

(b) BUYER shall pay, unless otherwise agreed herein, the cost of the Buyer's credit report, property insurance, appraisal, cost of obtaining loan, discount points, title examination, escrow deposits, and prepaid expenses. The Buyer shall also pay, if applicable, interim interest and mortgage insurance premium or VA funding fee. Buyer's insurance policy shall provide coverage as required by lender. In addition, Buyer's shall pay at the time of closing the property to the Property Owner's Association Capital Reserve Contribution which is equal to (i) one year's annual general assessment on the property, OR (ii) one percent (1%) of the purchase price, WHICHEVER IS GREATER. A similar Capital Reserve Contribution shall be paid by the property owner(s) at each and every transfer of the property, see Covenants and Restrictions.

7. **OPTION TO TERMINATE AFTER DUE DILIGENCE:** (A) Seller grants to Buyer a twenty one (21) day right ("Inspection Period") from the date of this agreement during which Buyer may do any or all of the following:

1. Buyer acknowledges due diligence is limited to the following: Buyer may obtain a survey satisfactory to the Buyer which will be paid for at closing by the Seller in an amount not to exceed Five Hundred (\$500) Dollars. If a survey is waived by the Buyer in writing, the Seller will provide to Buyer prior to ten (10) days from ratification the most recent recorded plat of the property. Buyer must give written notice to the Seller within the Inspection Period if they are unsatisfied with the survey and/or most recent plat, or this contingency is automatically waived.
2. Buyer is responsible for ensuring financing is in place. The contingency on financing on the Buyer is automatically removed at the end of the Inspection Period if Buyer has not given notice in writing to Seller that financing is not available.
3. During the Inspection Period, Buyer shall review the Covenants and Restrictions for the property and must give any specific objections to the Covenants and Restrictions in writing to the Seller prior to the end of the Inspection Period.

Buyer acknowledges that Seller may make modifications to the Covenants and Restrictions prior to closing and that after purchase of the property, the Seller and/or Property Owner's Association may make changes to the Covenants and Restrictions under the terms and conditions set out in the Covenants and Restrictions.

(B) Seller acknowledges and agrees that Buyer and/or his agents and employees may have free access during normal business hours to visit Property for the purpose of conducting Buyer's Due Diligence. Buyer hereby agrees to indemnify and hold Seller, Broker and Broker's Affiliated Licensees harmless from and against any and all loss, injury, cost or expense associated with Buyer's inspection of and entry upon Property.

(C) If Buyer decides to exercise Buyer's right to terminate this Agreement, Buyer must give written notice of the same to Seller prior to the expiration of the Inspection Period. If Buyer fails to give such notice timely, the Inspection Period shall automatically expire and shall no longer be part of this agreement, and Buyer shall be deemed to have accepted Property "as-is".

The expiration of the Inspection Period SHALL REMOVE AND TERMINATE ALL CONTIGENCIES to which the Agreement may be subject, except the right of Seller to terminate the contract or alter the Closing Date; and obligation of Seller to provide insurable title.

8. **WELL, SEPTIC TANK, SEWER AVAILABILITY:** It shall be the responsibility of the Seller to provide approval from the South Carolina Department of Health and Environmental Control (DHEC) or other proper South Carolina authority prior to closing in the event a well and/or septic tank is needed to be placed on the property. The Seller's only obligation is to get approval for a septic system and does not warrant the type of system approved by DHEC. Seller represents the status of DHEC septic approval for the lot as: Pending Approval or Approved for Conventional System Modified System Alternative System Engineered System

9. **SURVEY:** Upon the acceptance of this offer, the property may be surveyed by a licensed surveyor at the expense of the Seller, if closing occurs, not to exceed Five Hundred (\$500.00) Dollars. If Buyer fails to close the Survey will be at the expense of the Buyer. The surveyor and acceptance of the survey must meet the conditions under Section 7, Option to Terminate. The surveyor shall flag all property pins, showing encroachments and easements. If Buyer waives the right to a survey, a plat shall be provided to Buyer by Seller prior to ten (10) days from ratification. If the Buyer elects not to conduct a survey, the Buyer accepts the property "as-is" and holds the Seller harmless if a boundary dispute arises.

10. **CONVEYANCE SHALL BE MADE:** Conveyance shall be made subject to all easements as well as covenants of record (provided they do not make the title uninsurable) and to all governmental statutes, ordinances, rules and regulations. Seller agrees to convey by insurable title and deliver a proper general warranty deed, if applicable, free of encumbrances, except as herein states. Seller agrees to pay all statutory deed recording fees. The deed shall be delivered at the stipulated place of closing, and transaction closed on or before _____, 200__ no later than 5:00pm. The Seller, in Seller's sole discretion, shall have the right to extend the closing date by thirty (30) days and the Buyer acknowledges closing must occur on the date designated by Seller. Seller shall give Buyer at least ten (10) days notice of any change in the closing date, but Buyer acknowledges that **TIME IS OF THE ESSENCE**, and failure to close on the date designated by Seller shall be considered breach of contract. Seller and Buyer authorize their respective attorneys and the settlement agent to furnish to Listing Broker and Selling Broker copies of the final HUD-1 settlement statement for the transaction for their review prior to closing.

11. **POSSESSION:** Possession of said Property will be given to Buyer on the day of closing. Seller agrees to deliver property free of debris.

12. **CONDITION OF PROPERTY:** The Seller shall not remove any timber, dirt minerals or otherwise affect the condition of the property after the signing of this Agreement except items and/or materials required for development construction and/or required for development of the Project including but not limited to roads and/or drainage. All timber, dirt, minerals, etc. (except items and/or materials required for development construction and/or required for development of the Project) shall remain with the property and be a part of the property and be transferred to the Buyer. The Seller shall not bring any trash, refuse, debris, medical or hazardous waste, or other improper materials upon the property.

13. **EXPIRATION OF OFFER:** The offer from Buyer shall be withdrawn at _____ o'clock ____M on _____, 200__, unless countered or accepted by Seller in written form prior to such time. **Time is of the essence.**

14. **NON-RESIDENT TAX:** Seller covenants and agrees to comply with the provisions of South Carolina Code Section 12-8-580 (as amended) regarding withholding requirements of sellers who are not residents of South Carolina as defined in the said statute.

15. **ROLLBACK TAXES (IF ANY):** The Seller and Buyer agree that rollback taxes shall be paid by the Seller only as a result of the subdivision by the Seller known as The Farms at Longleaf. Any future subdivision and/or assessment post-closing resulting in rollback taxes shall be paid by the owner of record and/or HOA.

16. **RISK OF LOSS OR DAMAGE:** In case the property herein referred to is destroyed wholly or partially by fire or other casualty prior to delivery of deed, Buyer or Seller shall have the option for ten (10) days thereafter of proceeding hereunder, or of terminating this Agreement.

17. **DEFAULT BY SELLER:** In the event Seller shall fail to perform in a timely manner on any of it's obligations hereunder, or shall fail to consummate the sale of the property for any reason other than default by Buyer, Buyer shall be entitled to a refund on their earnest money plus Five Hundred (\$500.00) Dollars as their sole remedy and shall specifically waive the right to pursue a specific performance.

18. **BREACH BY BUYER:** In the event Buyer shall fail to consummate the purchase of the property for any reason other than default by Seller, Seller shall have a right to receive the earnest money from the escrow agent upon written notice by the Seller without consent of Buyer once the date of closing has passed and the Buyer has failed to close. Seller shall receive such funds as liquidated damages for failure of the Buyer to perform duties, liabilities and obligations as proposed under the terms and provisions of the contract. The parties acknowledge that liquidated actual damages will be difficult to determine and the escrow funds will act as liquidated damages. In addition, Seller shall be entitled to actual costs incurred as defined in Section 19.

19. **ACTUAL COST INCURRED** shall include all costs and expenses incurred or obligated for by Seller or Broker in an effort to consummate this sale. Such costs shall include, but are not limited to, cost of credit report, appraisal, survey, inspections and reports, title examination, Broker's fee or commission for this sale.

20. **SURVEY, TITLE EXAMINATION, AND INSURANCE:** The Listing and Cooperating Broker(s) and their Agent(s) recommend that Buyer have a survey of the subject property made, have examination as to the title to the property, obtain owner's title insurance, and that Buyer obtain appropriate liability insurance coverage effective with the time of closing. All liability insurance to be canceled by the Seller and new policies furnished by Buyer at closing unless otherwise stipulated in this Agreement.

21. **APPRAISED VALUE:** (check one)

- This agreement is not contingent on the lot appraising according to the lenders appraisal or other appraisal as agreed, for the selling price.
- This agreement is contingent on the lot appraising according to the lenders appraisal or other appraisal as agreed, for the selling price or more; if the lot thereon appraises for less than the selling price, the seller may elect to sell for the appraised value. In such case, the Buyer agrees to proceed with the consummation of this sale at the reduced price. However, if Seller does not agree to sell at the appraised value, the Buyer shall have the option of proceeding with the consummation of the Agreement without regard to the amount of the appraised valuation, or terminate the agreement without penalty.

22. **DISCLAIMER BY BROKERS AND AGENTS:** The parties acknowledge that the Listing and Cooperating Broker(s) and their Agent(s): (1) Give no guaranty or warranty of any kind, express or implied, as to the physical condition of the property. (2) Give no warranty, express or implied, as to the merchantability or fitness for a particular purpose as to the property or such improvements thereto and any implied warranty hereby disclaimed; (3) Give no warranty as to title; and (4) Give no guaranty on warranty concerning (a) any certification or inspection concerning the condition of the property, (b) any matters which would be reflected by current survey of the property, and (c) the accuracy of the published acreage and/or square footage of the property.

23. **MEDIATION CLAUSE:** Any dispute or claim arising out of or relating to this Agreement, the breach of this Agreement or the services provided in relation to this Agreement, shall be submitted to mediation in accordance with the Rules and Procedures of the Dispute Resolution System of the NATIONAL ASSOCIATION OF REALTORS®. Disputes shall include representations made by the Buyer(s), Seller(s) or any real estate broker or other person or entity in connection with the limitation allegations of concealment, misrepresentation, negligence and/or fraud.

Any agreement signed by the parties pursuant to the mediation conference shall be binding. This mediation clause shall survive for a period of one hundred twenty (120) days after the date of the closing.

The following matters are excluded from mediation hereunder: (a) judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage, or land contract; (b) an unlawful detainer action; (c) the filing or enforcement of a mechanic's lien; (d) any matter which is within the jurisdiction of a probate court; (e) the filing of an interpleader action to resolved earnest money disputes. The filing of a judicial action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, shall not constitute a waiver of the right to mediate under this provision, nor shall it constitute a breach of the duty to mediate.

24. **COMPLETION OF CONSTRUCTION:** The Buyer of any lot other than the lot listed as an investor lot shall be required to complete construction under the terms and conditions of the covenants and restrictions, and in the time frame required by the covenants and restrictions. The only lots exempt from the requirement to complete the construction in the time frame set forth in the covenants and restrictions shall be the investor lots which may be changed and re-designated by the Seller prior to closing which currently include Lot 3, Lot 8, Lot 14, Lot17, Lot 19, Lot 20, Lot 21, Lot 24, Lot 28, Lot 31, Lot 33, Lot 37, Lot 40, Lot 41 Lot 44 and Lot 47. All other lots are owner occupied lots and are required to complete construction in the time frame as set forth in the covenants and restrictions. Any changes affecting requirement(s) to complete construction in the time frame set forth in the covenants and restrictions specific to the lot being purchased shall be approved by Buyer.

25. **LOT SUBDIVISION:** Buyer of this lot (the Property) acknowledges that the subdividing of lots is limited to those lots that are approved for subdivision in the covenants and restrictions, and any such lots that are subdividable are limited. The subdivision of any lot(s) in the future is controlled by the covenants and restrictions and Buyer acknowledges that the lot(s) may be considered subdividable at this point but is subject to change over time. The ability to subdivide and the time to build may change in the future based on revisions in the covenants and restrictions.

26. **ENTIRE BINDING AGREEMENT:** This written instrument, including the additional terms and conditions set forth on any documents intended by the parties to be included, expresses the entire agreement and all promises, covenants, and warranties between the Buyer and Seller. It can be changed only by a subsequently written instrument signed by both parties. Both Buyer and Seller

hereby acknowledge that they have not received or relied upon any statements or representations by either Broker or their agents which are not expressly stipulated herein. The benefits and obligations shall insure to and bind the parties hereto and their heirs, assigns, successors, executors, or administrators. Whenever used, singular includes plural, and use of any gender shall include all.

27. **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.

28. **FACSIMILE AND OTHER ELECTRONIC MEANS:** The parties agree that the offer, any counteroffer and/or acceptance of any offer or counteroffer may be communicated by use of a fax or other secure electronic means, including but not limited to electronic mail and the internet, and the signature, initials and handwritten or typewritten modifications to any of the foregoing shall be deemed to be valid and binding upon the parties as if the original signatures, initials and handwritten or typewritten modifications were present on the documents in the handwriting of each party.

29. **MEGAN'S LAW:** The Buyer and Seller agree that the Listing and Selling Broker and all affiliated agents are not responsible for obtaining or disclosing any information contained in the South Carolina Sex Offender Registry. The Buyer and Seller agree that no course of action may be brought against the Listing and Selling Broker and all affiliated agents for failure to obtain or disclose any information contained in the South Carolina Sex Offender Registry. The Buyer and Seller agree that the Buyer and Seller have the sole responsibility to obtain any such information. They Buyer and Seller agree that the Buyer and Seller have the sole responsibility to obtain any such information. The Buyer and Seller understand that Sex Offender Registry information may be obtained from the local sheriff's department or other appropriate law enforcement officials.

30. **NON-RELIANCE CLAUSE:** Both Buyer and Seller hereby acknowledge that they have not received or relied nor could have relied upon any statements or representations or promises or agreements or inducements by either broker or their agents which are not expressly stipulated herein. If not contained herein, such statements, representations, promises, or agreements shall be of no force of effect. This general non-reliance clause shall not prevent recovery in tort for fraud or negligent misrepresentation or intentional misrepresentation unless specific non-reliance language is included in this agreement. This is a non-reliance clause and is neither a merger clause nor an extension of a merger clause. The parties execute this agreement freely and voluntarily without reliance upon any statements or representations by parties or agents except as set forth herein. Parties have fully read and understand this Agreement and the meaning of its provisions. Parties are legally competent to enter into this agreement and to fully accept responsibility. Parties have been advised to consult with counsel before entering into this agreement and have had the opportunity to do so.

31. Buyer acknowledges all contingencies are waived at end of the twenty one (21) day Inspection Period and the deposit becomes non-refundable.

32. Buyer agrees to sign a Post-Closing Agreement granting permission to the Seller and Seller's agents, contractors, employees and/or consultants for the execution of any and all work/construction necessary to complete development specifications satisfactory to the Seller to include but not limited to community trails, utility installations, roads; right of ways, detention ponds and/or drainage areas.

THIS IS A LEGALLY BINDING AGREEMENT. BOTH BUYER AND SELLER SHALL SEEK FURTHER ASSISTANCE IF THE CONTENTS ARE NOT UNDERSTOOD. BOTH BUYER AND SELLER ACKNOWLEDGE RECEIPT OF A COPY OF THIS AGREEMENT. BOTH BUYER AND SELLER ACKNOWLEDGE RECEIVING, READING, AND UNDERSTANDING THE SOUTH CAROLINA REAL ESTATE COMMISSION'S AGENCY DISCLOSURE FORM

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties:

BUYER: _____ Date: _____ Time: _____

WITNESS: _____ Date: _____ Time: _____

BUYER: _____ Date: _____ Time: _____

WITNESS: _____ Date: _____ Time: _____

SELLER: _____ Date: _____ Time: _____

WITNESS: _____ Date: _____ Time: _____

SELLER: _____ Date: _____ Time: _____

WITNESS: _____ Date: _____ Time: _____

LISTING AGENT AND COMPANY: _____

SELLING AGENT AND COMPANY: _____

SELLING AGENT IS PRESENTING THIS OFFER AS A BUYER'S AGENT OR SUBAGENT OF THE SELLER.

ESCROW AGENT ACKNOWLEDGEMENT: _____