

**BRACKIN CONSTRUCTION, LLC.**

**CONTRACT FOR SALE AND PURCHASE  
OF NEW HOME CONSTRUCTION**

1. **PARTIES:** This Contract is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between BRACKIN CONSTRUCTION, LLC, herein referred to as the Seller, and \_\_\_\_\_, herein referred to as the Buyer.
  
2. **EARNEST MONEY DEPOSIT:** The Buyer herein deposits with \_\_\_\_\_ as agent for the Seller, the sum of \_\_\_\_\_ (\$\_\_\_\_\_) DOLLARS, as earnest money to secure Buyer's performance of this Contract and to be applied payment of the purchase price. (Note Sections 20 and 21 of this Contract may apply to earnest money.)
  
3. **PURCHASE – SALE:** Subject to the terms of this Contract, Seller agrees to sell and Buyer agrees to purchase the following described real property, located in \_\_\_\_\_ County, City of \_\_\_\_\_, State of Tennessee, known as Lot #\_\_\_\_\_, located in \_\_\_\_\_ Subdivision, Section \_\_\_\_\_.
  
4. **PURCHASE PRICE:** The purchase price of the above lot, together with the house to be constructed therein (together called the "Property") is \_\_\_\_\_ (\$\_\_\_\_\_) DOLLARS, payable as follows: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
  
5. **LOAN INFORMATION:** Buyer agrees to apply for said loan within five (5) days from the Effective date of this Contract or Seller reserved the right to void this Contract. **Seller will pay Five Hundred Dollars (\$500) toward Buyer's closing cost if the Buyer obtains financing through Brother's Mortgage, 1222 Salem Park Court, Murfreesboro, 37129, to obtain mortgage financing. Contact Steve Mason @ cell (615) 218-6210 or office (615) 895-4055. Buyer is under no obligation to use Brother's Mortgage.** Seller shall receive a commitment letter from the Buyer's Lender within \_\_\_\_\_ days from the effective date of this Contract. Buyer agrees to act in good faith and use diligence in attempting to obtain loan approval and understands and agrees that failure to do so shall constitute default and entitle Seller to retain all monies previously paid as liquidated damages. This agreement is made conditional upon Buyer's ability to obtain a loan at specified terms and conditions as stated herein:  
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\_\_\_\_\_  
\_\_\_\_\_

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Mortgage Company: \_\_\_\_\_ Loan Officer: \_\_\_\_\_  
 Phone No. \_\_\_\_\_ Fax No. \_\_\_\_\_  
 Conventional       FHA       VA       Other

6. **CREDIT INFORMATION:** We, the Buyers, authorize the Seller or Listing Agent to inquire as to our mortgage loan status at any time until our loan is closed. This includes, but is not limited to: employment verification, credit status and credit report information, income, debts, income tax returns, ratios, etc. We further authorize the mortgage company to release this information to the Seller or Listing Agent, until such time as our loan has closed or been denied.
7. **CONVEYANCE AND TITLE:** Seller hereby agrees to sell and convey Property by a good and valid warranty deed to said Buyer, or to such person he may in writing direct and Buyer hereby agrees to purchase Property from Seller, subject to and upon the terms and conditions set forth in this Contract. Title to be conveyed subject to all restrictions, easements of record, zoning ordinances and all other laws of governmental authority, and covenants of restrictions.
8. **TITLE INSURANCE:** Buyer agrees to furnish an owner's title policy as of the date of closing. This policy is to be issued in the usual form subject to all restrictions, easements of record, zoning ordinances, other laws of governmental authority, covenants of restrictions, the usual printed exceptions, and those agreed to in this Contract. Seller's attorney shall prepare and collect the cost of owner's title policy is Seller is paying any closing cost or work equity.
9. **COMPLETION:** Seller can neither imply nor guarantee a firm completion availability date for the house, such advance projections being, and by their nature having to be estimates. Seller will make every reasonable and diligent effort to meet or exceed the estimated construction schedule, with delivery now estimated to be one hundred eighty (180) days, more or less, after Seller receives the building permit for the Property. It is understood and agreed by the parties that Seller shall be deemed to have performed this Contract as to construction of the improvements when a clear and final inspection has been obtained from FHA and/or VA, if applicable, and/or the appropriate Certificate of Occupancy has been given by the governing authority with jurisdiction.
10. **DELAYS:** The parties hereto agree that if for any reason beyond the builder's control that may cause any unavoidable delays in the progress of construction, including but not limited to, such factors as the unavailability of materials, inclement weather, strikes, changes in government regulations, delays in availability of utilities, and Acts of God, the Seller may, in his sole discretion, extend the date of completion for a period equal to the time of delays, upon reasonable proof that said time changes are valid and in accordance with these conditions.

**11. INSPECTIONS AND WARRANTY:** Buyer agrees not to issue any instructions or otherwise interfere with builders, subcontractors, or suppliers. Buyers shall completely inspect the property prior to the closing with Seller or Seller's agent. Buyer agrees that closing of this Contract will mean acceptance of all standards and specifications as seen, including deviations or changes from the original and that all items are considered complete, excepting warranties and items as noted. Buyer and Seller shall agree, in writing, those items that will be repaired or completed by Seller within a reasonable time. Seller shall make his best effort to correct all reasonable defects: however, it may not be possible to do so prior to closing. Completion of this home shall be deemed when the appropriate Certificate of Occupancy is given by the governing authority. All construction will be considered done according to applicable codes when the Certificate of Occupancy is issued. Periodic inspections have been performed by certified city or county officials during the process of construction. Inspections by governing authorities shall be deemed done if a Certificate of Occupancy is issued. Should a buyer choose to select an independent home inspector (at buyer's expense) for further inspection, then such individual must be either a licensed contractor or a professional qualified with an acceptable professional license, issued by the State of Tennessee. Then and only then will items found in non-compliance with accepted applicable codes, as of the date of construction, be repaired or brought to standards. No cosmetic items will be recognized. **Buyer agrees to immediately close the said loan and purchase the above property within two working days after completion** of the property (Certificate of Occupancy) approval, and preparation of closing documents. Failure of Buyer to close within two (2) working days after these conditions have been met, can result in forfeiture of all monies paid to Seller and this Contract becoming null and void, or in alternative, at Seller's option, a charge of Fifty and No/100 (\$50.00) Dollars per day shall be assessed against the Buyer for every day after the two (2) days Buyer fails to close this sale, in order to reimburse the Seller for its cost in holding this Property by Seller for Buyer.

Seller agrees to furnish in writing at closing a **One Year Builder Warranty**. Buyer agrees that said warranty is in lieu of all other warranties, statutory or otherwise, expressed or implied. Seller's obligation shall not exceed its obligations set forth in said warranty, but in no case more than the original purchase price. Buyer agrees to abide by the Arbitration clause noted herein below should a conflict arise that cannot be resolved by normal communications and normal business practices. The Seller assigns to the Buyer, all rights under manufacturer's warranties on appliances, equipment, fixtures and are therefore not warranted.

**12. CONSTRUCTION AND CHANGE REPRESENTATIONS:** Construction of the house shall substantially conform to the Plans and Selection Sheet on file at the Sellers office, or suppliers office, allowing minor deviations in materials, labor, color, and dimensions which may be occasioned by expediency, and as are common to the construction industry standards in general. Subject also to availability of labor, materials and colors. Notwithstanding the above, Seller expressly reserves the right to

(a) make such modifications, additions or deletions in or to the plans and/or the Selection Sheet as may be required by ending institutions making mortgage loans on the property, by public authorities, by legislation, by judicial determination, or such as Seller may deem advisable, provided none of the same shall require a substantial physical modification of such house, and (b) to make substitutions of material or products in the construction of the house, provided such materials or products are substantially equal or superior to those shown in the Plans and/or Selection Sheet. If the house is not constructed substantially the same as represented at either the Buyers OR Seller's option, this Contract shall be null and void and all parties shall be released from liability. The Buyer further acknowledges that building dimensions are approximate and that in the course of construction of the house and the making of improvements on the land, certain changes, deviations, or omissions may result in a variation of the dimensions as well as other items of the house. The Buyer has not relied on any plans or specifications that are on file with any governmental regulatory authority, advertisements, documents or brochures in hand that were not included in this contract or agency documents in determining criteria a to representations of this house.

13. **RESTRICTIVE COVENANTS:** Buyer is in possession of the Restrictive Covenants for \_\_\_\_\_ and agrees to comply with said restrictions.

\_\_\_\_\_  
Initials

\_\_\_\_\_  
Initials

14. **CLOSING:** This transaction shall be closed, and this Contract shall expire, on midnight the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, or as such other time item or items in this Contract are satisfied. Such items may include Sections 10,11 or other relevant clauses that are applicable to this Contract. Said transaction may close at an earlier date as agreed to by both parties in writing provided Contract is modified or ratified as is with new closing date.

**CLOSING:** Because of Builder/SELLER'S strong desire to meet construction time estimates, and for the convenience of both parties, SELLER and BUYER specifically agree that the closing for both sides will be conducted by WATAUGA TITLE of RUTHERFORD Co., LLC, 230 Glenis Drive, Suite 304 Murfreesboro, Tennessee 37129. Unless specifically agreed to by BUYER and SELLER in writing. If the mortgage lender does not abide by the terms and conditions as set forth herein, then Seller may at it's option declare this contract null and void and of no further force and effect and the provisions of Section 20 will apply.

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Buyer Initials

\_\_\_\_\_  
Seller Initials

\_\_\_\_\_  
Listing Agent  
Initials

\_\_\_\_\_  
Selling Agent  
Initials

If the mortgage lender does not abide by the terms of this contract and chooses a closing Agent other than Watauga Title, under no circumstances will SELLER close anywhere other than Watauga Title. In this event, BUYER'S closing agent/attorney shall send all closing documents signed by BUYER or documents to be signed by SELLER, to Watauga Title for SELLER'S signature, at no cost to SELLER to Watauga Title for SELLER'S signature, at no cost to SELLER or Watauga Title, including, but not limited to, courier fees or express delivery. All documents must be received by Watauga Title for review at least three (3) hours prior to closing. All proceeds checks, payoff checks (for the SELLER), and attorney's checks must be hand-delivered to Watauga Title within two (2) hours after closing. Builder will not release keys or Warranty Deed to Buyer until the Seller's proceeds check, Seller's payoff check(s) and attorneys fees check have been delivered to Watauga Title. It is the Buyer's responsibility to insure strict compliance with this paragraph.

**CLOSING CONDITIONS:** The Buyer must attend a final walk-through of property with Seller or his agent and sign a Buyer's Affidavit before closing. Walk-through times are Monday through Friday, from 8:00 a.m. through 3:00 p.m., preferably forty-eight (48) hours before closing is set to occur.

Closing and/or occupancy of the property constitutes acceptance of dimensions, materials, colors, and /or products used in construction of the house and that nothing else is lacking concerning size, shape, materials, products, colors, plans and specifications, site conditions present or future, brochures, advertisements or performance with exception of items noted at closing. I/WE further agree to abide by the terms of the warranty as well as the mandatory arbitration clause if closing occurs. We further understand that the builder one year warranty is not transferable, and only applies to the original purchaser of this transaction. The Bonded Builders Warranty is transferable with the property.

**Responsibility to Cooperate:** Buyer and Seller agree to timely take such actions and produce, execute and/or deliver such information and documentation as is reasonably necessary to carry out the responsibilities and obligations of this Agreement. Except as to matters, which are occasioned by clerical errors or omissions or erroneous information, the approval of the closing documents by the parties shall constitute their approval of any differences between this Agreement and the closing. The Buyer and Seller agree that if requested, after closing they will correct any documents and pay any amounts due where such corrections or payments are appropriate by reason of mistake, clerical errors or omissions, or the result or erroneous information.

**Notices:** Except as otherwise provided herein, all notices, including demands, required or permitted hereunder, shall be in writing and delivered either (1) in person, (2) by overnight delivery service, (3) by facsimile transmission, or (4) by the United States Postal Service, postage prepaid, registered or certified return receipt requested. Notice shall be deemed to have been given as of the date and time it is actually received. Receipt of notice by the Broker or agent representing a party as a client

pursuant agency agreement shall be deemed to notice to that party for all purposes herein.

**FEES AND POINTS:** Discount points will be paid by the Buyer. Buyer to finance VA Funding Fee, if applicable. If Buyer obtains a new loan, the loan and closing cost will be paid by Buyer and prepaid costs will be paid by Buyer. (Should Seller, as an exception to this Contract and as part of the sale's agreement elect to assist in helping pay prepaid items, then the length of time that the Seller shall advance shall be limited to a maximum of three (3) months or less.) **Buyer will be responsible for Title Insurance as required by the Lender.** Seller shall not be responsible if interest rate locks expire due to delay or delays in construction and property does not close at the original contract time. (See Section 10, Delays). Performance of this instrument shall still be in force.

**TO THE MORTGAGE COMPANY, BUYER, SELLING AGENT:**  
**SELLER will not pay mortgage lender fees, including, but not limited to, processing fees, mortgage flood review fees, lender review fees, wire fees, amortization fees, Federal Express fees, underwriting fees, fax service fees, warehouse fees, courier fees, document preparation fees, loan review fees, assignment fees, administration fees, review appraisal fees, etc.** These are not "normal" closing cost fees. It is the BUYER'S responsibility to insure before the BUYER'S Mortgage Company processes the BUYER'S loan that these fees will not be charged. **The SELLER will not close this sale if these fees are listed on the closing statement.**

**MOTRGAGE INSPECTION:** A Mortgage Inspection, at buyer's cost, will be ordered through H. Allen Jones, Surveyor. Seller is not responsible for re-staking property prior to or after closing if original stakes have been removed. Buyer is responsible for paying an additional fee for property to be re-staked if Buyer so desires.

15. **CHANGES AND/OR ADDITIONS:** Request for changes will be executed by Sellers "CHANGE ORDER". CHANGE ORDERS **MUST** be signed by Buyer, Buyer's Agent and Seller. Any changing, omissions, additions, must be done through agents designated by Contractor. The cost of the changes, omissions, additions, will be paid by the Buyer at the time of the Change Order. Change Orders will become addendum to the original Contract. Therefore any cost associated with Change Orders will be added to the sales price of the Contract, if payment is not received when Change Order is in effect. Should the Buyer furnish any item or items for the purpose of placing these items in the home, Seller will not be liable nor warrant such items, or guarantee condition and should closing fail to occur, said item or items will become a part of the real property and may not be removed. Buyer further understands that unless there are specific terms and conditions to the contrary, that upgrades will be paid up front and the cost will not be added to the initial cost of the home. In the event Buyer fails to close for any reason other than default of Seller, Seller shall

retain all funds paid for said cost of plan changes, Change Order cost, materials supplied, sweat equity, and any and all changes reimbursement to Buyer.

16. **TERMITE INSPECTION:** Seller agrees to provide an appropriate termite clearance letter or soil treatment letter at closing, as may be required by lender FHA, or VA
17. **OCCUPANCY:** Occupancy will be given at closing. Any occupancy without Seller's written approval prior to that date shall be deemed unlawful. We regret that we cannot allow for any early move-ins. No furniture or appliance deliveries will be allowed until after the closing has taken place. Buyers are responsible for living arrangements if apartment notice has been given and closing has not taken place.
18. **CASUALTY LOSS:** It is understood and agreed between Seller and Buyer that loss by fire or otherwise of the improvements located on the Property shall remain with the Seller and shall only pass to Buyer at closing of the transaction: however, Buyer shall assume responsibility for any items placed on property by the Buyer. Seller's hazard insurance to be canceled at closing.
19. **PRORATION:** All real estate taxes are to be prorated as of the closing date. Seller's portion will be based on estimates only. Back taxes, if any, are to be paid by Seller.
20. **BREACH OF CONTRACT BY BUYER:** If this contract is breached by Buyer or if Buyer fails, for any reason, to complete his purchase of this Property in accordance with the terms set forth herein, Seller shall have the right to declare this Contract null and void, and upon such election, the earnest money shall be retained by Seller as liquidated damages and shall be exempt and excluded from commissions. The right given Seller to make the above election shall not be Seller's exclusive remedy, as he shall have the right to affirm this Contract and enforce its performance or recover full damages for its breach. Seller's retention of such earnest money shall not be evidence of an election to declare this Contract null and void, as Seller has the right to retain such earnest money to be credited against damages and/or costs actually sustained or monies already advanced for the purpose of goods, services, and materials although not placed on property.
21. **BREACH OF CONTRACT BY SELLER:** If this Contract is breached by Seller or if Seller fails for any reason to complete the sale of this Property in accordance with the terms set forth herein, the earnest money shall be returned to Buyer.
22. **DISCLAIMER:** Seller and Buyer acknowledge that they have not relied upon the advice or representation, if any, of the Broker (or Broker's associated salesperson), subcontractor, friend, relative or other in regards to the legal and tax consequences of this Contract in the sale of the Property, the purchase and ownership of the Property, the structural condition of the Property, the condition of the roofing, the operating condition of the electrical heating, air conditioning, plumbing, water heating systems, and appliances in the Property, the availability of utilities to the Property, zoning

ordinances or the investment potential or resale value of the Property. Seller and Buyer both acknowledge that if such matters have been of concern to them, they have sought and obtained independent advise, expertise or the like relative thereto.

### 23. SPECIAL PROVISIONS:

- A. Contractor has or will, with all diligence, construct the improvements in **substantial compliance** with the plans and square footages in connection with the improvements. It is the Buyer's sole responsibility to measure the home, no stated floor plan footages shall be guaranteed. Buyer further acknowledges that any advertising material or informational material is strictly that and that any floor plan package is intended for general information only. All prices, terms and conditions of this Contract will take precedence over any informational literature provided in any information package or individual piece of information. Seller does reserve the right to make changes in company policy or procedures or make necessary price increases on any items that are not currently in this Contract. Buyer does further acknowledge all additional items on blue prints are for illustration purposes only. Unless specifically stated herein, no additional items shown on plans and specifications are included in the sale of this property. (Reference Section regarding Construction and Change Representations.) Placement of house and driveway will be determined by Seller according to floor plan, lot size, flow of surrounding homes, setback lines, easements, etc.
- B. Contractor does not guarantee the crawl space, if applicable, will be absolutely dry at all times due to wet weather springs; however, a positive drain will be installed, if needed, in the sole discretion of the Builder.
- C. Contractor has or will finish the **yard and landscaping** in the usual and customary manner; however, Contractor does no guarantee that some rocks or gravel will not be visible on the surface of the yard. He also will not guarantee that the grass will grow, nor does he intend to provide a lawn. A lawn is established through years of reseeded, diligent watering, and hard work. BRACKIN CONSTRUCTION, LLC. has a goal to satisfy our buyers, therefore, it is important to us that you are aware of what that start kit actually includes with regard to your purchase. (1) Heavily wooded lots will be cleared to the rear portion of the house, clearing limits to exceed beyond the rear of the building an adequate distance to provide construction access only (approximately 30 feet). Large lots will be cleared only where house will be constructed; (2) Yards will be seeded and covered with straw to the limits of the tree line, or according to the specifications, *only once*; (3) Yards are seeded during all seasons in order to establish erosion control. Until grass sprouts and covers the yard, some small pools of water will probably appear.

- D. **The resources of each lot** will be used to accommodate the start kit process. No offsite materials will be imported. If a lot requires additional topsoil, this would become a future investment of the homeowner. No rock will be removed.
- E. **Drainage** will be the responsibility of the Developer, or City or County Road Department, whichever is applicable, not BRACKIN CONSTRUCTION LLC.
- F. There will be no removal of trees or stumps after the lot has been cleared for the footing. There is no warranty on trees.
- G. The starter kit is subject to all kinds of elements, such as freezing temperatures, heat, drought, disease, rocky nature of Middle Tennessee topography, etc. Please be aware and informed that our intentions are to use quality products and professional application methods. To establish a lawn, you will be required to make further improvements as necessary, such as adding topsoil, re-seeding, watering, fertilizing, etc. Our starter kit application is consistent with all competitors in the industry. It is important that we communicate to you our plans so that expectations are consistent with intentions. BRACKIN CONSTRUCTION, LLC plans and budgets to supply you with a starter kit, which will provide you with a good start toward developing a lawn. BRACKIN CONSTRUCTION, LLC does not guarantee trees and shrubs will live, nor will they remove any tree, living or dead, after closing.
- H. Seller agrees to furnish, in writing, at closing, a Bonded Builders Warranty Agreement and/or a One year Builder Warranty. Buyer agrees that said warranty is in lieu of all other warranties, statutory or otherwise, express or implied. **THIS EXPRESS WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATIONS, WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR HABITABILITY, ALL OF WHICH ARE DISCLAIMED BY THE SELLER AND WAIVED BY THE BUYER.**

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Initials

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- I. Seller's obligations shall not exceed its obligation set forth in said warranties.

**ARBITRATION:** Any controversy or claim arising out of or relating to this contract, or the breach thereof, shall be settled by arbitration in accordance with the rules of Construction Arbitration Services, Inc. in effect at the time of the request for arbitration or by such other arbitration service as Bonded Builders Warranty shall, in its sole discretion select and pursuant to the rules of that arbitration service in effect at the time to the request for arbitration. The decision of the arbitrator shall be final and binding and may be entered as a judgement in any State or Federal court of competent jurisdiction.

The expenses of the arbitration shall be shared equally, but each party shall bear its own fees and cost. The controlling standard for performance shall be Bonded Builders Warranty Agreement items and remedies as per policy or quality standards as supplied and accepted by the Residential Construction Performance Guidelines for Professional Builders per NAHB. These two performance standards shall be the only standards by which warranty or correction and/or arbitration shall be required.

Initial Buyer(s) \_\_\_\_\_ Initial Seller(s)\_\_\_\_\_

**After Closing:** Any controversy or claim arising from the construction of BUYER'S home will be settled by binding arbitration, as detailed above under Arbitration. Bonded Builders Warranty Agreement to be given at closing.

Initial Buyer(s) \_\_\_\_\_ Initial Seller(s)\_\_\_\_\_

- J. **Insulation** will be installed in the home as per Model Energy Code of state or locally controlling code as of the time of construction. No other guidelines shall be used.
- K. **Plumbing** materials and **paint** materials shall comply with all State and Federal regulations as of the time of construction.
- L. **Radon Notice and Disclaimer:** The United States Environmental Protection Agency (EPA) and the Tennessee Department of Health of Environmental Protection have expressed concern over the presence of radon gas in homes. Prolonged exposure to high levels of indoor radon or its progeny may affect the health of residents. Although such conditions may exist, the Builder has made no investigation to determine whether radon gas or other environmental pollutants are present in the home or affecting the premises. The Builder has made no analysis or verification of the extent of the environmental or health hazard, if any that may affect the premises or residents. The Builder makes no representations or warranties as to the presence or lack of radon or hazardous environmental condition, nor as to the effect of radon or any such condition on the premises or residents. The Builder further disclaims and Buyer waives, unless otherwise expressly provided in the Builder's Limited Warranty – all warranties, express or implied, including, but not limited to the warranties of good workmanship, habitability, merchantability, and fitness of purpose, and including any warranties that could be construed to cover the presence of radon or other environmental pollutants. The only warranties the Builder provides to the Buyer are those contained in the Limited Warranty.
- M. **Molds, Spores, Mildew, Vermin, Fungi and the Like – Notice and Disclaimer:** The Builder has used all diligence, all standard accepted building practices, all standard materials and has followed the existing City or County Code as close as is humanly possible. I realize, as the future homeowner, that the Builder is unable to protect or treat for unforeseen items such as attacks by

molds, spores, mildews, vermin, fungi or the like. This does not mean that at some point in the future, these conditions may not exist or make themselves known or even now be in a dormant state. I/We also am aware that some items placed in this house, by the very nature of being organic, natural, man-made, or porous, may contain molds, spores, mildew, vermin, fungi, or the like, that do not at present appear or show any signs of being present. I/We further state that I/We will hold the Builder harmless and release him from any and all liability that such items or attacks may present and I/We will seek no further remedies. I/We further understand that many different conditions may or may not ever exist. The Builder has and will use all diligence to use quality accepted materials, standards, practices, and techniques. I/We the Buyers do not expect any warranty nor will we expect this condition to be warranted. The Builder makes no representation or warranty as to the presence or lack thereof there items will not be warranted, nor be covered in the Builder One Year Warranty or the additional 2-10 warranty that I may be receiving at closing, nor will I/we have any future remedies. I/We have been made aware that at some point in the future, a condition may exist wherein molds, spores, mildews, fungi, vermin, or the like may surface and make their presence known.

Initial Buyer(s) \_\_\_\_\_ Initial Seller(s)\_\_\_\_\_

- N. Conditions resulting from **condensation** on, or **expansion** or **contraction** of materials will not be warranted.
- O. **Hazardous Materials:** The Seller hereby grants to the Buyer, and the Buyer's agents and employees the right to enter the property, or any portion thereof for thirty (30) days following the execution of this Contract for the purpose of conducting, at the Buyer's own cost, any soil, geologic, engineering, and environmental investigations that the Buyer may desire. If any of these investigations disclose the presence of any amount of hazardous waste or toxic substances that the Seller is unwilling to correct to the satisfaction of the Buyer, the Buyer or the Seller may cancel this Contract and all rights of both parties under the Contract shall cease. The canceling party must personally serve a written notice of cancellation upon the other party or the other party's attorneys. The Buyer agrees to indemnify and hold the Seller harmless from any costs or liability incurred by any investigations conducted pursuant to this provision and, if this Contract is voided for any reason not caused by the Seller, the Buyer shall, at the written request of the Seller, repair any damages caused to the property by these investigations.
- P. **INJURY LIABILITY:** I/WE ARE AWARE THAT ENTRY UPON THE CONSTRUCTION SITE IS A HAZARDOUS ACTIVITY, AND I/WE SHALL BE VOLUNTARILY ENTERING UPON THE CONSTRUCTION SITE WITH THE KNOWLEDGE OF THE DANGER INVOLVED AND

I/WE AGREE TO ACCEPT AND ASSUME ANY AND ALL RISK OF INJURY, DEATH AND PROPERTY DAMAGE. In addition, I/we hereby release and discharge BRACKIN CONSTRUCTION, LLC., its agents and employees, from all claims and actions that my heirs, my invited visitors, or legal representatives now have or may hereafter have, for injury or damages arising out of or related to my entry upon said lot.

Initial Buyer(s) \_\_\_\_\_ Initial Seller(s) \_\_\_\_\_

24. **FLOOD DISCLOSURE:** Seller represents that to the best of his knowledge, the property has not been damaged or affected by flood or storm run-off water and that the property ( ) is ( ) is not in flood area.

**25. FHA REAL ESTATE CERTIFICATION AND AMENDATORY CLAUSE:**

**REAL ESTATE CERTIFICATION:** It is agreed and understood that in submitting a request for a Firm Commitment for mortgage insurance, the Seller, the BUYER, and the Broker or Agent in the transaction do each certify that the terms of the Contract for the purchase are true to the best of his/her knowledge and belief, and that any other agreement entered into by any of these parties in connection with this transaction is fully disclosed and is part of, or attached to, this sales agreement.

**AMENDATORY CLAUSE:** It is expressly agreed that notwithstanding any other provisions of the Contract, the Buyer shall not be obligated to complete the purchase of the property described hereon or to incur any penalty by forfeiture of earnest money deposits or otherwise unless the Buyer has been given, in accordance with HUD/GHA or VA requirements a written statement by the Federal Housing Commissioner, Veterans Administration, or a Direct Endorsement lender setting forth the appraised value of the property of not less than \$ \_\_\_\_\_. The Buyer shall have the privilege and option of proceeding with consummation of the contract without regard to the amount of the appraised valuation. The appraised valuation is arrived at to determine the maximum mortgage the Department of Housing and Urban Development will insure. HUD does not warrant the value nor the condition of the property. The Buyer should satisfy himself/herself that the price and condition of the property are acceptable. NOTE: The dollar amount to be inserted in the amendatory clause is the sales price as stated in the sales contract. WE, THE BUYER(S), SELLER(S), AND SELLING AGENT OR BROKER, CERTIFY THAT WE HAVE READ, UNDERSTOOD AND AGREED TO BOTH OF THE ABOVE PARAGRAPHS, AND UNDERSTAND THEY ARE A PART OF OUR SALES CONTRACT.

26. **VA APPRAISAL:** It is expressly agreed that, notwithstanding any other provision or this contract, the BUYER shall not incur any penalty by forfeiture of earnest money or otherwise be obligated to complete the purchase of the property described herein, if the contract purchase price or cost exceeds the reasonable value of the property established by the Veterans Administration. The Buyer shall, however, have the privilege and option of proceeding with the consummation of this Contract

without regard to the amount of the reasonable value established by the Veterans Administration.

27. **TIME IS OF THE ESSENCE.** Time is of the essence of this Contract and all of the conditions there of.

28. **ENTIRE AGREEMENT:** This Contract contains the entire agreement of the parties relating to the subject matter hereof and cannot be changed excepted by their written consent. The following addendum(s) are part of this Contract: (List and attach or, **if none, print none**).

**Addendums:**

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29. **REAL ESTATE COMMISSION:** Commission to be paid by Seller in connection with this transaction has been negotiated between Seller and Listing Broker. Commissions shall be earned at such time as this contract is accepted by all parties and all conditions herein are met and such are payable upon consummation of this Contract. Real estate commission shall only occur on the base price of the house or property meaning as follows: There shall be no commission paid on Nehemiah, Ameridream, Own Program, or such down payment programs, or assisted items paid for by the Seller for the Buyers' use. Additionally, any closing costs, prepaid or funding fees paid by the Sellers for the Buyers use shall be excluded from the sales commission. Commission to be disbursed shall be based upon the price of \$\_\_\_\_\_. The closing attorney is authorized to debit Seller's accounting and pay commission(s) as follows:

[Selling Broker's commission shall be entered when contract is written: Listing Broker's commission should be entered when Contract is presented to Sellers.] (Note: Section regarding breach by Buyer and all funds connected.) Commission will not be paid if no commission is entered.

Listing Broker: \_\_\_\_\_ shall receive \_\_\_\_\_ Commission.

Selling Broker: \_\_\_\_\_ shall receive \_\_\_\_\_ Commission.



**Full agreement between ALL parties involved in this contract has been reached and the effective date of the contract is: \_\_\_\_ day of \_\_\_\_\_, 20\_\_.**