

Team Gale Information and Instructions For the Purchase of Foreclosure Property

In an effort to simplify the sale of foreclosed properties that Team Gale represents, please read and adhere to the following for our mutual benefit:

- **Call Centralized Showing at (888) 223-0076 for all showing appointments.**
- **All viewing of properties is “at your own risk.”**
- **Please submit all Offers to Mike Tedder at Mike@TeamGale.net or fax to 910-457-6715.**
- **Before submitting an offer be sure that you and your client fully understand the following:**
 - ✓ All homes are being sold “As Is” and are exempt from the NC Residential Property Disclosure. NO REQUEST FOR REPAIRS WILL BE MADE. Buyer still has the right to a home inspection once Offer is accepted.
 - ✓ Any personal property on the premises is NOT warranted by Federal Home Loan Mortgage Corporation (FHLMC).
 - ✓ Offers cannot be contingent on repairs or the sale of another home.
 - ✓ Verification of schools and square footage of home and lot need to be made prior to submitting an Offer to Purchase.
 - ✓ Pre-Approval Letter or Proof of Funds (If paying cash) MUST be submitted with Offer.
 - ✓ Many properties WILL NOT qualify for FHA, VA, USDA, or other government programs and FHLMC WILL NOT make repairs to meet those requirements.
 - ✓ For the sale of a manufactured home, an Engineer’s Report may be needed for FHA, VA, USDA or other government programs to obtain financing. This is to be paid for by the BUYER. This expense usually requires payment *before* the engineering company will release the report. FHLMC WILL NOT obtain this report, nor will it reimburse Buyers for this expense for any reason. This report averages \$450.
 - ✓ FDA, VA, USDA or other government programs may require a well and septic inspection and test to obtain financing. These inspections and tests will need to be completed and paid for by the BUYER and FHLMC WILL NOT obtain this report, nor will it reimburse the Buyer for these expenses for any reason.
 - ✓ Closing delays will cost \$50 (fifty dollars) per day until closed if delayed by the Buyer(s).
 - ✓ Title will be transferred by Special Warranty Deed, NOT General Warranty Deed.
 - ✓ There will be no reimbursement for services (i.e. home inspections, surveys, etc.) that are Paid Outside of Closing by the Buyer.

OFFER CHECKLIST-TO BE INCLUDED IN ALL OFFERS SUBMITTED TO CBSCR

- NC Offer to Purchase
- Copy of a personal check. At the time Offer is accepted a Certified Check will need to be submitted
- Pre-Approval Letter or Proof of Funds, if cash deal
- Team Gale "Instructions and Information" Form (see above)
- Multiple Offer Form (This is to be filled out in advance so if a Multiple Offer Situation does occur you will not have to go back to your client to have them sign it later)
- Offer Recap Form
- Buyer Information Sheet
- SIGNED Wood Destroying Insect Report, if applicable

****Offers will not be submitted without the following information****

It is best for your clients that all information attached is filled out and submitted with initial offer.

BUYERS INFORMATION SHEET

Buyer(s) Name _____

Address _____

Will this property be the primary residence of the Buyer(s) _____

Is this a FIRST TIME home Buyer(s) _____

Is Buyer a licensed Real Estate Agent _____

Is Buyer a Freddie Mac/HomeSteps Employee _____

Is Buyer a Supplier to Freddie Mac/HomeSteps _____

Lender Name _____

Phone# and Contact _____

Email Address _____

Attorney Name _____

Phone# and Contact _____

Fax _____

Email Address _____

Buyer's Agent Name _____

Real Estate Firm _____

Address _____

Phone _____ Cell _____ Fax _____

Email Address _____

Buyers Recap of Offer

Property Address _____

Buyer(s) _____

Purchase Price _____

EMD _____

Financing Type _____

Closing Cost _____

Inspection Date _____

Closing Date _____

Agent Name and Company _____

Lender's Name and Contact Info _____

LENDING REQUIREMENT NOTICE **TO BUYER & BUYER'S AGENT:**

AGENTS YOU SHOULD BEWARE OF LENDING GUIDELINES FOR FHA, VA, USDA, OR OTHER GOVERNMENT LOANS RELATIVE TO REPAIRS. THESE AND OTHER GOVERNMENT LOANS HAVE STRICT CONDITION GUIDELINES FOR FUNDING. MANY LENDERS ARE NOT FAMILIAR WITH LOANS THAT ARE SUITABLE TO ADDRESS PROPERTY CONDITION ISSUES FOR BUYERS CONSIDERING A FORECLOSED PROPERTY. THE LENDERS BELOW HAVE PRODUCTS THAT COULD HELP SOME BUYERS ACQUIRE DISTRESSED PROPERTY.

FORECLOSED PROPERTIES ARE BEING SOLD **"AS IS"** AND SELLER WILL NOT ACCEPT REPAIR REQUESTS.

IF YOUR CLIENT IS NOT USING A NATIONAL LENDER AND IS NOT USING ANY OF THE THREE (3) MORTGAGE FIRMS LISTED BELOW; WE WILL REQUIRE YOUR CLIENT TO BE PRE-QUALIFIED WITH ONE OF THE LENDERS IDENTIFIED BELOW. YOUR CLIENT IS NOT REQUIRED TO USE THEM FOR THEIR LOAN, JUST BECOME PRE-QUALIFIED WITH ONE OF THEM.

THE REASON FOR THIS REQUIREMENT IS WE HAVE TAKEN PROPERTY OFF THE MARKET FOR PROSPECTIVE BUYERS WHO WERE WORKING WITH A LENDER THAT COULD NOT CLOSE ON THE DAY OF OR WITHIN A REASONABLE TIME OF THE CLOSING DATE. WE HAVE NOT HAD THIS ISSUE WITH A NATIONAL BANK OR THE MORTGAGE BROKERS SHOWN BELOW.

- | | | |
|--------------------|---------------------|--------------|
| 1. CAMERON PEARSON | - ALPHA MORTGAGE | 910-228-8540 |
| 2. KENT STANTON | - OLYMPIC MORTGAGE | 910-279-3003 |
| 3. SCOTT CLEMMONS | - MARKET CONSULTING | 910-509-7105 |

FOLLOWING THIS CONDITION WILL HELP FACILITATE ALL PARTIES GETTING TO THE CLOSING TABLE.

IF YOU HAVE ANY QUESTIONS, PLEASE INQUIRE TO

MIKE TEDDER FOR BRUNSWICK COUNTY

910-798-1075 OR MIKE@TEAMGALE.NET



TEAM GALE KEEPS YOU ON COURSE IN REAL ESTATE!



Asset # _____

MULTIPLE OFFER PROCEDURE FORM

(If you fail to execute and return this document, we will not consider your offer.)

Date: _____

Property Address: _____

City/State/Zip: _____

Offeror Name(s): _____

Selling Agent & Broker: _____

Dear Offeror:

We are involved in a multiple offer situation on the above referenced property. ALL OFFERS will be considered subject to the following:

1. All offers must be *in writing*- no verbal offers will be accepted.
2. The Listing Agent must receive your written "best" offer no later than 5:00 (EST) on _____ (date). Delivery of such offer may be via facsimile to:

Listing Agent & Broker: _____

Telephone Number: _____

Facsimile Number: _____

3. The Listing Agent will facsimile all "best" offers to Seller's authorized representative no later than close of business the following day.
4. The following terms and conditions shall be applicable to you and to any offer you wish to submit:
 - a. Seller shall have sole and absolute discretion to accept or reject any offer received. Seller is not required to accept any particular offer, regardless of its terms, and has the absolute right and discretion to reject all offers.
 - b. Subsequent to receipt of offers, regardless of its terms, and has the absolute right to deal with any Broker and/or one or more offerors to further negotiate the terms and condition of any offer. In so doing, Seller shall have no obligation to negotiate or communicate with each and every other offeror, or with any offeror.
 - c. Under no circumstances shall verbal communications between an Offeror and Seller or any agent or Broker constitute or create an obligation on the part of Seller to sell a property to anyone under any terms.
 - d. The acceptance of any offer shall be conditioned upon the subsequent execution by the Offeror and Seller of a written contract of sale, including all required addenda and setting forth terms and conditions satisfactory to the Seller. The Seller shall have no obligation to sell the property unless and until such written contract is fully executed.
5. In the event an accepted offer does not result in a closed escrow, Seller reserves the right to re-open negotiations with any offeror and/or Seller may request Listing Agent to solicit new offers.

Please sign below to acknowledge your understanding and acceptance of these terms and procedures and return this form to the Listing Broker no later than the time designated for the transmittal of offers. Failure to transmit such acceptance may prevent your offer from being considered.

ACKNOWLEDGED AND AGREED


(Offeror) Date

(Offeror) Date

HomeSteps Address: 5000 Plano Parkway • Carrollton, TX • 75010 • 972-395-4000

Please note the following is a sample of the North Carolina Offer to Purchase and Contract to be submitted to Federal Home Loan Mortgage Corporation.



Please note that the  indicates areas that need to be changed, initialed, and dated by the Buyer(s) or items/wording that must be changed.

These changes/alterations are as follows.

1. Seller is to be Federal Home Loan Mortgage Corporation.
2. Any personal property will be sold as is/where is at no value and is not warranted by Federal Home Loan Mortgage Corporation.
3. Check is to be a Certified Check or Money Order made payable to Coldwell Banker Sea Coast Realty.
4. Written application for the loan, authorized any required appraisal, and pay any necessary fees within 3 days after the Effective date of the contract.
5. Title will be delivered at closing by SPECIAL warranty deed. This needs to be changed, initialed, and dated on page 3 of the Offer to Purchase and Contract.
6. Home is exempt from the North Carolina Residential Property Disclosure.
7. Cost of Repair Contingency should read N/A as the homes are being sold **AS IS**. If there is an amount in this space please note that Federal Home Loan Mortgage Corporation will strike through.

OFFER TO PURCHASE AND CONTRACT
[Consult "Guidelines" (form 2G) for guidance in completing this form]



SEA COAST REALTY

SAMPLE, as Buyer,
hereby offers to purchase and Federal Home Loan Mortgage Corporation, as Seller,
upon acceptance of said offer, agrees to sell and convey, all of that plot, piece or parcel of land described below, together with all
improvements located thereon and such fixtures and personal property as are listed below (collectively referred to as the "Property"),
upon the terms and conditions set forth herein. This offer shall become a binding contract on the date that: (i) the last one of the Buyer
and Seller has signed or initialed this offer or the final counteroffer, if any, and (ii) such signing or initialing is communicated to the
party making the offer or counteroffer, as the case may be. Such date shall be referred to herein as the "Effective Date."

1. REAL PROPERTY: Located in SAMPLE County, State of North Carolina,
being known as and more particularly described as:

Address: Street SAMPLE
City: SAMPLE Zip SAMPLE

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

Legal Description: SAMPLE

Subdivision Name: SAMPLE

Plat Reference: Lot SAMPLE, Block or Section SAMPLE as shown on
Plat Book or Slide _____ at Page(s) _____ (Property acquired by Seller in Deed Book _____ at Page _____).

NOTE: Prior to signing this Offer to Purchase and Contract, Buyer is advised to review Restrictive Covenants, if any, which may limit
the use of the Property, and to read the Declaration of Restrictive Covenants, By-Laws, Articles of Incorporation, Rules and
Regulations, and other governing documents of the owners' association and/or the subdivision, if applicable. If the Property is subject
to regulation by an owners' association, it is recommended that Buyer obtain a copy of a completed Owners' Association Disclosure
And Addendum (standard form 2A12-T) prior to signing this Offer to Purchase and Contract, and include it as an addendum hereto.

2. FIXTURES: The following items, if any, and if owned by the Seller, are included in the purchase price free of liens: any built-in
appliances, light fixtures, ceiling fans, attached floor coverings, blinds, shades, drapery rods and curtain rods, brackets and all related
hardware, window and door screens, storm windows, combination doors, awnings, antennas, satellite dishes and receivers,
burglar/fire/smoke alarms, pool and spa equipment, solar energy systems, attached fireplace screens, gas logs, fireplace inserts, electric
garage door openers with controls, outdoor plants and trees (other than in movable containers), basketball goals, storage sheds,
mailboxes, wall and/or door mirrors, attached propane gas tank, invisible fencing including all related equipment, lawn irrigation
systems and all related equipment, water softener/conditioner and filter equipment, and any other items attached or affixed to the
Property, EXCEPT any such items leased by the Seller and the following items: _____

3. PERSONAL PROPERTY: The following personal property is included in the purchase price. Any personal property is
being sold as is/where is at no value & is not warranted by Federal Home Loan Mortgage.

4. PURCHASE PRICE: The purchase price is \$ SAMPLE and shall be paid in U.S.
Dollars. 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 good funds to the payee. In the event Buyer does not timely
deliver good funds, the Seller shall have the right to terminate this contract upon written notice to the Buyer. The purchase price shall
be paid as follows:

(a) \$ _____, EARNEST MONEY DEPOSIT with this offer by cash personal check bank check
 certified check other: _____ to be deposited and held in escrow by
Coldwell Banker Sea Coast Realty ("Escrow Agent") until the sale is closed, 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) any of the conditions hereto
are not satisfied, then all earnest monies shall be refunded to Buyer. In the event of breach of this contract by Seller, all earnest
monies 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, then all earnest monies shall be forfeited to Seller upon Seller's
request, but such forfeiture shall not affect any other remedies available to Seller for such breach.



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



STANDARD FORM 2-T
Revised 7/2008
© 7/2009

Buyer initials _____ Seller initials _____

NOTE: In the event of a dispute between Seller and Buyer over the return or forfeiture of earnest money 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 said earnest money 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 is holding the Earnest Money, the Broker 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 ANY EARNEST MONIES DEPOSITED BY BUYER 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.

- (b) \$ _____, (ADDITIONAL) EARNEST MONEY DEPOSIT to be paid to Escrow Agent no later than _____, **TIME BEING OF THE ESSENCE** WITH REGARD TO SAID DATE.
- (c) \$ _____, OPTION FEE in accordance with paragraph 16, Alternative 2, to be paid to Seller on the Effective Date. (NOTE: If Alternative 2 applies, then do not insert \$0, N/A, or leave blank).
- (d) \$ _____, BY ASSUMPTION of the unpaid principal balance and all obligations of Seller on the existing loan(s) secured by a deed of trust on the Property in accordance with the attached Loan Assumption Addendum.
- (e) \$ _____, BY SELLER FINANCING in accordance with the attached Seller Financing Addendum.
- (f) \$ _____, BALANCE of the purchase price in cash at Closing.

5. LOAN CONDITION:

(a) **Loan:** Buyer's performance is contingent upon Buyer's ability to obtain a FHA VA (attach FHA/VA Financing Addendum) Conventional Other: _____ loan at a Fixed Rate Adjustable Rate in the principal amount of _____ **SAMPLE** (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, with mortgage loan discount points not to exceed _____ % and with loan origination fee not to exceed _____ % of the loan amount ("Loan").

(b) **Loan Obligations:** The Buyer agrees to:

- (i) Make written application for the Loan, authorize any required appraisal and pay any necessary fees within _____ 3 _____ days after the Effective Date;
- (ii) Promptly furnish Seller written confirmation from the lender of having applied for the Loan.



If Buyer fails to furnish Seller written confirmation from the lender of having applied for the Loan, Seller may make written demand for compliance. If Buyer does not furnish Seller written confirmation from the lender of application within five (5) days after such demand, then Seller may terminate this contract by written notice to Buyer at any time thereafter, provided Seller has not received either written evidence of the application or a waiver of the Loan Condition, and all Earnest Money shall be forfeited to Seller as liquidated damages and as Seller's sole and exclusive remedy for Buyer's failure to close, but without limiting Seller's rights under paragraph 17 for damage to the Property. Buyer further agrees to:

- (iii) Pursue qualification for and approval of the Loan diligently and in good faith;
- (iv) Continually and promptly provide requested documentation to lender.

(c) **Buyer's Right to Terminate:** If Buyer has complied with Buyer's Loan Obligations in subsection (b) above, then within _____ days after the Effective Date (or any agreed-upon written extension of this deadline) **TIME BEING OF THE ESSENCE**, Buyer shall have the right to terminate this contract by delivering to Seller written notice of termination if Buyer, in Buyer's sole discretion, is not satisfied that the Loan will be approved and funded. If Buyer has timely delivered such notice, this contract shall be terminated and all Earnest Money shall be refunded to Buyer. If Buyer fails to deliver such notice, then Buyer will be deemed to have waived this condition. Thereafter, if Buyer fails to close based upon inability to obtain the Loan, then all Earnest Money shall be forfeited to Seller. If Buyer provides Seller reasonable third-party documentation confirming Buyer's inability to obtain the Loan, then the Earnest Money shall serve as liquidated damages and as Seller's sole and exclusive remedy for Buyer's failure to close, but without limiting Seller's rights under paragraph 17 for damage to the Property. (**WARNING:** Buyer is advised to consult with Buyer's lender to assure that the number of days allowed for Buyer to obtain the Loan is sufficient to allow Buyer's lender time to take all reasonable steps necessary to provide reliable loan approval.)

6. FLOOD HAZARD DISCLOSURE/CONDITION (Choose ONE of the following alternatives):

To the best of Seller's knowledge, the Property IS located partly or entirely within a designated Special Flood Hazard Area. Buyer understands that it may be necessary to purchase flood insurance in order to obtain any loan secured by the Property from any federally regulated institution or a loan insured or guaranteed by an agency of the U.S. Government.

Buyer initials _____ Seller initials _____

To the best of Seller's knowledge, the Property IS NOT located partly or entirely within a designated Special Flood Hazard Area. If, following the Effective Date of this contract, it is determined that any permanent improvements on the Property are located within a designated Special Flood Hazard Area according to the current FEMA flood map, or if this contract is subject to a Loan Condition and Buyer's lender requires Buyer to obtain flood insurance as a condition of making the Loan, then in either event Buyer shall have the right to terminate this contract upon written notice to Seller, and all earnest monies shall be refunded to Buyer.

7. OTHER CONDITIONS: (State N/A in each blank that is not a condition to this contract.)

- (a) There must be no restriction, easement, zoning or other governmental regulation that would prevent the reasonable use of the Property for Residential purposes.
- (b) The Property must be in substantially the same or better condition at Closing as on the date of this offer, reasonable wear and tear excepted.
- (c) The Property must appraise at a value equal to or exceeding the purchase price or, at the option of Buyer, this contract may be terminated and all earnest monies shall be refunded to Buyer, even if the Loan Condition has been waived as provided in paragraph 5.
If this contract is NOT subject to a financing contingency requiring an appraisal, Buyer shall arrange to have the appraisal completed on or before _____.
- (d) All deeds of trust, liens and other charges against the Property, not assumed by Buyer, must be paid and satisfied by Seller prior to or at Closing such that cancellation may be promptly obtained following Closing. SPECIAL Seller shall remain obligated to obtain any such cancellations following Closing.
- (e) Title must be delivered at Closing by GENERAL WARRANTY DEED unless otherwise stated herein, and must be fee simple marketable and insurable title, free of all encumbrances except: ad valorem taxes for the current year (prorated through the date of Closing); utility easements and unviolated restrictive covenants that do not materially affect the value of the Property; and such other encumbrances as may be assumed or specifically approved by Buyer. The Property must have legal access to a public right of way.

8. SPECIAL ASSESSMENTS: NOTE: For purposes of this agreement, a "confirmed" special assessment is defined as an assessment that has been approved by a governmental agency or an owners' association for the purpose(s) stated, whether or not it is fully payable at time of closing. A "pending" special assessment is defined as an assessment that is under formal consideration by a governing body. Seller warrants that there are no pending or confirmed governmental special assessments for sidewalk, paving, water, sewer, or other improvements on or adjoining the Property, and no pending or confirmed owners' association special assessments, except as follows (Insert "None" or the identification of such assessments, if any): _____

Unless otherwise agreed, Seller shall pay all owners' association assessments and all governmental assessments confirmed through the time of Closing, if any, and Buyer shall take title subject to all pending assessments disclosed by Seller herein, if any.

9. PRORATIONS AND ADJUSTMENTS: Unless otherwise provided, the following items shall be prorated and either adjusted between the parties or paid at Closing: (a) Ad valorem taxes on real property shall be prorated on a calendar year basis through the date of Closing; (b) Ad valorem taxes on personal property for the entire year shall be paid by the Seller unless the personal property is conveyed to the Buyer, in which case, the personal property taxes shall be prorated on a calendar year basis through the date of Closing; (c) All late listing penalties, if any, shall be paid by Seller; (d) Rents, if any, for the Property shall be prorated through the date of Closing; (e) Owners' association dues and other like charges shall be prorated through the date of Closing. Seller represents that the regular owners' association dues, if any, are \$ _____ per _____. Unless otherwise agreed, Buyer shall pay any fees required for obtaining account payment information on owners' association dues or assessments for payment or proration and any charge made by the owners' association in connection with the disposition of the Property to Buyer, including any transfer and/or document fee imposed by the owners' association.

10. EXPENSES: Unless otherwise agreed, Buyer shall be responsible for all costs with respect to any loan obtained by Buyer, appraisal, title search, title insurance, recording the deed and for preparation and recording of all instruments required to secure the balance of the purchase price unpaid at Closing. Seller shall pay for preparation of a deed and all other documents necessary to perform Seller's obligations under this agreement, and for excise tax (revenue stamps) required by law. Seller shall pay at Closing \$ _____ toward any of Buyer's expenses associated with the purchase of the Property, including any FHA/VA lender and inspection costs that Buyer is not permitted to pay, but excluding any portion disapproved by Buyer's lender.

11. HOME WARRANTY: If a home warranty is to be provided, select one of the following: Buyer may obtain a one-year home warranty at a cost not to exceed \$ _____ and Seller agrees to pay for it at Closing. Seller has obtained and will provide a one-year home warranty from _____ at a cost of \$ _____ and will pay for it at Closing.

12. **FUEL:** Buyer agrees to purchase from Seller the fuel, if any, situated in any tank on the Property at the prevailing rate with the cost of measurement thereof, if any, being paid by Seller.

13. **EVIDENCE OF TITLE:** Seller agrees to use his best efforts to deliver to Buyer as soon as reasonably possible after the Effective Date of this contract, 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 and easements relating to the Property. Seller authorizes (1) 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; and (2) 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.

14. **LABOR AND MATERIAL:** Seller shall furnish at Closing an affidavit and indemnification agreement in form satisfactory to Buyer showing that all labor and materials, if any, furnished to the Property within 120 days prior to the date of Closing have been paid for and agreeing to indemnify Buyer against all loss from any cause or claim arising therefrom.

15. **PROPERTY DISCLOSURE:**

- Buyer has received a signed copy of the N.C. Residential Property Disclosure Statement prior to the signing of this Offer to Purchase and Contract.
- Buyer has NOT received a signed copy of the N.C. Residential Property Disclosure Statement prior to the signing of this Offer to Purchase and Contract and shall have the right to terminate or withdraw this contract without penalty 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 date the contract was made; or (3) Closing or occupancy by the Buyer in the case of a sale or exchange.
- Exempt from N.C. Residential Property Disclosure Statement because (SEE GUIDELINES) Property obtained through foreclosure
- The Property is residential and was built prior to 1978 (Attach Lead-Based Paint or Lead-Based Paint Hazards Disclosure Addendum.)

16. **PROPERTY INSPECTION/INVESTIGATION** (Choose ONLY ONE of the following Alternatives):

ALTERNATIVE 1:

(a) **Property Condition:** As to all permanent improvements except: _____, it is a condition of this contract that (i) the built-in appliances, electrical system, plumbing system, heating and cooling systems, roof coverings (including flashing and gutters), doors and windows, exterior building surfaces, structural components (including foundations, retaining walls, columns, chimneys, floors, walls, ceilings and roofs), porches and decks, fireplaces and flues, crawl space and attic ventilation systems (if any), water and sewer systems (public and private), shall be performing the function for which intended and shall not be in need of immediate repair; (ii) there shall be no unusual drainage conditions or evidence of excessive moisture adversely affecting the structure(s); and (iii) there shall be no friable asbestos or existing environmental contamination.

(b) **Inspections/Repair Negotiations:** Buyer, at Buyer's expense, may inspect or obtain such inspections of the Property as Buyer deems appropriate. Only items covered by subsections (a)(i), (a)(ii), and (a)(iii) above ("Necessary Repairs") are included in repair negotiations under this contract. All inspections, including but not limited to any additional inspections recommended by Buyer's inspector(s), shall be completed and written notice of Necessary Repairs shall be given to Seller on or before _____ (the "Repair Notice Date"). Seller shall have the option of completing Necessary Repairs or refusing to complete them. Seller shall provide written notice to Buyer of Seller's response within _____ days of Buyer's notice, **TIME BEING OF THE ESSENCE.** Seller's failure to provide said notice as required shall constitute an election by the Seller not to complete Necessary Repairs. If Seller elects not to complete all Necessary Repairs, then Buyer shall have the option of (a) accepting the Property in its present condition, (b) accepting Seller's offer to make repairs to the extent and as described in the Seller's response, or (c) terminating this contract, in which case all earnest monies shall be refunded. The Buyer shall deliver the Buyer's written decision to Seller within five (5) days after receiving the Seller's written response, or Seller's failure to respond, **TIME BEING OF THE ESSENCE.** Failure of Buyer to provide this written decision by the time stated herein shall constitute acceptance of Seller's agreement to make repairs to the extent and as described in the Seller's response. Buyer shall have the right to verify that any Necessary Repairs have been completed in a good and workmanlike manner.

(c) **Wood-Destroying Insects:** Buyer shall have the option of obtaining, at Buyer's expense, a report from a licensed pest control operator on a standard form in accordance with the regulations of the North Carolina Structural Pest Control Committee, stating that as to all structures, except _____, there was no visible evidence of wood-destroying insects and containing no indication of visible damage therefrom. The report must be obtained on or before the Repair Notice Date. If

Buyer initials _____ Seller initials _____

the report indicates that there is visible evidence of wood-destroying insects or visible damage therefrom, Seller shall have the option of performing any required treatment or completing Necessary Repairs, or refusing to perform any required treatment or complete Necessary Repairs. If Seller elects not to perform required treatment or complete Necessary Repairs, Buyer shall have the option of accepting the Property without the required treatment or Necessary Repairs, or terminating the contract, in which case all earnest monies shall be refunded. Buyer and Seller shall exercise their respective rights under this subsection (c) in the same manner and within the same time limitations as set forth in subsection (b) above. The Buyer is advised that the inspection report described in this paragraph may not always reveal either structural damage or damage caused by agents or organisms other than wood-destroying insects. If new construction, Seller shall provide a standard warranty of termite soil treatment.

(d) **Radon Inspection:** Buyer shall have the option, at Buyer's expense, to have the Property tested for radon on or before the Repair Notice Date. The test result shall be deemed satisfactory to Buyer if it indicates a radon level of less than 4.0 pico curies per liter of air (as of January 1, 1997, EPA guidelines reflect an "acceptable" level as anything less than 4.0 pico curies per liter of air). If the test result exceeds the above-mentioned level, Seller shall have the option of: a) remediating to bring the radon level within the satisfactory range; or b) refusing to remediate. Upon the completion of remediation, Buyer may have a radon test performed at Seller's expense, and if the test result indicates a radon level less than 4.0 pico curies per liter of air, it shall be deemed satisfactory to the Buyer. If Seller elects not to remediate, or if remediation is attempted but fails to bring the radon level within the satisfactory range, Buyer shall have the option of: a) accepting the Property with its then current radon level; or b) terminating the contract, in which case all earnest monies shall be refunded. Buyer and Seller shall exercise their respective rights under this subsection (d) in the same manner and within the same time limitations as set forth in subsection (b) above.

(e) **Cost Of Repair Contingency:** In addition to the above, Buyer shall have the right to terminate this contract if a reasonable estimate obtained by Buyer of the total cost of Necessary Repairs equals or exceeds \$ N/A. This right may be exercised by Buyer without regard to any decision by Seller to complete, or refuse to complete, Necessary Repairs. Buyer shall notify the Seller in writing of its decision to terminate this contract under this Cost of Repair Contingency no later than seven (7) days following the Repair Notice Date, **TIME BEING OF THE ESSENCE**, in which case all earnest monies shall be refunded to Buyer. Neither the cost of wood-destroying insect treatment under subsection (c) above nor the cost of radon remediation under subsection (d) above shall be included in the cost of repairs under this subsection (e).

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

ALTERNATIVE 2: (This Alternative applies ONLY if Alternative 2 is checked AND Buyer has paid the Option Fee.)

(a) **Property Investigation with Option to Terminate:** In consideration of the sum set forth in paragraph 4(c) paid by Buyer to Seller (not Escrow Agent) and other valuable consideration, the sufficiency of which is hereby acknowledged (the "Option Fee"), Buyer shall have the right to terminate this contract for any reason or no reason, whether related to the physical condition of the Property or otherwise, by delivering to Seller written notice of termination (the "Termination Notice") by 5:00 p.m. on _____, _____, **TIME BEING OF THE ESSENCE** (the "Option Termination Date"). At any time prior to Closing, Buyer shall have the right to inspect the Property at Buyer's expense (Buyer is advised to have all inspections/investigations of the Property, including but not limited to those matters set forth in Alternative 1, performed prior to the Option Termination Date).

(b) **Exercise of Option:** If Buyer delivers the Termination Notice prior to the Option Termination Date, **TIME BEING OF THE ESSENCE**, this contract shall become null and void and all earnest monies received in connection herewith shall be refunded to Buyer; however, the Option Fee will not be refunded and shall be retained by Seller. If Buyer fails to deliver the Termination Notice to Seller prior to the Option Termination Date, then Buyer will be deemed to have accepted the Property in its physical condition existing as of the Option Termination Date; provided such acceptance shall not constitute a waiver of any rights Buyer has under paragraphs 5, 6 or 7 above. The Option Fee is not refundable, is not a part of any earnest monies, and will be credited to the purchase price at Closing.

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

17. REASONABLE ACCESS/RESTORATION AND INDEMNITY: Seller will provide reasonable access to the Property (including working, existing utilities) through the earlier of Closing or possession by Buyer. Buyer and Buyer's agents and contractors shall have the right to enter upon the Property for the purpose of appraising and evaluating the Property, and performing the tests and inspections permitted in this contract. 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 NC Home Inspector Licensure Board or applicable to any other NC licensed professional performing the inspection that reveal Necessary Repairs as defined under Alternative 1 of paragraph 16. 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 repair obligation and indemnity shall survive this contract and any termination hereof. Buyer may conduct a walk-through inspection of the Property prior to Closing.

Buyer initials _____ Seller initials _____

18. CLOSING: Closing shall be defined as the date and time of recording of the deed and shall be on or before SAMPLE (the "Closing Date"). All parties agree to execute any and all documents and papers necessary in connection with Closing and transfer of title on or before the Closing Date at a place and time designated by Buyer. The deed is to be made to SAMPLE. Absent agreement to the contrary in this contract or any subsequent modification thereto, the following terms shall apply: If either party is unable to close by the Closing Date, then provided that the party is acting in good faith and with reasonable diligence to proceed to closing, such party shall be entitled to reasonable delay of the Closing Date and shall give as much notice as possible to the non-delaying party and closing agent. In such event, however, either party for whom the Closing Date is delayed shall have a maximum of ten (10) days from the Closing Date, or any extension of the Closing Date agreed-upon in writing, in which to close without payment of interest. Following expiration of the ten-day period, the party not ready to close shall be responsible for paying to the other party (if ready, willing and able to close) interest on the purchase price at the rate of eight percent (8%) per annum accruing from the end of the ten-day period until closing occurs or the contract is terminated. Should the delay in closing continue for more than thirty (30) days from the Closing Date or the last agreed-upon extension of the Closing Date, then the non-delaying party shall have the unilateral right to terminate the contract and receive the earnest money, but the right to such receipt shall not affect any other remedies available to the non-delaying party for such breach.

19. POSSESSION: Unless otherwise provided herein, possession shall be delivered at Closing. In the event possession is NOT to be delivered at Closing: a Buyer Possession Before Closing Agreement is attached OR a Seller Possession After Closing Agreement is attached. Seller shall remove, by the date possession is made available to the Buyer, all personal property which is not a part of the purchase and all garbage and debris from the Property.

20. OTHER PROVISIONS AND CONDITIONS: 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. (NOTE: UNDER NORTH CAROLINA LAW, REAL ESTATE AGENTS ARE NOT PERMITTED TO DRAFT CONDITIONS OR CONTINGENCIES TO THIS CONTRACT.)

- | | |
|---|--|
| <input type="checkbox"/> Additional Provisions Addendum (Form 2A11-T) | <input type="checkbox"/> Loan Assumption Addendum (Form 2A6-T) |
| <input type="checkbox"/> Back-Up Contract Addendum (Form 2A1-T) | <input type="checkbox"/> New Construction Addendum (Form 2A3-T) |
| <input type="checkbox"/> Contingent Sale Addendum (Form 2A2-T) | <input type="checkbox"/> Owners' Association Disclosure And Addendum (Form 2A12-T) |
| <input type="checkbox"/> FHA/VA Financing Addendum (Form 2A4-T) | <input type="checkbox"/> Seller Financing Addendum (Form 2A5-T) |
| <input type="checkbox"/> Insurance Availability/Affordability Addendum (Form 370-T) (NC Association of REALTORS® form only) | <input type="checkbox"/> Vacation Rental Addendum (Form 2A13-T) |
| <input type="checkbox"/> Lead-Based Paint Or Lead-Based Paint Hazard Addendum (Form 2A9-T) | |
| <input type="checkbox"/> OTHER: <u>HomeSteps Addenda</u> | |



21. RISK OF LOSS: The risk of loss or damage by fire or other casualty prior to Closing shall be upon Seller. If the improvements on the Property are destroyed or materially damaged prior to Closing, Buyer may terminate this contract by written notice delivered to Seller or Seller's agent and all deposits shall be refunded to Buyer. In the event Buyer does NOT elect to terminate this contract, Buyer shall be entitled to receive, in addition to the Property, any of the Seller's insurance proceeds payable on account of the damage or destruction applicable to the Property being purchased. Seller is advised not to cancel existing insurance on the Property until after confirming recordation of the deed.

22. ASSIGNMENTS: This contract may not be assigned without the written consent of all parties, but if assigned by agreement, then this contract shall be binding on the assignee and his heirs and successors.

23. 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. Seller and Buyer shall execute such additional documents, at no cost to the non-exchanging party, as shall be required to give effect to this provision. (NOTE: If Alternative 2 under paragraph 16 of this contract will apply, Seller should seek advice concerning the taxation of the Option Fee.)

Buyer initials _____ Seller initials _____

24. PARTIES: This contract shall be binding upon and shall inure to the benefit of the parties, i.e., Buyer and Seller and their 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.

25. 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.

26. 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.

27. NOTICE AND EXECUTION: Any notice or communication to be given to a party herein may be given to the party or to such party's agent. Any written notice or communication in connection with the transaction contemplated by this contract may be given to a party or a party's agent by sending or transmitting it to any mailing address, e-mail address or fax number set forth in the "Notice Address" section below. Seller and Buyer agree that the "Notice Information" and "Escrow Acknowledgment" sections below shall not constitute a material part of this Offer to Purchase and 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. This contract may be signed in multiple originals, all of which together constitute one and the same instrument, and the parties adopt the word "SEAL" beside their signatures below.

28. COMPUTATION OF DAYS: 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.

Buyer has has not made an on-site personal examination of the Property prior to the making of this offer.

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.

Date: _____ Date: _____

Buyer _____ (SEAL) Seller _____ (SEAL)
SAMPLE Federal Home Loan Mortgage Cor

Date: _____ Date: _____

Buyer _____ (SEAL) Seller _____ (SEAL)

NOTICE INFORMATION

NOTE: INSERT THE ADDRESS AND/OR ELECTRONIC DELIVERY ADDRESS EACH PARTY AND AGENT APPROVES FOR THE RECEIPT OF ANY NOTICE CONTEMPLATED BY THIS CONTRACT. INSERT "N/A" FOR ANY WHICH ARE NOT APPROVED.

BUYER NOTICE ADDRESS:

Mailing Address: _____

Buyer Fax#: _____

Buyer E-mail Address: _____

SELLER NOTICE ADDRESS:

Mailing Address: _____

Seller Fax#: _____

Seller E-mail Address: _____

SELLING AGENT NOTICE ADDRESS:

Individual Selling Agent: _____

License #: _____

Firm Name: _____

Acting as Buyer's Agent Seller's (sub)Agent Dual Agent

Mailing Address: _____

Selling Agent Fax#: _____

Selling Agent E-mail Address: _____

Selling Agent Phone#: _____

LISTING AGENT NOTICE ADDRESS:

Individual Listing Agent: Jack Gale

License #: 197250

Firm Name: Coldwell Banker Sea Coast Realty

Acting as Seller's (sub)Agent Dual Agent

Mailing Address: 1001 Military Cutoff Road #101

Wilmington, NC 28405

Listing Agent Fax#: (910) 799-3237

Listing Agent E-mail Address: Jack@TeamGale.net

Listing Agent Phone#: (910) 202-3768

ESCROW ACKNOWLEDGMENT

Escrow Agent acknowledges receipt of the earnest money and agrees to hold and disburse the same in accordance with the terms hereof.

Date _____

Firm: Coldwell Banker Sea Coast Realty

By: _____
(Signature)