

REAL ESTATE PURCHASE AGREEMENT

SPECIFIC CONTRACT TERMS

Preamble Offer Date: _____

Preamble Seller: **Herbert Homes, Inc.**
Seller's Address: 5104 Pierce Ct, Evans, GA 30809

Preamble Buyer: _____
Buyer's Address: _____

Preamble Property: Lot ____ Block ____ Unit ____
Subdivision _____ Section/Phase _____
Address _____
City _____ State GA Zip _____ County _____

Section 1 Purchase Price: _____

Section 2 Construction Deposit: _____

Section 3 Earnest Money: _____

Section 6 Closing Date: _____

Section 6 Closing Attorney: **Trotter Jones, LLP**

Section 7 Subject to Association Fees: X (if yes, see **Exhibit A**)

Section 8 Seller Paid Closing Costs: _____

Section 9 Selling Broker: _____
Listing Broker: **Remax True Advantage**

Exhibit A Homeowner's Association Disclosure (applicable if marked _____)

Exhibit B Selling Broker Acknowledgement (applicable if marked _____)

Exhibit C Financing Contingency (applicable if marked _____)

Certain of the information relating to the Real Estate Purchase Agreement, including many of the principal economic terms, are set forth in the foregoing Specific Contract Terms. The Specific Contract Terms and the General Contract Terms are, by this reference, hereby incorporated into one another. In the event of any direct conflict between the Specific Contract Terms and the General Contract Terms, the Specific Contract Terms shall control. Where the General Contract Terms simply supplement the Specific Contract Terms, and do not conflict directly therewith, the General Contract terms shall control.

Seller Initials: _____ **Buyer Initials:** _____

GENERAL CONTRACT TERMS

PREAMBLE: This Real Estate Purchase Agreement, hereinafter referred to as the "Contract", is made and entered into by and between Buyer and Seller as of the Effective Date set forth below (the Offer Date is only for Seller's internal contract tracking). For and in consideration of the mutual covenants and conditions contained herein below, the Seller agrees to sell and the Buyer agrees to purchase the property and improvements described in the Specific Contract Terms (which is hereinafter referred to as the "Property").

1. **PURCHASE PRICE:** At Closing, Buyer agrees to pay Seller the Purchase Price in cash or wire transfer of immediately available funds in U.S. Dollars. Unless **Exhibit C** (Financing Contingency) is marked on the Specific Contract Terms page and attached hereto, Buyer represents to Seller that no mortgage financing is necessary or desirable for Buyer to complete this transaction and that Buyer does not desire for this Contract to be contingent upon Buyer's ability to obtain financing or upon the Property appraising for the Purchase Price. Buyer agrees to provide Seller with a letter from a bank or financial institution on or before ten (10) business days from the Effective Date of this Contract verifying that Buyer has sufficient funds to close the sale of the Property. In the event Buyer elects to obtain mortgage financing for the purchase of the Property, this Contract shall not be contingent on financing and the financing shall not delay the closing of the sale of the Property.

2. **CONSTRUCTION DEPOSIT:** Upon the execution hereof, Buyer shall deposit the Construction Deposit with Seller. The Construction Deposit shall be used by Seller, in its sole and absolute discretion, to pay for the construction of improvements on the Property. Seller shall hold the Construction Deposit in its general account and may commingle such funds with other funds. The Construction Deposit is used to pay for the Property and for items selected by Buyer, and is therefore not part of any appraisal contingency. If items being paid for by the Construction Deposit are reflected in the Purchase Price, the Construction Deposit shall be credited to Buyer at Closing.

3. **EARNEST MONEY:** Upon the execution hereof, Buyer shall deposit the Earnest Money, if any, with Seller. Buyer acknowledges and agrees that: Seller shall have the right to use such funds for whatever purpose Seller sees fit; that such funds may be commingled or invested; that Seller shall be entitled to all interest or other benefit derived from such funds; and that Seller shall not be liable for any loss caused by the failure, suspension, bankruptcy, or dissolution of any bank, fund, or other investment vehicle in which the Earnest Money is placed. The Earnest Money shall be credited to Buyer at Closing.

4. **COMPLETION OF IMPROVEMENTS:** The Property shall be constructed in accordance with Seller's plans, and Seller expressly reserves the right to make changes to the plans as may be required by governmental authority or as may be required by the on-site Property conditions.

The Property shall be deemed complete and ready to close upon the issuance of a Certificate of Occupancy by the municipality in which the Property lies and Seller shall deliver a

copy of same to Buyer at closing. The improvements shall be completed in a good and workmanlike manner, and in accordance with all applicable governmental regulations, ordinances, codes and applicable restrictions, covenants, and conditions, including without limitation, any public or private architectural controls and restrictions. Reasonable efforts shall be made by Seller to complete all work on the Property in a timely manner. Notwithstanding such efforts, Buyer acknowledges that construction delays can occur for a number of reasons. Seller shall not be liable for, and Buyer hereby waives any right to, damages caused by delays resulting from any act or omission of Buyer, Buyer's inspector, or any other third party acting by and on behalf of Buyer, strikes, lockouts, fire, embargoes, pandemics, windstorm, flood, earthquake, acts of war, public laws, regulation, or acts of public officials, or by any other cause beyond Seller's control. Should any delay occur as the result of the foregoing, at the option of the Seller, the estimated time to complete shall be automatically extended by the number of days resulting from such delay.

5. **INSPECTION:** Upon the prior written consent of Seller and with at least three (3) days prior written notice, and subject to the terms herein, Buyer and/or Buyer's professional home inspector shall have the right to enter the Property at Buyer's expense and at reasonable times (including immediately prior to closing) to thoroughly inspect, examine, test, appraise, and survey the Property. Upon the completion of the improvements on the Property, Seller shall cause all utility services to be operational so that Buyer may complete all inspections under this Contract. Buyer agrees to hold Seller and all Brokers harmless from all claims, injuries, and damages arising out of or relating to the exercise of these rights. Buyer shall have the right to request that Seller repair and/or replace within a reasonable time prior to Closing only Defects (as defined below) in construction identified by Buyer or Buyer's professional home inspector (as defined below). The term "Defects" shall mean any portion of or an item which: (1) is a defect under the Residential Construction Performance Guidelines published by the National Association of Homebuilders, a copy of which is incorporated herein by reference; (2) constitutes a non-grandfathered violation of applicable laws or governmental codes or regulations; or (3) is a defect as that term is defined in any warranty provided by Seller. In no event will Defects include items that are cosmetic in nature. Seller agrees to correct any Defects in a good and workmanlike manner prior to Closing, unless agreed upon otherwise by the parties hereto.

The phrase "professional home inspector" shall mean a person or company on Seller's approved list provided to Buyer with specific, professional expertise in property inspections or in an item, building product or condition contained therein for which the inspector is inspecting, examining, testing and/or surveying. Any professional home inspector engaged by Buyer shall be at Buyer's sole cost and must at the time of their inspection: (1) maintain all licenses required by law; (2) be an approved Code Council Residential Combination inspector; (3) be on Seller's approved list; and (4) have general liability insurance and professional liability errors and omissions insurance of at least \$500,000 each. At the beginning of the inspection, Buyer must provide Seller with proof the professional home inspector meets these requirements.

Arrangements for a private inspection must be made at least three (3) days in advance of the actual inspection. If the professional home inspector concludes that there are code violations, the professional home inspector must provide a written list specifying the applicable code(s) and section(s) for each alleged violation. Any determination by the professional home inspector that the improvements contain Defects shall be based upon the definition of Defects set forth herein.

Additionally, prior to Closing, Buyer and Seller (and/or their representative(s)) shall together perform a "walk-through" of the Property and execute a "Walk Through List" specifying any items that remain to be completed. Seller will endeavor to complete all of the items specified in the agreed upon "Walk Through List" as soon as reasonably possible, which may extend past Closing. The fact that any repairs, touch-ups, or adjustments are incomplete shall not constitute a valid reason for Buyer's refusal to close. Buyer further agrees that there shall be no withholding of any of Seller's proceeds at Closing for "Walk Through List" Items. Seller shall not accept a "Walk Through List" of items to be completed until the official walk-through is conducted with Seller's representative prior to Closing. Buyer acknowledges that the only criteria that will be used to compile the "Walk Through List" are items that remain incomplete or adjustments, touch-ups or repairs not rising to the level of a Defect, as defined above.

Unscheduled Property visits by either Buyer or a third party can be disruptive to Seller's work schedule and potentially dangerous. As such, Buyer agrees to schedule all site visits with Seller's office and a representative of Seller must accompany Buyer or any third party inspector on all site visits. Buyer agrees not to enter onto the Property without being accompanied by a construction representative of Seller and that no persons under the age of 12 shall be allowed on site. Seller will not be responsible for any injuries that may occur during an unauthorized visit. A minimum 24-hour notice for a site visit, if approved by Seller, is required, and all visits shall be scheduled between 8:00 AM and 2:30 PM Monday through Friday. Seller has sole discretion to determine the number and duration of all site visits. Buyer further hereby agrees to avoid conversations with workmen/subcontractors that may in any way hinder and/or alter the work being performed on the Property in that Buyer shall limit any such communications to a designated construction representative of Seller assigned to the Property made the basis hereof.

FOR BUYER'S OWN SAFETY AND PROTECTION, BUYER AGREES TO LIMIT ENTRY AND INSPECTION OF THE PROPERTY TO A REASONABLE LENGTH OF TIME DURING BUSINESS HOURS AND TO CONDUCT SUCH INSPECTIONS ONLY WHEN ACCOMPANIED BY AN AUTHORIZED CONSTRUCTION REPRESENTATIVE OF SELLER. CHILDREN ARE NOT ALLOWED IN THE CONSTRUCTION AREA AT ANY TIME FOR OBVIOUS REASONS. ALL VISITORS TO THE CONSTRUCTION SITE ARE DOING SO AT THEIR OWN RISK.

Buyer's Initial: _____

All work and materials to be performed or supplied under this Contract shall be performed or supplied only by Seller and/or their vendors and contractors. Buyer shall not have the right to have any work performed or supplies delivered to the Property prior to Closing. No household goods or other materials may be moved onto the Property until after Closing.

6. CLOSING AND TITLE: The closing of this transaction shall occur on or before the Closing Date (also sometimes referred to herein as "Closing") at the offices of **Trotter Jones, LLP, located at 3615 Walton Way, Augusta, Georgia, 30909**, at which time Buyer shall be given possession of the Property. At Closing, Seller shall deliver good and marketable title to the Property by Limited Warranty Deed, Buyer shall deliver the balance of cash required to close the transaction, and the parties agree to execute such other and further documents as may be required to effectuate said Closing. Good and marketable title as used herein shall mean title which a title Insurance company licensed to do business in the state in which the Property lies will insure at its regular rates, subject only to standard exceptions. Buyer hereby directs any mortgage lender involved in this transaction to quote the cost of title insurance based upon the presumption that Buyer will be obtaining an enhanced owner's title insurance policy since such a policy affords Buyer the greatest coverage and protection.

Any Closing Date stated either verbally or in this Contract is to be considered at all times an estimate and the same may be unilaterally extended by Seller without penalty. In regards to the foregoing, Buyer is hereby made aware that Seller does not control the Buyer's lending schedule and therefore cannot be held accountable to increased interest rates and/or fees caused by any variation in the estimated Closing Date to the actual Closing Date or for any delays caused by Buyer's lender. Buyer also agrees that any interest rate lock made prior to Closing is considered at risk pending any such variations to estimated Closing Date and actual Closing Date. The Closing Itself shall not be complete, and possession of the Property will not be granted to Buyer (i.e. keys will not be turned over), until Buyer has fully executed all applicable loan documents, Buyer's lender has authorized funding approval, and all Buyer and Lender funds (as applicable) have been delivered to the closing attorney ready for disbursement. [NOTE: state law requires that any Buyer funds in excess of \$5,000.00 shall be delivered to the closing attorney by way of wire transfer. Should Buyer's required funds exceed said amount, Buyer shall be solely responsible for any delays in Closing and turnover of possession of the Property caused by the delay of any such wire.]

Buyer may, prior to closing, examine title and furnish Seller with a written statement of objections affecting the marketability of said title.

7. PRORATIONS AND ADJUSTMENTS; ASSOCIATION FEES: All real property ad valorem taxes shall be prorated as of the date of Closing. Taxes shall be prorated on the basis of the most recent tax bills available from the local taxing authorities. Upon Closing Buyer shall transfer all utility services of any type furnished to the Property by all governmental agencies, public utilities and private utilities into Buyer's name and account, and all charges for utility services shall be Buyer's responsibility as of the date possession of the Property is given to Buyer.

As applicable, and as set forth in the Specific Contract Terms, annual and/or monthly Association Fees are mandatory (see also Homeowner's Association Disclosure attached hereto as **Exhibit A**). Buyer further acknowledges that a prorated share of said fee will be collected from Buyer at Closing based upon the actual Closing Date. Seller makes no warranties or

representations with respect to the exact amount of said fees at the time of Closing and Buyer acknowledges that said fee may increase after the date of the execution of this Contract. In addition to the above, if so indicated in **Exhibit A**, a one-time Initiation Fee (aka: capital assessment, greenspace reservation fee, etc.) shall be due from Buyer at Closing.

8. CLOSING COSTS: Other than as specified in the Specific Contract Terms section of this Contract, Buyer shall pay all costs associated with closing this transaction. Buyer understands that certain regulations may disallow Buyer's use of the total Seller Contribution, or that in some instances the total Seller Contribution may be greater than the total of Buyer's closing costs. In no such instance shall the Purchase Price be reduced due to any such regulation(s) or overages and in each instance any unused Seller Paid Closing Costs shall be retained by Seller.

9. BROKERS: Seller shall pay a real estate commission to Listing Broker pursuant to a separate commission agreement. In no event shall Seller have any obligation to pay any real estate commission except in the event of the Closing of this transaction in accordance with the terms of this Contract. Except as may otherwise be provided, the Listing Broker has represented Seller in this transaction. If Buyer worked with or was represented by a Selling Broker, a disclosure of such brokerage relationship shall be made a part of this Contract by the attachment of same as **Exhibit B**. If no such brokerage relationship exists, there shall be no such exhibit to this Contract.

Except as set forth above, Buyer and Seller represent and warrant to the other that each party has not dealt with another broker, agent, or finder in connection with this transaction and Buyer and Seller covenant and agree, each to the other, to indemnify and hold each other harmless from any and all losses, damages, costs and expenses including, but not limited to, attorney's fees and court costs that may be incurred or suffered as a result of any claim for any fee, commission, or similar compensation with respect to this transaction made by any person or entity and arising through the actions of the indemnifying party, whether or not such claim for any fee, commission, or similar compensation with respect to this transaction made by any person or entity is meritorious.

Buyer has not relied upon any advice or representations of Brokers other than what is included in this Contract. Brokers shall have no duty to advise Buyer on any matter relating to the Property which could have been revealed through a survey, title search, Official Georgia Wood Infestation Report, inspection by a professional home inspector or construction expert, utility bill review, an appraisal, inspection by an environmental engineering inspector, consulting governmental officials or a review of this Contract and transaction by an attorney, financial planner, mortgage consultant or tax planner. Buyer should seek independent expert advice regarding any matter of concern to them relative to the Property and this Agreement.

10. RISK OF DAMAGE AND INSURANCE: At Closing Seller shall deliver the Property clean and free of trash and debris. Notwithstanding the above, if the improvements constructed on the Property are destroyed or substantially damaged prior to Closing, Seller shall promptly give notice to Buyer of the same and provide Buyer with whatever Information Seller has regarding the availability of insurance and the disposition of any insurance claim. Buyer or Seller may terminate this Contract not later than fourteen (14) days from receipt of the above notice. If neither Buyer nor Seller terminates this Contract, the Closing Date shall be extended until the earlier of one (1) year from the original Closing Date, or seven (7) days from the date that improvements have been completed and a new certificate of occupancy is issued.

11. DEFAULT: If Buyer defaults on any of Buyer's obligations in this Contract, Seller

may pursue any and all legal options, including specific performance. Alternatively, Seller may elect to retain the Earnest Money, Construction Deposit, and all third-party vendor payments, as full liquidated damages, the parties being in agreement that these amounts are a reasonable pre-estimate of Seller's actual damages, which damages are difficult to ascertain, and that this is not intended to be a penalty.

If Seller defaults on any of Seller's obligations in this Contract, Buyer shall be entitled to a return of the Earnest Money, Construction Deposit, all third-party vendor payments, and the sum of \$500.00. Buyer hereby waives any and all other rights and remedies at law or equity, including without limitation claims for additional damages or specific performance.

Notwithstanding anything to the contrary contained herein, in the event Seller, in Seller's sole and absolute discretion, determines there is a dispute between the parties, which in Seller's sole and absolute discretion cannot be resolved, Seller may terminate this Agreement and return to Buyer the Earnest Money, Construction Deposit, all third-party vendor payments, and the sum \$500.00, which shall constitute full and final satisfaction of all claims between Buyer and Seller.

12. ATTORNEY'S FEES: In the event there is litigation or arbitration arising out of this Contract, the parties agree that the prevailing party in such dispute shall be entitled to recover from the losing party the prevailing party's reasonable attorney's fees therein, including fees incurred during any appeal, plus any court costs.

13. HOME WARRANTY AND MANUFACTURER'S WARRANTIES: Seller shall provide to Buyer at closing a 2-10 Limited Warranty program contract (or similar extended warranty), and Seller shall respond to all warranty claims consistent with the terms and time frames stated in said 2-10 Limited Warranty. Seller shall transfer to Buyer at Closing all interest in any applicable manufacturers' warranties. Buyer hereby acknowledges and affirms that the warranty period is defined in the 2-10 Limited Warranty and shall begin to run from a date which may be a different date than the date of Closing.

14. CHANGE ORDERS: Buyer agrees that any request for changes or alterations ("change order") to the Property will be set forth in writing, signed by Buyer, and delivered to Seller or Seller's approved representative, and that no such change order shall be deemed accepted until agreed to and signed by Seller. Buyer understands that the cost for a requested item might be higher than the pricing offered at the time of contract execution, and depending on the scope of work and/or timing of the change requested, a \$250 administrative fee will be charged. No subcontractor, workman, or materialman has authority to agree on behalf of Seller to any such change order. **SELLER HAS THE RIGHT TO REFUSE TO MAKE BUYER REQUESTED CHANGES AND/OR ALTERATIONS, NOR WILL SELLER BE OBLIGATED TO ACCEPT ANY CHANGE ORDERS REQUESTED WITHIN 30 DAYS OF ANY PROJECTED CLOSING DATE. ALL COSTS RELATED TO ANY CHANGE ORDER MUST BE PAID BY BUYER TO SELLER AT THE TIME THE CHANGE ORDER IS REQUESTED AND ANY SUCH PAYMENT SHALL BE NON-REFUNDABLE. BUYER ALSO SPECIFICALLY ACKNOWLEDGES THAT ANY SELLER APPROVED CHANGE ORDER(S) MAY DELAY THE PROJECTED CLOSING DATE.** Buyer acknowledges that any work performed on the Property pursuant to change orders may not increase the appraised value of the Property, and Buyer agrees that Seller shall not be responsible if increases in the Purchase Price of the Property due to change

orders are not reflected in the appraised value of the Property.

15. DEVELOPMENT PLAN: Buyer acknowledges that current development plan as related to the subdivision in which the Property is located, and for the areas surrounding said subdivision, are subject to change without notice, and that Seller cannot guarantee or warrant that any of the components presently proposed will be a part of the development as a whole, or that additional components will not be added at any time in the future. If some or all of such components are provided, no guarantees, representations, or warranties are made as to the date of availability for the use of such components, nor that current plans will accurately reflect actual construction. It is Buyer's sole duty to become familiar with the subdivision, surrounding areas, and any conditions of concern to Buyer, and in relation to same Buyer hereby confirms that they have had the full opportunity to become acquainted with all existing neighborhood power lines, cemeteries, airports, prisons, stadiums, odor, and/or noise producing land uses, crime, schools serving the Property, political jurisdictional maps, and land use and transportation maps and plans. Seller disclaims and does not warrant the accuracy of any representations concerning any development plans. The provisions of this section shall survive the Contract. In addition to the above, the views available from any particular lot/residence are subject to change over time due to additional development and/or the removal and/or addition of landscaping and improvements surrounding said lot/residence.

16. MARKETING DISCLAIMER: During Buyer's inspection of the development and/or Seller's work product, Seller's may have shown Buyer model homes and marketing documents representing the types of dwellings Seller has previously constructed. Buyer understands and agrees that any such model homes and marketing document presentation may represent differences from the improvements to be built on the Property and the dimensions and square footages as shown are only approximations, and that only the specific Contract documents referenced herein are to be relied on as accurately depicting the improvements to be constructed on the Property.

17. EASEMENTS: Buyer acknowledges that Seller has made no representations, express or implied, with respect to the existence or non-existence of any easements on the Property; that Buyer has not relied on any representations, express or implied, with respect to the existence or non-existence of any easements on the Property; and that Buyer may elect to obtain a survey of the Property to determine with certainty the existence and/or location of any easements on the Property.

Buyer hereby grants to Seller a ten foot (10') grading and construction easement over the Property for the purposes of access/construction on the lot immediately adjacent to either side or rear of the Property. In conjunction with the foregoing, any damage to the Property caused by Seller's use of any such easement shall be repaired by Seller. Such easement shall exist only during the period of construction of the anticipated Improvements to said adjacent property. Buyer shall keep unobstructed all drainage structures and easements shown on the recorded plat of the subdivision and/or the Property. This provision shall specifically survive Closing.

18. CONSTRUCTION LOAN SUBORDINATION: Buyer hereby subordinates all rights, title, and interest in and to the Property arising by virtue of this Contract to the lien of any mortgage which may be executed by Seller to acquire, develop, or construct the improvements contemplated herein. Seller shall be responsible for obtaining such financing for construction and payment of all cost related thereto.

19. DISPARAGEMENT: Buyer shall not disparage Seller to any other party, whether it be verbally, in writing, electronically, or in any other media, including but not limited to social media.

This paragraph shall survive this Contract, whether through completion, termination, breach, or default.

20. MILDEW AND MOLD: Mold and mildew are naturally occurring substances. Whether or not Buyer experiences mold and mildew growth depends largely on how the improvements constructed on the Property are managed and maintained. Due to the inherent difficulty in determining the cause of mold and mildew growth, it is hereby agreed that Seller will not be responsible for any mold or mildew grown in the improvements nor damage caused by mold, mildew, or any other similar substance, that may be associated with defects in Seller's construction, including, but not to be limited to, Property damage, personal injury, loss of income, emotional distress, death, loss of use, loss of value, and adverse health effects, or any other effects. **ANY IMPLIED WARRANTIES RELATED TO SAME ARE HEREBY WAIVED AND DISCLAIMED.**

21. CONSTRUCTION ACTIVITIES: Buyer acknowledges and understands that Seller will be engaging in other construction activities related to the construction of other improvements/houses located in the development. Such construction activities may, from time to time, produce certain conditions in the community, including, without limitation: (i) noise or sound that is objectionable because of its volume, duration, frequency or shrillness; (ii) smoke; (iii) noxious, toxic, or corrosive fumes or gases; (iv) obnoxious odors; (v) dust, dirt or flying ash; (vi) unusual fire or explosion hazards; (vii) temporary interruption of utilities; and/or (viii) other conditions that may threaten the security or safety of persons on the Property. Notwithstanding the foregoing, Buyer agrees that such conditions on the Property resulting from construction activities shall not be deemed a nuisance, trespass, or discomfort to Buyer and shall not cause Seller and its agents to be deemed in violation of any provisions of the Contract or any other document related to the transaction contemplated herein.

22. ADVERTISING AND PHOTOGRAPHY RIGHTS: Seller reserves the right, without the need for Buyer's consent, to take and use pictures of the Property before and after Closing for any advertising and marketing purposes. The provisions of this paragraph shall survive this Contract.

23. TERMITE REPORT: Not later than the date of Closing, Seller shall cause a report to be provided to Buyer from a licensed Pest Control Operator certifying either that (a) the improvements on the Property have been treated for termites and other wood destroying organisms; or (b) a system to control termites and other wood destroying organisms has been installed to serve the improvements on the Property.

24. BINDING EFFECT: This Contract shall be binding upon the respective parties hereto, their heirs, personal representatives, successors and assigns.

25. NOTICES: Any notice required or intended to be given to either party under the terms of this Contract shall be in writing and shall be deemed to be duly given if delivered personally or if deposited with a receipted courier delivery service, postage prepaid, or if deposited in the United States mail, marked certified or registered, return receipt requested, with postage prepaid, addressed to the party to which notice is to be given at the party's address as set forth above, or at such other address as the party may hereafter designate by written notice.

26. WAIVER: No waiver by Seller or Buyer of any default of the other under this Contract shall operate as a waiver of any future default, whether of like or different character.

27. MISCELLANEOUS PROVISIONS:

(a) **AMENDMENTS:** This Contract constitutes the entire agreement of the parties and shall not be modified or amended except by a written agreement duly executed by the parties herein.

(b) **ASSIGNMENT OF CONTRACT:** The Buyer's rights, obligations, liabilities, powers, duties and covenants under this Contract may not be assigned without the specific written consent of the Seller.

(c) **GOVERNING LAW:** The laws of the State of Georgia shall govern the interpretation and enforcement of this Contract.

(d) **MATERIALITY:** All covenants, agreements, representations and warranties made herein shall be deemed to have been material and relied upon by each party to this Contract.

(e) **HEADINGS:** All sections and descriptive headings in this Contract are inserted for convenience only and shall not affect the construction or interpretation of the provisions herein.

(f) **SEVERABILITY:** If any portion of this Contract is unenforceable or inapplicable, it shall not affect, limit or impair the operation of any other provisions under the terms of this Contract.

(g) **COUNTERPARTS:** This Contract may be executed in multiple counterparts, each of which shall be considered to be an original document.

(h) **DISPUTE RESOLUTION:** Required State Law Disclosure Regarding Construction Defect Claims- GEORGIA LAW O.C.G.A. § 8-2-38 CONTAINS IMPORTANT REQUIREMENTS THAT BUYER MUST FOLLOW BEFORE BUYER MAY FILE A LAWSUIT OR OTHER ACTION FOR DEFECTIVE CONSTRUCTION AGAINST THE CONTRACTOR (AS THAT TERM IS DEFINED IN THE LAW AND ALSO DEFINED AS "SELLER" HEREIN) WHO CONSTRUCTED THE IMPROVEMENTS LOCATED ON THE PROPERTY. NINETY DAYS BEFORE BUYER FILES LAWSUIT OR OTHER ACTION, BUYER MUST SERVE ON THE CONTRACTOR A WRITTEN NOTICE OF ANY CONSTRUCTION CONDITIONS BUYER ALLEGES ARE DEFECTIVE UNDER THE LAW. A CONTRACTOR HAS THE OPPORTUNITY TO MAKE AN OFFER TO REPAIR OR PAY FOR THE DEFECTS OR BOTH. BUYER IS NOT OBLIGATED TO ACCEPT ANY OFFER MADE BY A CONTRACTOR. THERE ARE STRICT DEADLINES AND PROCEDURES UNDER STATE LAW, AND FAILURE TO FOLLOW THEM MAY AFFECT BUYER'S ABILITY TO FILE A LAWSUIT OR OTHER ACTION.

All claims arising out of or relating to this Contract or the alleged acts or omissions of any or all the parties hereunder shall be resolved by arbitration in accordance with the Federal Arbitration Act 9 U.S.C. § 1, et seq, and the rules and procedures of the arbitration company selected to administer the arbitration. Upon making or receiving a demand for arbitration (which shall only be made with respect to a construction defects claim after following the procedures described in O.C.G.A. § 8-2-38 has been followed), the parties shall either: (1) engage the arbitration company, if any, identified elsewhere herein to conduct the arbitration; or (2) if no such arbitration company has been selected, work together in good faith to select a mutually acceptable arbitration company with offices in Georgia to administer and conduct the arbitration. If the parties cannot mutually agree on an arbitration company, the arbitration company shall be selected as follows. Each party shall simultaneously exchange with the other party a list of three arbitration companies with offices in Georgia acceptable to that party to administer and conduct the arbitration, if there is only one (1) arbitration company that is common to both lists, that company shall administer and conduct the arbitration. If there is more than one arbitration Company that is common to both lists, the parties shall mutually agree on which arbitration company shall be selected. If there is not initially a common arbitration company on the lists, the

parties shall repeat the process by expanding their lists by two each time until there is a Common name on the lists selected by the parties. The decision of the arbitrator shall be final and the arbitrator shall have authority to award attorney's fees and allocate the costs of arbitration as part of any final award. All claims shall be brought by a party in his or her individual capacity and not as a plaintiff or class member in any purported class or representative proceeding. The arbitrator may not consolidate more than one person's claims and may not otherwise preside over any form of a representative or class proceeding. Notwithstanding the provisions of this subparagraph, if Buyer is claiming under a warranty provided by Seller, the terms and procedures of that warranty shall first apply to the resolution of the claim.

(i) **BEWARE OF CYBER/INTERNET FRAUD:** Buyer should be cautious of the potential for fake/spoofed emails and/or impersonating telephone calls from hackers and/or scammers attempting to defraud Buyer by way of wire or other types of financial fraud. These scams are on the rise in real estate transactions across the United States. The scams are various in nature but in many instances fraudsters assume the online identity of the actual mortgage lender, closing attorney, real estate broker, and/or builder by using multiple lines of communication. Posing as any of these service providers, the fraudsters may attempt to direct Buyer to wire funds to a bank account controlled by the fraudster rather than an actual party to the transaction contemplated herein. The faked communication may appear to be originated from what looks to be an actual email address and/or telephone number of one of the legitimate parties, while in fact originating from the fraudster. Buyer should at all times use caution when sending money if it is requested through email or telephone. Verifying any request, especially if a change in the account information has been made, with the originating party is a best practice and a way to help prevent this type of fraud. Please take the extra step to look up the phone number of the requesting party to make sure you have the correct information, and do not go by the phone number listed an email or unsolicited telephone call as these could be set up by the fraudster to verify the fraudulent information.

(j) **COUNTERPARTS; ELECTRONIC SIGNATURE.** This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement and shall become a binding agreement when one or more counterparts have been signed by each of the parties and delivered to the other party. Signatures on this Agreement which are transmitted electronically in PDF or via docusign or other similar format shall be valid for all purposes, however any party shall deliver an original signature on this Agreement to the other party upon request.

28. SPECIAL STIPULATIONS:

Seller Initials: _____ **Buyer Initials:** _____

[SIGNATURE PAGE TO FOLLOW]

Signature Page to Real Estate Purchase Agreement

BUYER:

Signature: _____

Print Name: _____

Email: _____

Phone: _____

Date: _____

Signature: _____

Print Name: _____

Email: _____

Phone: _____

Date: _____

SELLING BROKER/AGENT:

Company: _____

Signature: _____

Print Name: _____

Email: _____

Phone: _____

Company License Number: _____

Agent License Number: _____

Selling Broker is:

Representing Buyer as a client

Not representing Buyer (Buyer is a customer)

SELLER:

Seller: Herbert Homes, Inc.

By: Mark Herbert

As its: President

Signature: _____

Date: _____

LISTING BROKER/AGENT:

Company: _____

Signature: _____

Print Name: _____

Email: _____

Phone: _____

Company License Number: _____

Agent License Number: _____

Listing Broker is:

Representing Seller as a client

Not representing Seller (Seller is a customer)

Effective Date: _____

(date of execution by all parties hereto; to be completed by Broker/Agent)

EXHIBIT A

Homeowner's Association Disclosure

Seller hereby discloses the following to Buyer:

- The Premises is made a part of a community/neighborhood with the following type of association:
 - Mandatory Homeowners Association
 - Mandatory Condominium Association (number of units, If applicable: ____)
 - Voluntary Homeowners Association
- The community/neighborhood has the following type age restrictions:
 - at least 80% of the occupied units are occupied by at least one person who is 55 years of age or older
 - all units are occupied by persons 62 years of age or older
 - other (explain: _____)
- In addition to the association referenced above, there is OR is not a master association of which Buyer shall become a mandatory member or in which the association is already a member.
- Contact information for association:
 - Property management company: _____
 - Telephone number: _____
 - Email: _____
 - Mailing address: _____
 - Website of association: _____
- Annual association assessments:
 - mandatory association (for the term of ownership of the Property Buyer will be required to pay annual assessments to cover common association expenses, the total estimated annual assessment currently totals \$_____ which is paid in annual installments.)
 - voluntary association (if Buyer chooses to become a member of the association, Buyer will be required to pay annual assessments estimated total amount of \$ _____)-
 - master association (as applicable and in addition to the mandatory association, Buyer will be required to pay an annual assessment to the master association in the estimated total amount of \$_____, which is paid in _____ installments)
- Association fees due upon purchase of the Premises:
 - Upon purchase of the Premises Buyer will be required to pay to the association certain fees including, but not limited to, initiation fee, account setup fee, greenspace reservation fee, or the like, which said fees as estimated to total: \$

To the best of Seller's knowledge there is not a special assessment owing to the association, except

as provided herein: _____

Buyer's Initial: _____

EXHIBIT B

Selling Broker Acknowledgement

Buyer affirms that the following real estate broker ("Selling Broker") represented Buyer in this transaction and will be entitled to receive a commission, on terms agreed upon by Listing Broker and Selling Broker, upon the closing of this transaction: _____
(Broker).

Except as set forth above, Buyer represents and warrants to Seller and Listing Broker that they have not dealt with another broker, agent, or finder in connection with this transaction and Buyer covenants and agrees to indemnify and hold Seller and Listing Broker harmless from any and all claims, losses, damages, costs and expenses including, but not limited to, attorney's fees and court costs that may be incurred or suffered as a result of any claim for any fee, commission, or similar compensation with respect to this transaction made by any person or entity inconsistent with the above.

Buyer's Initial: _____

EXHIBIT C

Financing Contingency

As a condition to Seller accepting a financing contingency, Buyer agrees to obtain pre-approval from one of Seller's Approved Lenders (as set forth below) and to provide Seller with an Approved Lender pre-approval letter no later than five (5) business days from the Effective Date. If Buyer fails to timely seek pre-approval or fails to cooperate with Seller's Approved Lenders relative to same, then Seller may declare Buyer to be in default of this Contract. If Buyer's pre-approval is declined or reveals that Buyer is not pre-approved to pay the Purchase Price, then either Buyer or Seller may terminate this Contract upon written notice to the other provided within five days of receipt of the declination. In such event, Seller will return the Earnest Money and Construction Deposit to Buyer.

Set forth below is a list of Seller's Approved Lenders:

Buyer is free to obtain a loan from whichever lender they wish and is not obligated to obtain a loan from one of Seller's Approved Lenders. However, if Buyer obtains a loan from a lender other than one of Seller's Approved Lenders, then any Seller Paid Closing Costs contained in the Specific Contract Terms shall be eliminated and shall not be paid by Seller.

This Contract is made conditioned upon Buyer's ability to obtain a (check one) Conventional FHA VA (boxes not checked are not a part of this Contract) loan in the principal amount of not less than ____% of the purchase price, as set forth in the Specific Contract Terms, for a term of not less than _____ (____) years, with an interest rate of not more than ____ % per annum on the unpaid balance. This contingency is specific to a loan from one of Seller's Approved Lenders or the following lender: _____. In the event that Buyer does not pursue a loan from one of these lenders, then this financing contingency shall not apply, this transaction shall be considered an all cash transaction, and Seller shall not pay any closing costs. Such loan is to be secured by a first lien on the Property. Buyer covenants to apply for such loan on or before Seven (7) days from the Effective Date, to notify Seller and/or Seller's agent of such application, and to pursue such application diligently. In the event Buyer fails to apply for such loan within such period, or does not diligently furnish requested loan information within Buyer's control within two (2) days of the request therefor, Buyer shall be in default hereunder.

Buyer agrees to cooperate fully with Seller and the lender in processing the loan application. Seller or its designated agent is authorized to contact such lender from time to time regarding the status of said loan. "Ability to obtain" as used herein means that Buyer is qualified to receive the loan described herein based upon lender's customary and standard underwriting criteria. If Buyer has the ability to obtain the loan referenced herein, Buyer warrants that, at closing, Buyer will have sufficient cash to complete the purchase of the Property. Buyer further warrants that Buyer does not need to sell or lease other real property in order to complete the purchase of the

Property.

Buyer shall provide Seller with written evidence of approval for a loan for purchase of the Property under the terms and conditions set forth in this Contract on or before Seven (7) days from the Effective Date (the "Loan Approval Date"). Upon receipt of evidence of loan approval by Seller, this financing contingency shall no longer apply. In the event the loan is disapproved and evidence of such disapproval is provided to Seller by the Loan Approval Date, then Buyer may terminate the Contract by written notice to Seller by the Loan Approval Date. Seller shall return the Earnest Money and any Construction Deposit to Buyer, and all further rights, obligations and liabilities created hereunder shall be deemed terminated and of no further force and effect. In the event the loan is disapproved and Buyer does not elect to terminate the Contract, then Seller, in Seller's discretion, may nonetheless terminate the Contract and Seller shall return the Earnest Money and any Construction Deposit to Buyer, and all further rights, obligations and liabilities created hereunder shall be deemed terminated and of no further force and effect. Should Buyer not provide evidence of approval or disapproval of loan by the Loan Approval Date, then, at the election of Seller: (i) this contingency shall not apply, this transaction shall be considered an all cash transaction, and Seller shall not pay any closing costs or; (ii) Seller may terminate the Contract. Notwithstanding the above, in the event the loan is disapproved solely on the basis that the appraised value of the Property is too low, and if Buyer elects to terminate the Contract as provided for above, then Seller shall not return any Construction Deposit, the parties having expressly agreed that this is a risk being assumed by the Buyer.

Buyer agrees that a loan with terms consistent with those described herein shall satisfy this loan contingency. Buyer may also apply for a loan with different terms and conditions and close the transaction provided (a) all other terms and conditions of this Contract are fulfilled, and (b) the new loan does not increase the costs charged to the Seller. Buyer shall be obligated to close this transaction if Buyer has the ability to obtain a loan with terms as described herein and/or any other loan for which Buyer has applied and been approved.

Buyer understands that certain lender and/or governmental regulations may disallow Buyer's use of the total Seller Paid Closing Costs for certain items or above certain amounts. Further, in some instances the total Seller Paid Closing Costs may be greater than the total of Buyer's Closing Costs. In no such instance shall the Purchase Price be reduced due to any such regulation(s) or overages, and in each such instance any unused Seller Paid Closing Costs shall be retained by Seller.

Buyer acknowledges that any work performed on the Property pursuant to change orders may not increase the appraised value of the Property, and Buyer agrees that Seller shall not be responsible if increases in the Purchase Price of the Property, due to change orders, are not reflected in the appraised value of, and the resulting available loan for, the Property. Buyer acknowledges further that obtaining financing to cover the cost of any change orders is not to be considered a contingency of Closing.

[Signatures on Page(s) to Follow]

BUYER:

Signature: _____

Print Name: _____

Email: _____

Phone: _____

Date: _____

Signature: _____

Print Name: _____

Email: _____

Phone: _____

Date: _____

SELLING BROKER/AGENT:

Company: _____

Signature: _____

Print Name: _____

SELLER:

Seller: Herbert Homes, Inc.

By: Mark Herbert

As its: President

Signature: _____

Date: _____

LISTING BROKER/AGENT:

Company: _____

Signature: _____

Print Name: _____

VA Rider to Exhibit C Financing Contingency

It is expressly agreed that, notwithstanding any other provisions of this Contract, the Buyer shall not incur any penalty by forfeiture of earnest money deposits or otherwise be obligated to complete the purchase of the Property if the Agreement purchase price or costs exceeds the reasonable value of the Property established by the Veterans Administration ("VA"). Said value established by the VA shall be referred to herein as the "VA Notice of Value." The Buyer shall, however, have the privilege and option of proceeding with the consummation of this Agreement without regard to the amount of the reasonable value established by the VA. If Buyer elects to complete the purchase at an amount in excess of the reasonable value established by the VA, Buyer shall pay such excess amount in cash from a source which Buyer agrees to disclose to the VA and which Buyer represents will not be borrowed funds except as approved by the VA. If the VA reasonable value of the Property is less than the purchase price, Seller may reduce the purchase price to an amount equal to the VA reasonable value and the parties to the sale shall close at such lower purchase price with appropriate amendments to the Contract.

The VA Funding fee shall be paid as follows: A. in full at closing by Buyer; or B. added to the loan amount and financed; or C. no VA Funding fee required for this veteran per the certificate of eligibility. If box B is checked, then the principal amount of the loan specified in Exhibit C shall be increased by the amount of the VA Funding fee so financed.

Any repairs required in the VA Certificate of Reasonable Value shall be completed and paid for by Seller prior to closing, provided such repairs do not exceed \$ _____ in total costs. In the event the cost of repairs exceeds this amount, Seller shall have the right to terminate this Contract upon notice to Buyer. This notice shall include an itemized estimate from third party contractors of the total cost of repairs to be made to the Property. If Seller does not elect to terminate this Agreement in the event the cost of repairs exceeds the above-referenced amount, Seller shall be deemed to have agreed to make the repairs in question.

An Official Georgia Wood Infestation Report ("Termite Report") meeting the requirements of Georgia law and dated within 90 days prior to Closing, indicating that the Property is free of infestation from termites and other wood destroying organisms shall be obtained by and at the sole expense of Buyer or Seller. The VA Notice of Value will be conditioned upon the preparation of the above-referenced Termite Report meeting the above requirements. In the event the Property is not free of infestation from termites and/or other wood destroying organisms, Seller shall immediately cause the Property to be treated or retreated such that a Termite Report meeting the requirements of Georgia law indicating that the Property is free of infestation from termites and other wood destroying organisms can be issued within 90 days prior to the Closing. Any reinspection fee necessitated by Seller correcting infestation from termites and/or other wood destroying organisms shall be paid for by Seller in addition to any Seller Paid Closing Costs. Buyer and Seller acknowledge that the Property may not meet VA's Minimum Property Requirements if it contains damage from a previous infestation of termites and/or other wood destroying organisms. In such event, Seller shall obtain a written estimate from a contractor to repair such damage and provide a copy of the same to Buyer. If the parties are unable to reach a written agreement as to the repair of this damage within three (3) days of

the date that the contractor's estimate is provided by Seller to Buyer, then this Agreement shall automatically terminate.

Seller shall, if required by the VA, provide a home warranty certificate acceptable to the VA.

Buyer and Seller agree that if public water or a public sewer system is available at the street, and the local authority requires it, the Property must be connected, and Seller agrees to pay the cost of said connection. At the time of closing, Seller shall provide certification from the proper authority that Property is connected to and serviced by the public system.

This Rider shall control over any conflicting or inconsistent provision set forth in any other Exhibit to this Contract.

BUYER:

Signature: _____
Print Name: _____
Email: _____
Phone: _____
Date: _____

Signature: _____
Print Name: _____
Email: _____
Phone: _____
Date: _____

SELLER:

Seller: Herbert Homes, Inc.
By: Mark Herbert
As its: President
Signature: _____
Date: _____