), unless otherwise provided in an addendum, this Contract is not conditioned upon the sale/lease or closing of other property owned by Buyer. Therefore, if Buyer must sell or lease other real property in order to qualify for a new loan or to otherwise complete the purchase of the Property, Buyer should seek to close on Buyer's other property prior to the end of the Due Diligence Period or be reasonably satisfied that closing on Buyer's other property will take place prior to the Settlement Date of this Contract.

(d) **Repair/Improvement Negotiations/Agreement**: Buyer acknowledges and understands that unless the parties agree otherwise, THE PROPERTY IS BEING SOLD IN ITS CURRENT CONDITION. Buyer and Seller acknowledge and understand that they may, but are not required to, engage in negotiations for repair/improvements to the Property. Buyer is advised to make any repair/improvement requests in sufficient time to allow repair/improvement negotiations to be concluded prior to the expiration of the Due Diligence Period. Any agreement that the parties may reach with respect to repairs/improvements shall be considered an obligation of the parties and is an addition to this Contract and as such, must be in writing and signed by the parties in accordance with Paragraph 19.

NOTE: See Paragraph 8(c), Access to Property and Paragraph 8(m), Negotiated Repairs/Improvements.

(e) **Buyer's Obligation to Repair Damage**: Buyer shall, at Buyer's expense, promptly repair any damage to the Property resulting from any activities of Buyer and Buyer's agents and contractors, but Buyer shall not be responsible for any damage caused by accepted practices either approved by the N.C. Home Inspector Licensure Board or applicable to any other N.C. licensed professional performing reasonable appraisals, tests, surveys, examinations and inspections of the Property. This repair obligation shall survive any termination of this Contract.

(f) **Indemnity**: Buyer will indemnify and hold Seller harmless from all loss, damage, claims, suits or costs, which shall arise out of any contract, agreement, or injury to any person or property as a result of any activities of Buyer and Buyer's agents and contractors relating to the Property except for any loss, damage, claim, suit or cost arising out of pre-existing conditions of the Property and/or out of Seller's negligence or willful acts or omissions. This indemnity shall survive this Contract and any termination hereof.

(g) **Buyer's Right to Terminate:** Buyer shall have the right to terminate this Contract for any reason or no reason, by delivering to Seller written notice of termination (the "Termination Notice") during the Due Diligence Period (or any agreed-upon written extension of the Due Diligence Period), *TIME BEING OF THE ESSENCE*. If Buyer timely delivers the Termination Notice, this Contract shall be terminated and the Earnest Money Deposit shall be refunded to Buyer.

(h) CLOSING SHALL CONSTITUTE ACCEPTANCE OF THE PROPERTY IN ITS THEN EXISTING CONDITION UNLESS PROVISION IS OTHERWISE MADE IN WRITING.

5. BUYER REPRESENTATIONS:

(a) Loan: Buyer \Box does \Box does not intend to obtain a new loan in order to purchase the Property. If Buyer is obtaining a new loan, Buyer intends to obtain a loan as follows: \Box FHA \Box VA (attach FHA/VA Financing Addendum) \Box Conventional

| Down Payment | Assistance Program 🛛 Other: | loan at a 🗖 Fixed |
|-------------------|--|---|
| Rate 🛛 Adjustable | Rate in the principal amount of | plus any financed VA Funding Fee or FHA MIP for |
| a term of | year(s), at an initial interest rate not to exceed | % per annum (the "Loan"). |

NOTE: Buyer's obligations under this Contract are not conditioned upon obtaining or closing any loan. Some mortgage loan programs and Down Payment Assistance programs selected by Buyer may impose additional repair obligations, conditions or costs upon Seller or Buyer, and more information may be needed.

NOTE: If Buyer does not intend to obtain a new loan, Seller is advised, prior to signing this offer, to obtain documentation from Buyer which demonstrates that Buyer will be able to close on the Property without the necessity of obtaining a new loan.

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Buyer's initials _____ Seller's initials

(b) **Other Property**: Buyer DOES DOES NOT have to sell or lease other real property in order to qualify for a new loan or to complete the purchase. (Complete the following only if Buyer DOES have to sell or lease other real property:)

Other Property Address: _

□ (*Check if applicable*) Buyer's other property IS under contract as of the date of this offer, and a copy of the contract has either been previously provided to Seller or accompanies this offer. (*Buyer may mark out any confidential information, such as the purchase price and the buyer's identity, prior to providing a copy of the contract to Seller.*) Failure to provide a copy of the contract shall not prevent this offer from becoming a binding contract; however, SELLER IS STRONGLY ENCOURAGED TO OBTAIN AND REVIEW THE CONTRACT ON BUYER'S PROPERTY PRIOR TO ACCEPTING THIS OFFER.

□ (*Check if applicable*) Buyer's other property IS NOT under contract as of the date of this offer. Buyer's property (*check only ONE of the following options*):

□ is listed with and actively marketed by a licensed real estate broker.

u will be listed with and actively marketed by a licensed real estate broker.

Buyer is attempting to sell/lease the Buyer's Property without the assistance of a licensed real estate broker.

NOTE: This Contract is NOT conditioned upon the sale/lease or closing of Buyer's other property. If the parties agree to make this Contract conditioned on a sale/lease or closing of Buyer's other property, an appropriate contingency addendum should be drafted by a North Carolina real estate attorney and added to this Contract.

(c) **Performance of Buyer's Financial Obligations**: To the best of Buyer's knowledge, there are no other circumstances or conditions existing as of the date of this offer that would prohibit Buyer from performing Buyer's financial obligations in accordance with this Contract, except as may be specifically set forth herein.

(d) Residential Property and Owners' Association Disclosure Statement (check only one):

- Buyer has received a signed copy of the N.C. Residential Property and Owners' Association Disclosure Statement prior to the signing of this offer.
- Buyer has NOT received a signed copy of the N.C. Residential Property and Owners' Association Disclosure Statement prior to the signing of this offer and shall have the right to terminate or withdraw this Contract without penalty (including a refund of any Due Diligence Fee) prior to WHICHEVER OF THE FOLLOWING EVENTS OCCURS FIRST: (1) the end of the third calendar day following receipt of the Disclosure Statement; (2) the end of the third calendar day following the Effective Date; or (3) Settlement or occupancy by Buyer in the case of a sale or exchange.
- □ Exempt from N.C. Residential Property and Owners' Association Disclosure Statement because (SEE GUIDELINES):_____

(e) Mineral and Oil and Gas Rights Mandatory Disclosure Statement (check only one):

- Buyer has received a signed copy of the N.C. Mineral and Oil and Gas Rights Mandatory Disclosure Statement prior to the signing of this offer.
- Buyer has NOT received a signed copy of the N.C. Mineral and Oil and Gas Rights Mandatory Disclosure Statement prior to the signing of this offer and shall have the right to terminate or withdraw this Contract without penalty (including a refund of any Due Diligence Fee) prior to WHICHEVER OF THE FOLLOWING EVENTS OCCURS FIRST: (1) the end of the third calendar day following receipt of the Disclosure Statement; (2) the end of the third calendar day following the Effective Date; or (3) Settlement or occupancy by Buyer in the case of a sale or exchange.
- □ Exempt from N.C. Mineral and Oil and Gas Rights Mandatory Disclosure Statement because (SEE GUIDELINES): _

Buyer's receipt of a Mineral and Oil and Gas Rights Mandatory Disclosure Statement does not modify or limit the obligations of Seller under Paragraph 8(g) of this Contract and shall not constitute the assumption or approval by Buyer of any severance of mineral and/or oil and gas rights, except as may be assumed or specifically approved by Buyer in writing.

NOTE: The parties are advised to consult with a NC attorney prior to signing this Contract if severance of mineral and/or oil and gas rights has occurred

6. BUYER OBLIGATIONS:

- (a) Responsibility for Proposed Special Assessments: Buyer shall take title subject to all Proposed Special Assessments.
- (b) Responsibility for Certain Costs: Buyer shall be responsible for all costs with respect to:
 (i) any loan obtained by Buyer, including charges by an owners association and/or management company as agent of an owners'

Page 7 of 15

Buyer's initials ______ Seller's initials

association for providing information required by Buyer's lender;

(ii) charges required by an owners' association declaration to be paid by Buyer for Buyer's future use and enjoyment of the Property, including, without limitation, working capital contributions, membership fees, or charges for Buyer's use of the common elements and/or services provided to Buyer, such as "move-in fees";
(iii) determining restrictive covenant compliance:

(iv) appraisal;

(v) title search;

(vi) title insurance;

(vii) any fees charged by the closing attorney for the preparation of the Closing Disclosure, Seller Disclosure and any other settlement statement;

(viii) recording the deed; and

(ix) preparation and recording of all instruments required to secure the balance of the Purchase Price unpaid at Settlement.

(c) Authorization to Disclose Information: Buyer authorizes the Buyer's lender(s), the parties' real estate agent(s) and closing attorney: (1) to provide this Contract to any appraiser employed by Buyer or by Buyer's lender(s); and (2) to release and disclose any buyer's closing disclosure, settlement statement and/or disbursement summary, or any information therein, to the parties to this transaction, their real estate agent(s) and Buyer's lender(s).

7. SELLER REPRESENTATIONS:

(a) **Ownership**: Seller represents that Seller:

has owned the Property for at least one year.

has owned the Property for less than one year.

does not yet own the Property.

(b) Lead-Based Paint (check if applicable):

□ The Property is residential and was built prior to 1978 (Attach Lead-Based Paint or Lead-Based Paint Hazards Disclosure Addendum {Standard Form 2A9-T}).

(c) Assessments: To the best of Seller's knowledge there 🗆 are 🗆 are not any Proposed Special Assessments. If any Proposed Special Assessments, identify:

Seller warrants that there 🗅 are 🗅 are not any Confirmed Special Assessments. If any Confirmed Special Assessments, identify:

NOTE: Buyer's and Seller's respective responsibilities for Proposed and Confirmed Special Assessments are addressed in paragraphs 6(a) and 8(k).

(d) **Owners' Association(s) and Dues**: Seller authorizes and directs any owners' association, any management company of the owners' association, any insurance company and any attorney who has previously represented the Seller to release to Buyer, Buyer's agents, representative, closing attorney or lender true and accurate copies of the following items affecting the Property, including any amendments:

- Seller's statement of account
- master insurance policy showing the coverage provided and the deductible amount
- Declaration and Restrictive Covenants
- Rules and Regulations
- Articles of Incorporation
- Bylaws of the owners' association
- current financial statement and budget of the owners' association
- parking restrictions and information
- architectural guidelines

□ (specify name of association):

assessments ("dues") are \$______ per_____. The name, address and telephone number of the president of the owners' association or the association manager is:

Owners' association website address, if any:

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Buyer's initials ______Seller's initials _____

| □ (specify name of association): | whose regular |
|--|--|
| assessments ("dues") are \$ per | . The name, address and telephone number of the president of the |
| owners' association or the association manager is: | 1 T |

Owners' association website address, if any_

8. SELLER OBLIGATIONS:

(a) Evidence of Title, Payoff Statement(s) and Non Foreign Status:

(i) Seller agrees to use best efforts to provide to the closing attorney as soon as reasonably possible after the Effective Date, copies of all title information in possession of or available to Seller, including but not limited to: title insurance policies, attorney's opinions on title, surveys, covenants, deeds, notes and deeds of trust, leases, and easements relating to the Property. (ii) Seller shall provide to the closing attorney all information needed to obtain a written payoff statement from any lender(s) regarding any security interest in the Property as soon as reasonably possible after the Effective Date, and Seller designates the closing attorney as Seller's agent with express authority to request and obtain on Seller's behalf payoff statements and/or shortpay statements from any such lender(s).

(iii) If Seller is not a foreign person as defined by the Foreign Investment in Real Property Tax Act, Seller shall also provide to the closing attorney a non-foreign status affidavit (pursuant to the Foreign Investment in Real Property Tax Act). In the event Seller shall not provide a non-foreign status affidavit, Seller acknowledges that there may be withholding as provided by the Internal Revenue Code.

(b) Authorization to Disclose Information: Seller authorizes: (i) any attorney presently or previously representing Seller to release and disclose any title insurance policy in such attorney's file to Buyer and both Buyer's and Seller's agents and attorneys; (ii) the Property's title insurer or its agent to release and disclose all materials in the Property's title insurer's (or title insurer's agent's) file to

Buyer and both Buyer's and Seller's agents and attorneys and (iii) the closing attorney to release and disclose any seller's closing disclosure, settlement statement and/or disbursement summary, or any information therein, to the parties to this transaction, their real estate agent(s) and Buyer's lender(s).

(c) Access to Property: Seller shall provide reasonable access to the Property through the earlier of Closing or possession by Buyer, including, but not limited to, allowing Buyer and/or Buyer's agents or representatives, an opportunity to (i) conduct Due Diligence, (ii) verify the satisfactory completion of negotiated repairs/improvements, and (iii) conduct a final walk-through inspection of the Property. Seller's obligation includes providing existing utilities operating at Seller's cost, including any connections and dewinterizing.

NOTE: See WARNING in paragraph 4 above for limitation on Buyer's right to terminate this Contract as a result of Buyer's continued investigation of the Property following the expiration of the Due Diligence Period.

(d) Removal of Seller's Property: Seller shall remove, by the date possession is made available to Buyer, all personal property which is not a part of the purchase and all garbage and debris from the Property.

(e) Affidavit and Indemnification Agreement: Seller shall furnish at Settlement an affidavit(s) and indemnification agreement(s) in form satisfactory to Buyer and Buyer's title insurer, if any, executed by Seller and any person or entity who has performed or furnished labor, services, materials or rental equipment to the Property within 120 days prior to the date of Settlement and who may be entitled to claim a lien against the Property as described in N.C.G.S. §44A-8 verifying that each such person or entity has been paid in full and agreeing to indemnify Buyer, Buyer's lender(s) and Buyer's title insurer against all loss from any cause or claim arising therefrom.

(f) Designation of Lien Agent, Payment and Satisfaction of Liens: If required by N.C.G.S. §44A-11.1, Seller shall have designated a Lien Agent, and Seller shall deliver to Buyer as soon as reasonably possible a copy of the appointment of Lien Agent. All deeds of trust, deferred ad valorem taxes, liens and other charges against the Property, not assumed by Buyer, must be paid and satisfied by Seller prior to or at Settlement such that cancellation may be promptly obtained following Closing. Seller shall remain obligated to obtain any such cancellations following Closing.

(g) Good Title, Legal Access: Seller shall execute and deliver a GENERAL WARRANTY DEED for the Property in recordable form no later than Settlement, which shall convey fee simple marketable and insurable title, without exception for mechanics' liens, and free of any other liens, encumbrances or defects, including those which would be revealed by a current and accurate survey of the Property, except: ad valorem taxes for the current year (prorated through the date of Settlement); utility easements and unviolated

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Buyer's initials ______ Seller's initials _____

covenants, conditions or restrictions that do not materially affect the value of the Property; and such other liens, encumbrances or defects as may be assumed or specifically approved by Buyer in writing. The Property must have legal access to a public right of way.

NOTE: Buyer's failure to conduct a survey or examine title of the Property, prior to the expiration of the Due Diligence Period does not relieve the Seller of their obligation to deliver good title under this paragraph.

NOTE: If any sale of the Property may be a "short sale," consideration should be given to attaching a Short Sale Addendum (Standard Form 2A14-T) as an addendum to this Contract.

(h) **Deed, Taxes and Fees**: Seller shall pay for preparation of a deed and all other documents necessary to perform Seller's obligations under this Contract, and for state and county excise taxes, and any deferred, discounted or rollback taxes, and local conveyance fees required by law. The deed is to be made to:

(i) Agreement to Pay Buyer Expenses: Seller shall pay at Settlement \$_______ toward any of Buyer's expenses associated with the purchase of the Property, at the discretion of Buyer and/or lender, if any, including any FHA/VA lender and inspection costs that Buyer is not permitted to pay.

NOTE: Parties should review the FHA/VA Addendum prior to entering an amount in Paragraph 8(i). Certain FHA/VA lender and inspection costs CANNOT be paid by Buyer at Settlement and the amount of these should be included in the blank above.

(j) **Owners' Association Fees/Charges**: Seller shall pay: (i) any fees required for confirming Seller's account payment information on owners' association dues or assessments for payment or proration; (ii) any fees imposed by an owners' association and/or a management company as agent of the owners' association in connection with the transaction contemplated by this Contract other than those fees required to be paid by Buyer under paragraph 6(b) above; and (iii) fees incurred by Seller in completing the Residential Property and Owners' Association Disclosure Statement, and resale or other certificates related to a proposed sale of the Property.

(k) **Payment of Confirmed Special Assessments**: Seller shall pay, in full at Settlement, all Confirmed Special Assessments, whether payable in a lump sum or future installments, provided that the amount thereof can be reasonably determined or estimated. The payment of such estimated amount shall be the final payment between the Parties.

(1) Late Listing Penalties: All property tax late listing penalties, if any, shall be paid by Seller.

(m) Negotiated Repairs/Improvements: Negotiated repairs/improvements shall be made in a good and workmanlike manner and Buyer shall have the right to verify same prior to Settlement.

(n) **Seller's Failure to Comply or Breach**: If Seller fails to materially comply with any of Seller's obligations under this Paragraph 8 or Seller materially breaches this Contract, and Buyer elects to terminate this Contract as a result of such failure or breach, then the Earnest Money Deposit and the Due Diligence Fee shall be refunded to Buyer and Seller shall reimburse to Buyer the reasonable costs actually incurred by Buyer in connection with Buyer's Due Diligence without affecting any other remedies. If legal proceedings are brought by Buyer against Seller to recover the Earnest Money Deposit, the Due Diligence Fee and/or the reasonable costs actually incurred by Buyer in connection with Buyer's Due Diligence, the prevailing party in the proceeding shall be entitled to recover from the non-prevailing party reasonable attorney fees and court costs incurred in connection with the proceeding.

9. **PRORATIONS AND ADJUSTMENTS:** Unless otherwise agreed, the following items shall be prorated, with Seller responsible for the prorated amounts through the date of Settlement, and either adjusted between the parties or paid at Settlement:

(a) **Taxes on Real Property:** Ad valorem taxes and recurring governmental service fees levied with such taxes on real property shall be prorated on a calendar year basis;

(b) **Taxes on Personal Property:** Ad valorem taxes on personal property for the entire year shall be paid by Seller unless the personal property is conveyed to Buyer, in which case, the personal property taxes shall be prorated on a calendar year basis;

(c) Rents: Rents, if any, for the Property;

(d) Dues: Owners' association regular assessments (dues) and other like charges.

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Buyer's initials ______Seller's initials

10. HOME WARRANTY: Select one of the following:

□ No home warranty is to be provided by Seller.

Buyer may obtain a one-year home warranty at a cost not to exceed \$_______ which includes sales tax and Seller agrees to pay for it at Settlement.
 Seller has obtained and will provide a one-year home warranty from _______

at a cost of \$ ______ which includes sales tax and will pay for it at Settlement.

NOTE: Home warranties typically have limitations on and conditions to coverage. Refer specific questions to the home warranty company.

11. **RISK OF LOSS/CONDITION OF PROPERTY AT CLOSING**: The risk of loss or damage by fire or other casualty prior to Closing shall be upon Seller. Seller is advised not to cancel existing insurance on the Property until after confirming recordation of the deed.

Buyer's obligation to complete the transaction contemplated by this Contract shall be contingent upon the Property being in substantially the same or better condition at Closing as on the date of this offer, reasonable wear and tear excepted. If the Property is not in substantially the same or better condition at Closing as on the date of this offer, reasonable wear and tear excepted, Buyer may terminate this Contract by written notice delivered to Seller and the Earnest Money Deposit shall be refunded to Buyer. If the Property is not in such condition and Buyer does NOT elect to terminate this Contract, Buyer shall be entitled to receive, in addition to the Property, the proceeds of any insurance claim filed by Seller on account of any damage or destruction to the Property.

12. DELAY IN SETTLEMENT/CLOSING: Absent agreement to the contrary in this Contract or any subsequent modification thereto, if a party is unable to complete Settlement by the Settlement Date but intends to complete the transaction and is acting in good faith and with reasonable diligence to proceed to Settlement ("Delaying Party"), and if the other party is ready, willing and able to complete Settlement on the Settlement Date ("Non-Delaying Party") then the Delaying Party shall give as much notice as possible to the Non-Delaying Party and closing attorney and shall be entitled to a delay in Settlement. If the parties fail to complete Settlement and Closing within fourteen (14) days of the Settlement Date (including any amended Settlement Date agreed to in writing by the parties) or to otherwise extend the Settlement Date by written agreement, then the Delaying Party shall be in breach and the Non-Delaying Party may terminate this Contract and shall be entitled to enforce any remedies available to such party under this Contract for the breach.

13. **POSSESSION**: Possession, including all means of access to the Property (keys, codes including security codes, garage door openers, electronic devices, etc.), shall be delivered upon Closing as defined in Paragraph 1(m) unless otherwise provided below:

A Buyer Possession Before Closing Agreement is attached (Standard Form 2A7-T)

A Seller Possession After Closing Agreement is attached (Standard Form 2A8-T)

Possession is subject to rights of tenant(s)

NOTE: Consider attaching Additional Provisions Addendum (Form 2A11-T) or Vacation Rental Addendum (Form 2A13-T)

14. ADDENDA: CHECK ALL STANDARD ADDENDA THAT MAY BE A PART OF THIS CONTRACT, IF ANY, AND ATTACH HERETO. ITEMIZE ALL OTHER ADDENDA TO THIS CONTRACT, IF ANY, AND ATTACH HERETO.

| Additional Provisions Addendum (Form 2A11-T) | |
|---|--|
| □ Additional Signatures Addendum (Form 3-T) | New Construction Addendum (Form 2A3-T) Owners' Association Disclosure and Condominium |
| Back-Up Contract Addendum (Form 2A1-T) | Resale Statement Adden down (Town October 10 Th |
| | Resale Statement Addendum (Form 2A12-T) |
| | Seller Financing Addendum (Form 2A5-T) |
| Lead Dused Faint Of Lead-Dased Paint Hazard Addendum (Form 2A9-T) | □ Short Sale Addendum (Form 2A14-T) |
| | □ Vacation Rental Addendum (Form 2A13-T) |

□ Identify other attorney or party drafted addenda:

NOTE: UNDER NORTH CAROLINA LAW, REAL ESTATE BROKERS ARE NOT PERMITTED TO DRAFT ADDENDA TO THIS CONTRACT.

15. ASSIGNMENTS: This Contract may not be assigned without the written consent of all parties except in connection with a taxdeferred exchange, but if assigned by agreement, then this Contract shall be binding on the assignee and assignee's heirs and successors.

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Buyer's initials ______ Seller's initials

16. TAX-DEFERRED EXCHANGE: In the event Buyer or Seller desires to effect a tax-deferred exchange in connection with the conveyance of the Property, Buyer and Seller agree to cooperate in effecting such exchange; provided, however, that the exchanging party shall be responsible for all additional costs associated with such exchange, and provided further, that a non-exchanging party shall not assume any additional liability with respect to such tax-deferred exchange. Buyer and Seller shall execute such additional documents, including assignment of this Contract in connection therewith, at no cost to the non-exchanging party, as shall be required to give effect to this provision.

17. PARTIES: This Contract shall be binding upon and shall inure to the benefit of Buyer and Seller and their respective heirs, successors and assigns. As used herein, words in the singular include the plural and the masculine includes the feminine and neuter genders, as appropriate.

18. SURVIVAL: If any provision herein contained which by its nature and effect is required to be observed, kept or performed after the Closing, it shall survive the Closing and remain binding upon and for the benefit of the parties hereto until fully observed, kept or performed.

19. ENTIRE AGREEMENT: This Contract contains the entire agreement of the parties and there are no representations, inducements or other provisions other than those expressed herein. All changes, additions or deletions hereto must be in writing and signed by all parties. Nothing contained herein shall alter any agreement between a REALTOR® or broker and Seller or Buyer as contained in any listing agreement, buyer agency agreement, or any other agency agreement between them.

20. CONDUCT OF TRANSACTION: The parties agree that any action between them relating to the transaction contemplated by this Contract may be conducted by electronic means, including the signing of this Contract by one or more of them and any notice or communication given in connection with this Contract. Any written notice or communication may be transmitted to any mailing address, e-mail address or fax number set forth in the "Notice Information" section below. Any notice or communication to be given to a party herein, and any fee, deposit or other payment to be delivered to a party herein, may be given to the party or to such party's agent. Delivery of any notice to a party via means of electronic transmission shall be deemed complete at such time as the sender performs the final act to send such transmission, in a form capable of being processed by the receiving party's system, to any electronic address provided for such party in the "Notice Information" section below. Seller and Buyer agree that the "Notice Information" and "Acknowledgment of Receipt of Monies" sections below shall not constitute a material part of this Contract, and that the addition or modification of any information therein shall not constitute a rejection of an offer or the creation of a counteroffer.

21. EXECUTION: This Contract may be signed in multiple originals or counterparts, all of which together constitute one and the same instrument.

22. COMPUTATION OF DAYS/TIME OF DAY: Unless otherwise provided, for purposes of this Contract, the term "days" shall mean consecutive calendar days, including Saturdays, Sundays, and holidays, whether federal, state, local or religious. For the purposes of calculating days, the count of "days" shall begin on the day following the day upon which any act or notice as provided in this Contract was required to be performed or made. Any reference to a date or time of day shall refer to the date and/or time of day in the State of North Carolina.

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Buyer's initials ______ Seller's initials

THE NORTH CAROLINA ASSOCIATION OF REALTORS[®], INC. AND THE NORTH CAROLINA BAR ASSOCIATION MAKE NO REPRESENTATION AS TO THE LEGAL VALIDITY OR ADEQUACY OF ANY PROVISION OF THIS FORM IN ANY SPECIFIC TRANSACTION. IF YOU DO NOT UNDERSTAND THIS FORM OR FEEL THAT IT DOES NOT PROVIDE FOR YOUR LEGAL NEEDS, YOU SHOULD CONSULT A NORTH CAROLINA REAL ESTATE ATTORNEY BEFORE YOU SIGN IT.

This offer shall become a binding contract on the Effective Date. Unless specifically provided otherwise, Buyer's failure to timely deliver any fee, deposit or other payment provided for herein shall not prevent this offer from becoming a binding contract, provided that any such failure shall give Seller certain rights to terminate the contract as described herein or as otherwise permitted by law.

| Date: | Date: |
|--|--|
| Buyer: | Seller: |
| Date: | Date: |
| Buyer: | Seller: |
| Entity Buyer: | Entity Seller: |
| (Name of LLC/Corporation/Partnership/Trust/etc.) | (Name of LLC/Corporation/Partnership/Trust/etc.) |
| Ву | Ву: |
| Name: | Name: |
| Print Name Title: | Print Name Title: |
| Date: | Date: |
| | |

WIRE FRAUD WARNING

TO BUYERS: BEFORE SENDING ANY WIRE, YOU SHOULD CALL THE CLOSING ATTORNEY'S OFFICE TO VERIFY THE INSTRUCTIONS. IF YOU RECEIVE WIRING INSTRUCTIONS FOR A DIFFERENT BANK, BRANCH LOCATION, ACCOUNT NAME OR ACCOUNT NUMBER, THEY SHOULD BE PRESUMED FRAUDULENT. DO NOT SEND ANY FUNDS AND CONTACT THE CLOSING ATTORNEY'S OFFICE IMMEDIATELY.

TO SELLERS: IF YOUR PROCEEDS WILL BE WIRED, IT IS RECOMMENDED THAT YOU PROVIDE WIRING INSTRUCTIONS AT CLOSING IN WRITING IN THE PRESENCE OF THE ATTORNEY. IF YOU ARE UNABLE TO ATTEND CLOSING, YOU MAY BE REQUIRED TO SEND AN ORIGINAL NOTARIZED DIRECTIVE TO THE CLOSING ATTORNEY'S OFFICE CONTAINING THE WIRING INSTRUCTIONS. THIS MAY BE SENT WITH THE DEED, LIEN WAIVER AND TAX FORMS IF THOSE DOCUMENTS ARE BEING PREPARED FOR YOU BY THE CLOSING ATTORNEY. AT A MINIMUM, YOU SHOULD CALL THE CLOSING ATTORNEY'S OFFICE TO PROVIDE THE WIRE INSTRUCTIONS. THE WIRE INSTRUCTIONS SHOULD BE VERIFIED OVER THE TELEPHONE VIA A CALL TO YOU INITIATED BY THE CLOSING ATTORNEY'S OFFICE TO ENSURE THAT THEY ARE NOT FROM A FRAUDULENT SOURCE.

WHETHER YOU ARE A BUYER OR A SELLER, YOU SHOULD CALL THE CLOSING ATTORNEY'S OFFICE AT A NUMBER THAT IS INDEPENDENTLY OBTAINED. TO ENSURE THAT YOUR CONTACT IS LEGITIMATE, YOU SHOULD NOT RELY ON A PHONE NUMBER IN AN EMAIL FROM THE CLOSING ATTORNEY'S OFFICE, YOUR REAL ESTATE AGENT OR ANYONE ELSE.

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NOTICE INFORMATION

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| NOTE: INSERT AT LEAST ONE ADDRESS AND/OR ELE APPROVES FOR THE RECEIPT OF ANY NOTICE CONTE WHICH ARE NOT APPROVED. | CTRONIC DELIVERY ADDRESS EACH PARTY AND AGENT EMPLATED BY THIS CONTRACT. INSERT "N/A" FOR ANY |
|---|--|
| BUYER NOTICE ADDRESS: | SELLER NOTICE ADDRESS: |
| Mailing Address: | Mailing Address: |
| Buyer Fax#: | Seller Fax#: |
| Buyer E-mail: | Seller E-mail: |
| | ENCY/NOTICE ADDRESSES |
| Selling Firm Name: Acting as Duyer's Agent Seller's (sub)Agent Dual Agent | Listing Firm Name: |
| Firm License #: | |
| Mailing Address: | Firm License #: Mailing Address: |
| Individual Selling Agent: Acting as a Designated Dual Agent (check only if applicable) | Individual Listing Agent: Acting as a Designated Dual Agent (check only if applicable) |
| Selling Agent License #: | Listing Agent License #: |
| Selling Agent Phone #: | Listing Agent Phone #: |
| Selling Agent Fax # : | Listing Agent Fax #: |
| Selling Agent E-mail: | Listing Agent E-mail: |

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Buyer's initials ______Seller's initials ______

ACKNOWLEDGMENT OF RECEIPT OF MONIES

| Duyer: | | ("Buy |
|--|--|-----------------------------|
| Property Address: | (' | Proper |
| □ LISTING AGENT ACKNOWLEDGMENT OF Paragraph 1(d) of the Offer to Purchase and Contract I Seller of a Due Diligence Fee in the amount of \$ | RECEIPT OF DUE DILIGENCE FEE between Buyer and Seller for the sale of the Property provides for the p , receipt of which Listing Agent hereby acknowledges. | aymer |
| Date | Firm: | |
| | | |
| | By:(Signature) | |
| | (Print name) | |
| Seller ACKNOWLEDGMENT OF RECEIP Paragraph 1(d) of the Offer to Purchase and Contract b Seller of a Due Diligence Fee in the amount of \$ | | aymen |
| Date | | |
| | Seller:(Signature) | |
| Date | Seller:(Signature) | |
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