



Working With Real Estate Agents Disclosure (For Buyers)

IMPORTANT

This form is not a contract. Signing this disclosure only means you have received it.

- In a real estate sales transaction, it is important that you understand whether an agent represents you.
- Real estate agents are required to (1) review this form with you at first substantial contact - before asking for or receiving your confidential information and (2) give you a copy of it after you sign it. This is for your own protection.
- Do not share any confidential information with a real estate agent or assume that the agent is acting on your behalf until you have entered into an agreement with the agent to represent you. Otherwise, the agent can share your confidential information with others.

Note to Agent: Check all relationship types below that may apply to this buyer.

Buyer Agency: If you agree, the agent who gave you this form (and the agent's firm) would represent you as a buyer agent and be loyal to you. You may begin with an oral agreement, but your agent must enter into a written buyer agency agreement with you before making a written offer or oral offer for you. The seller would either be represented by an agent affiliated with a different real estate firm or be unrepresented.

Dual Agency: Dual agency will occur if you purchase a property listed by the firm that represents you. If you agree, the real estate firm and any agent with the same firm (company), would be permitted to represent you and the seller at the same time. A dual agent's loyalty would be divided between you and the seller, but the firm and its agents must treat you and the seller fairly and equally and cannot help you gain an advantage over the other party.*

Designated Dual Agency: If you agree, the real estate firm would represent both you and the seller, but the firm would designate one agent to represent you and a different agent to represent the seller. Each designated agent would be loyal only to their client.*

**Any agreement between you and an agent that permits dual agency must be put in writing no later than the time you make an offer to purchase.*

Unrepresented Buyer (Seller subagent): The agent who gave you this form may assist you in your purchase, but will not be representing you and has no loyalty to you. The agent will represent the seller. Do not share any confidential information with this agent.

Note to Buyer: For more information on an agent's duties and services, refer to the NC Real Estate Commission's "Questions and Answers on: Working With Real Estate Agents" brochure at nrec.gov (Publications, Q&A Brochures) or ask an agent for a copy of it.

Buyer's Signature

Print Name

Buyer's Signature

Print Name

Date

James Kempster

Agent's Name

271183

Agent's License No.

Mallard Realty Group

Firm Name



Working With Real Estate Agents Disclosure (For Sellers)

IMPORTANT

This form is not a contract. Signing this disclosure only means you have received it.

- In a real estate sales transaction, it is important that you understand whether an agent represents you.
- Real estate agents are required to (1) review this form with you at first substantial contact - before asking for or receiving your confidential information and (2) give you a copy of the form after you sign it. This is for your own protection.
- Do not share any confidential information with a real estate agent or assume that the agent is acting on your behalf until you have entered into a written agreement with the agent to represent you. Otherwise, the agent can share your confidential information with others.

Note to Agent: Check all relationship types below that may apply to this seller.

Seller's Agency (listing agent): The agent who gave you this form (and the agent's firm) must enter into a written listing agreement with you before they begin to market your property for sale. If you sign the listing agreement, the listing firm and its agents would then represent you. The buyer would either be represented by an agent affiliated with a different real estate firm or be unrepresented.

Dual Agency: Dual agency will occur if your listing firm has a buyer-client who wants to purchase your property. If you agree in a written agency agreement, the real estate firm, and any agent with the same firm (company), would be permitted to represent you and the buyer at the same time. A dual agent's loyalty would be divided between you and the buyer, but the firm and its agents must treat you and the buyer fairly and equally and cannot help you gain an advantage over the other party.

Designated Dual Agency: If you agree in a written agency agreement, the real estate firm would represent both you and the buyer, but the firm would designate one agent to represent you and a different agent to represent the buyer. Each designated agent would be loyal only to their client.

Buyer Agent Working with an Unrepresented Seller (For Sale By Owner, "FSBO"): The agent who gave you this form will not be representing you and has no loyalty to you. The agent will represent only the buyer. Do not share any confidential information with this agent.

Note to Seller: For more information on an agent's duties and services, refer to the NC Real Estate Commission's "Questions and Answers on: Working With Real Estate Agents" brochure at ncrec.gov (Publications, Q&A Brochures) or ask an agent for a copy of it.

Seller's Signature

Print Name

Seller's Signature

Print Name

Date

James Kempster

Agent's Name

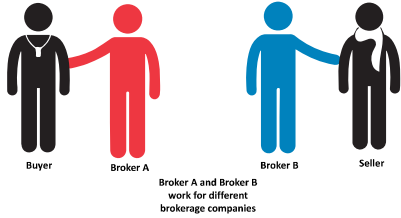
271183

Agent's License No.

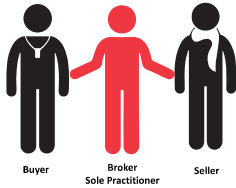
Mallard Realty Group

Firm Name

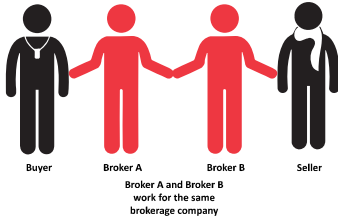
Buyer Agency and Seller Agency



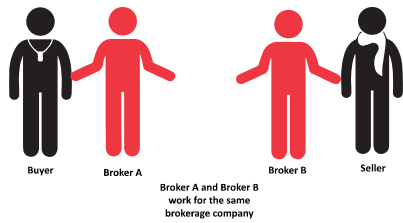
Dual Agency



Dual Agency



Designated Dual Agency

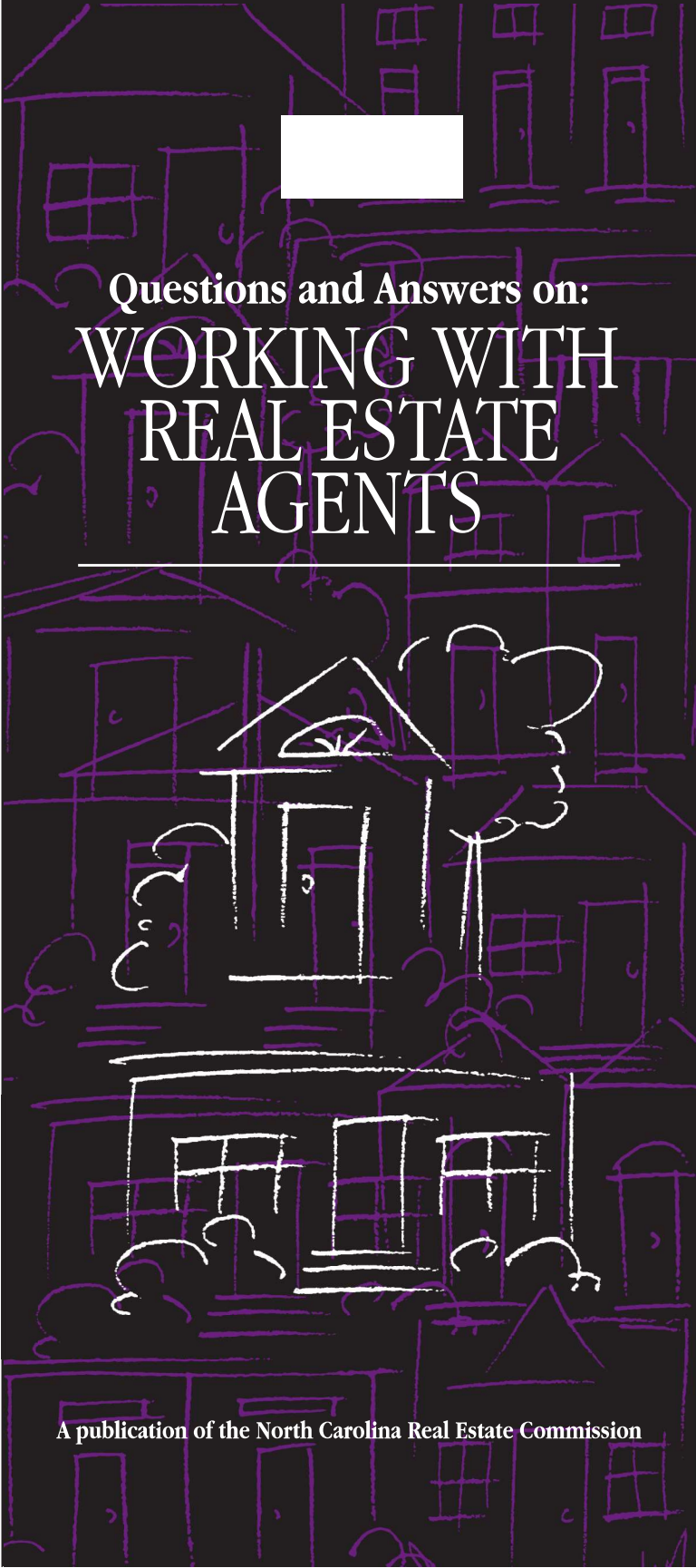


**THE NORTH CAROLINA
REAL ESTATE COMMISSION**

P.O. Box 17100 • Raleigh, NC 27619-7100
Phone: 919/875-3700 • Website: www.ncrec.gov

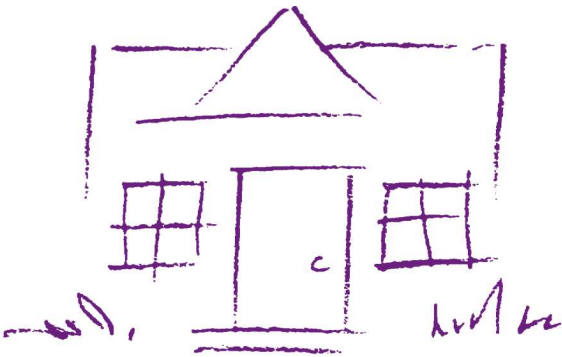
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Questions and Answers on: **WORKING WITH REAL ESTATE AGENTS**

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



Do not share any confidential information with a real estate agent or assume that the agent is acting on your behalf until you have entered into a written agreement with the agent to represent you. Otherwise, the agent can share your confidential information with others and this could hurt your ability to negotiate the best deal.

To assist buyers and sellers in understanding the roles of real estate agents, the Real Estate Commission requires agents in sales transactions to (1) review a “Working With Real Estate Agents Disclosure” with you at first substantial contact - before asking for or receiving your confidential information and (2) give you a copy of the Disclosure form after you sign it. The

Disclosure form is for your education and protection and is not a contract.

This Q&A brochure assumes that you are a prospective buyer or seller and answers common questions about the various types of agency relationships that may be available to you. It should help you:

- decide which relationship you want to have with a real estate agent
- give you useful information about the various services real estate agents can provide buyers and sellers
- explain how real estate agents are paid

IMPORTANT NOTE ABOUT RACIAL EQUALITY AND FAIR HOUSING: The Commission is committed to the principles of excellence, fairness, and respect for all people. It is our goal to ensure that brokerage activities are conducted in fairness to all and to end discrimination in the sale or rental of all real estate.

In residential sales and rental transactions, agents must comply with the Fair Housing Act which prohibits discrimination on the basis of the race, color, religion, sex, national origin, handicap, or familial status of any party or prospective party. For more information on the NC Fair Housing Act, you may visit <https://www.oah.nc.gov/civil-rights-division/housing-discrimination>.

Q: What does the word, “agency,” mean?

A: The relationship between a real estate agent and the buyer or seller who hires the agent is referred to as an agency relationship, because the real estate agent acts on behalf of (i.e. as an agent for) the buyer or seller (the “client”). In an agency relationship, the agent has certain duties and responsibilities to their client.

Q: What is an agency agreement?

A: An agency agreement is a contract between you and a real estate firm that authorizes the firm and its agents to represent you. The agency agreement between buyers and agents is typically called a “Buyer Agency Agreement”; between sellers and agents, a “Listing Agreement.” Be sure to read and understand the agency agreement before you sign it. If you do not understand it, ask the agent to explain it. If you still do not understand, you may

want to consult an attorney before signing the agreement. Your agent must give you a copy of the agreement after you sign it.

Q: Is there a “standard” length of time for agency agreements?

A: No. The term or length of an agency agreement is negotiable. Real estate agents are allowed to determine their own policies for the lengths of their agency agreements. However, a prospective buyer or seller may request a different length of time than proposed by an agent. If an agreement cannot be reached with the agent, the buyer or seller may seek another real estate agent willing to agree to a different length of time. Every agency agreement must have a definite expiration date.

Q: Is there a “standard” fee for real estate agents?

A: No. The amount or percentage of an agent’s compensation is negotiable. Real estate firms are allowed to determine their own compensation policies. However, a prospective buyer or seller may request a different fee. If an agreement cannot be reached with the agent, the buyer or seller may seek another real estate agent willing to agree to a different fee.

Q&As for SELLERS

Q: I want to sell my property. What do I need to know about working with real estate agents?

A: If you own real estate and want to sell it, you may want to “list” your property for sale with a real estate firm. If so, you will sign a written “listing agreement” authorizing the firm and its agents to represent you as your “listing” agent in your dealings with buyers. The real estate firm must enter into a written listing agreement with you before it is allowed to begin marketing or showing your property to prospective buyers or taking any other steps to help you sell your property. The listing firm may ask you to allow agents from other firms to show your property to their buyer-clients.

Q: What are a listing agent’s duties to a seller?

A: The listing firm and its agents must • promote your best

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

Q: What services might a listing agent provide?

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

Q: How is the listing firm compensated?

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

Q: If I list my property with a real estate firm that also represents a buyer who wants to buy my property, what happens then?

A: You may permit the listing firm **and** its agents to represent you and a buyer at the same time. This would mean that the real estate firm and all of its agents would represent you and the buyer equally. This “dual agency relationship” will happen if an agent with your listing firm is working as a buyer’s agent with someone who wants to purchase your property. If you have not already agreed to a dual agency relationship in your listing agreement and this is acceptable to you, your listing agent will ask you to amend your listing agreement to permit the firm

to act as agent for both you and the buyer. Any agreement between you and a firm that permits dual agency must be put in writing no later than the time the buyer makes an offer to purchase. Both you, as seller, and the buyer must consent in writing to dual agency.

Q: What is the risk if I agree to dual agency?

A: Dual agency creates a potential conflict of interest for the firm that represents you, since its loyalty is divided between you and the buyer. It is especially important that you have a clear understanding of what your relationship is with the firm and with the firm's individual agents, since all of them are dual agents. A dual agent must treat buyers and sellers fairly and equally and cannot help one party gain an advantage over the other party. Although each dual agent owes both their buyer and seller client the same duties, buyers and sellers can prohibit dual agents from divulging certain confidential information about them to the other party.

Q: How can I reduce the risk if dual agency occurs?

A: To minimize conflicts of interest, some firms also offer a form of dual agency called "designated dual agency" where one agent in the firm represents only the seller and another agent represents only the buyer. The firm and the firm's other agents remain in dual agency. This option (when offered by a firm) may allow each "designated agent" to more fully represent each party. Under designated dual agency, each agent designated to represent the seller is prohibited from disclosing (1) that the seller may agree to any price or terms other than those established by the seller, (2) the seller's motivation for selling, or and (3) any information the seller has identified as confidential, unless otherwise required by statute or rule.

Q: Can I sell my property without hiring a real estate agent?

A: Yes. In that case, you would be an unrepresented seller often referred to as For Sale By Owner or "FSBO." If you are selling your property without hiring an agent, then any agent involved in your transaction would be representing only the buyer. Do not share any confidential information

with the buyer's agent. If the agent for the buyer asks you for compensation and you are willing to pay that agent, then you should enter into a written agreement that clearly expresses the terms and conditions of your obligation to pay the agent.

Q: What happens if the listing agreement expires?

A: If the listing agreement expires after you enter into a contract to sell your property, then the listing agent and firm may continue representing you through the date of the closing and you may be responsible for compensating the listing firm in accordance with the provisions of the listing agreement. If the listing agreement expires without your property going under contract, then the listing agent/firm must immediately stop marketing your property unless you first enter into a new listing agreement with the firm.

Q&As for BUYERS

Q: I want to buy real estate. What do I need to know about working with real estate agents?

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

Q: What are a buyer agent's duties to a buyer?

A: If the real estate firm and its agents represent you, they must

- promote your best interests
- be loyal to you
- follow your lawful instructions
- provide you with all material facts that could influence your decisions
- use reasonable skill, care and diligence, and
- account for all monies they handle for you.

Once you have agreed (either orally or in writing) for the firm and its agents to be your buyer agent, they may not give any confidential information about you to sellers

Continued

or their agents during the agency relationship without your permission. But until you make this agreement with your buyer agent, you should avoid telling the agent anything you would not want a seller to know.

Q: Must a buyer have a written agency agreement with the agent who represents the buyer?

A: To make sure that you and the real estate firm have a clear understanding of what your relationship will be and what the firm will do for you, you may want to have a written agreement when you first begin working with an agent. However, some firms may be willing to represent and assist you initially as a buyer agent without a written agreement. But if you decide to make an offer to purchase a particular property, the agent must enter into a written agency agreement with you before making a written or oral offer for you. If you do not sign the agency agreement, then the agent can no longer represent and assist you and is no longer required to keep information about you confidential.

Q: What services might a buyer agent provide?

A: Whether you have a written or unwritten agreement, a buyer agent will perform a number of services for you. These may include helping you

- find a suitable property
- arrange financing
- learn more about the property
- and
- otherwise promote your best interests.

If you have a written agency agreement, the agent can also help you prepare and submit a written offer to the seller.

Q: How is a buyer agent compensated?

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

Q: What happens if I want to buy a property listed by the same agent or firm that represents me?

A: You may permit an agent or firm to represent you and the seller at the same time. This would mean that the real estate firm and all of its agents would represent you and the seller equally. This “dual agency relationship” will happen if you become interested in buying a property listed with your agent’s firm. If you have not already agreed to a dual agency relationship in your (written or oral) buyer agency agreement and this is acceptable to you, then your buyer agent will ask you to amend the buyer agency agreement or sign a separate agreement or document permitting his or her firm to act as agent for both you and the seller. Any agreement between you and an agent that permits dual agency must be put in writing no later than the time you make an offer to purchase. Both the seller, and you, as buyer, must consent in writing to dual agency.

Q: What is the risk if I agree to dual agency?

A: Dual agency creates a potential conflict of interest for the firm that represents you since its loyalty is divided between you and the seller. It is especially important that you have a clear understanding of what your relationship is with the firm and all of its individual agents, since all of them are dual agents. This can best be accomplished by putting the agreement in writing at the earliest possible time and asking any questions that you may have. A dual agent must treat buyers and sellers fairly and equally and cannot help one party gain an advantage over the other party. Although each dual agent owes both their clients the same duties, buyers and sellers can prohibit dual agents from divulging certain confidential information about them to the other party.

Q: How can I reduce the risk if dual agency occurs?

A: To minimize conflicts of interest, some firms also offer a form of dual agency called “designated dual agency” where one agent in the firm represents only the seller and another agent represents only the buyer. The firm and the firm’s other agents remain in dual agency. This option (when offered by a firm) may allow each “designated agent” to more fully represent each party. Under designated dual agency, each agent

designated to represent the buyer is prohibited from disclosing (1) that the buyer may agree to any price or terms other than those established by the buyer, (2) the buyer's motivation for buying, or and (3) any information the buyer has identified as confidential, unless otherwise required by statute or rule.

Q: What happens if the buyer agency agreement expires?

A: If the buyer agency agreement expires after you entered into a contract to purchase a property, then your agent may continue to represent you through the date of the closing and you may be responsible for compensating the firm in accordance with the provisions of the buyer agency agreement. If you are not under contract to buy a property when your buyer agency agreement expires, then your agent must immediately stop representing you unless you first enter into a new buyer agency agreement with the agent.

Q: Can I buy real estate without hiring a real estate agent?

A: Yes. If the real estate agent or firm that you contact does not offer buyer agency or you do not want them to act as your buyer agent, you can still work with the firm and its agents. However, they will be acting as the seller's agent (or "subagent"). The agent can still help you find and purchase property and provide many of the same services as a buyer's agent. The agent must be fair with you and report any "material facts" (defects such as a leaky roof) about properties. But remember, the agent represents the seller—not you—and therefore must try to obtain for the seller the best possible price and terms for the seller's property and cannot give you advice on buying the property if it will conflict with the seller's interests. Furthermore, a seller's agent is required to give the seller any information about you (even personal, financial or confidential information) that would help the seller in the sale of his or her property. Agents must tell you in writing if they are sellers' agents before they ask you about anything that can help the seller. But until you are sure that an agent represents you and is not a seller's agent, you should avoid saying anything you do not want a seller to know.

Q: If I am an unrepresented buyer, who pays the real estate agent?

A: Unless you agree otherwise, seller's agents are compensated by the sellers.

Q: Can the real estate agent who represents the seller require me to hire an agent to represent me?

A: No. While it may benefit you to hire an agent, there is no law requiring a buyer to hire a real estate agent to buy real estate.

Termination of Agency Agreements

Q: If I hire a real estate agent or firm to represent me, can I terminate the agency agreement before it expires?

A: Maybe. An agency agreement is a contract between a buyer or seller and a real estate firm. Most agency agreements do not contain a provision allowing a buyer or seller to terminate the agreement before it expires without the consent of the other party. Generally, one party cannot terminate the agreement without the consent of the other party. If you and the firm both agree to terminate the agreement, then you both should sign a written agency termination agreement. If the agent asks for compensation in exchange for terminating the agreement, then you can agree or disagree or try to negotiate the amount of compensation. If an agency agreement contains a penalty or fee for early termination, the provision specifying the penalty or fee must be set forth in a clear and conspicuous manner. If you are not able to reach an agreement on the termination of the agency agreement, then you may consult your own attorney or simply wait until the agency agreement expires. The Real Estate Commission does not have the authority to terminate agency agreements or to force a real estate agent to terminate an agreement.

(Note: This brochure is for informational purposes only and does not constitute a contract for service.)

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

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

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

Home Inspection - Between \$ 500-1200 + (depending on size and age of home)

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

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

Property Survey (Not Required)- Between \$450-\$1200+ (price varies depending on the size of land)- N/A for a condo or townhome.

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

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

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

Tina Konidaris

DASH Lending

919-256-3122 - Office

919-412-5301 - Cell

tkonidaris@primeres.com

Whitney Bulbrook

Carolina Ventures

919-260-6020

www.carolinaventures.com

William Scroggs

corporate Investors

[919.525.3660](tel:919.525.3660) - Office

[919.428.5140](tel:919.428.5140) - Cell

will@robbyoakes.com

www.robbyoakes.com

Audra Ange

Homeside Mortgage

919-973-2836 - Office

919-491-8369 - Cell

aange@gohomeside.com

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

Dimetrius Hatcher

Allstate

4324 S Alston AV

Durham NC 27713

Bus. 919-249-7291

Cell. 413-246-6732

Emily Hunter

Farm Bureau Insurance

2902 S. Miami Blvd, Suite A

Durham, NC, 27703

Bus [919.544.4953](tel:919.544.4953)

Fax [919.572.8936](tel:919.572.8936)

Cell - 336-831-3695

Maz Ganim

Brightway Insurance

office: 919-443-3300 ext. 3

cell: 919-744-1019

maz.ganim@brightway.com

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

Billy Spaker

[919-818-2022](tel:919-818-2022)

billy@allinspected.com

Luis Turner

919-291-1160

ltinspections1@gmail.com

<http://www.ltinspections.com>

Yu Zhang

Clarity Home Inspections

919-413-6106

hiyu64@gmail.com

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

This EXCLUSIVE BUYER AGENCY AGREEMENT ("Agreement") is entered into between:

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

NOTE: If the Buyer is a corporation, limited liability company, trust or other legal entity, the entity should be named as Buyer and a duly authorized officer, manager, trustee, or other legal representative of the entity should sign this Agreement on the entity's behalf.

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

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

SAMPLE

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

3. **TERM OF AGREEMENT.** The term of this Agreement ("Term") shall begin on the Effective Date and shall terminate as follows (check appropriate box):
 (For buyers who intend to purchase a single property): This Agreement shall terminate when Buyer acquires real property of the type described in paragraph 1, or 11:59 p.m. on _____, whichever occurs sooner.
 (For buyers who may purchase more than one property): This Agreement shall terminate at 11:59pm on _____.

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

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

- (i) Firm shall seek the Fee from a cooperating listing firm (through the listing firm's offer of compensation in MLS or otherwise) or from the seller if there is no listing firm, and Buyer agrees that Firm shall be entitled to receive same in consideration for Firm's services hereunder.
- (ii) If Buyer purchases property where the compensation offered by the listing firm and/or seller is less than the Fee, or where no compensation is offered by either the listing firm or the seller, Buyer and Firm agree that Buyer will pay the difference between the Fee and the compensation offered unless prohibited by law. Firm will timely inform Buyer if the compensation offered is less than expected. Per federal regulations, a buyer obtaining a VA loan is not permitted to pay a brokerage fee or commission in connection with the services of a buyer agent, though use of a buyer agent is permitted. Firm may still seek compensation pursuant to paragraph 4(b)(i) if Buyer is seeking a VA loan.
- (iii) If additional compensation, incentive, bonus, rebate and/or other valuable consideration ("*Additional Compensation*") is offered through the MLS or otherwise, Buyer will permit the Firm to receive it in addition to the Fee. Firm shall timely disclose the promise or expectation of receiving any such Additional Compensation and confirm the disclosure in writing



Buyer initials Individual agent initials



before Buyer makes or accepts an offer to buy. (Note: NCAR Form #770 may be used to confirm the disclosure of any such Additional Compensation)

- (c) The compensation shall be deemed earned under any of the following circumstances:
 - (i) If, during the term of this Agreement, Buyer, any assignee of Buyer or any person/legal entity acting on behalf of Buyer directly or indirectly enters into an agreement to purchase, option, and/or exchange any property of the type described above regardless of the manner in which Buyer was introduced to the property; or
 - (ii) If, within _____ days after expiration of this Agreement (“Protection Period”), Buyer enters into a contract to acquire property introduced to Buyer during the term of this Agreement by Firm or any third party, unless Buyer has entered into a valid buyer agency agreement with another real estate firm; or
 - (iii) If, having entered into an enforceable contract to acquire property during the term of this Agreement, Buyer defaults under the terms of that contract.
- (d) The compensation will be due and payable at distribution of proceeds from sale of the Property by the closing attorney or upon Buyer’s default of any purchase agreement. If Buyer defaults, the total compensation that would have been due the Firm will be due and payable immediately in cash from the Buyer. No assignment of rights in real property obtained for Buyer or any assignee of Buyer or any person/legal entity acting on behalf of Buyer pursuant to this Agreement shall operate to defeat any of Firm rights under this Agreement.

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

- (e) If Buyer purchases unimproved property, Agent may assist Buyer in identifying a contractor to make improvements on the property, subject to the provisions of paragraph 10. Buyer acknowledges and understands that in such a case, the contractor may offer to compensate Agent. Agent shall disclose to Buyer the existence of such an offer of compensation before Buyer enters into a contract with the contractor, and Buyer hereby consents to the receipt by Agent of any such compensation.

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

6. **FIRM’S DUTIES.**

SAMPLE

- (a) **General.** During the term of this Agreement, Firm shall promote the interests of Buyer by:
 - (i) performing the terms of this Agreement;
 - (ii) seeking property at a price and terms acceptable to Buyer;
 - (iii) presenting in a timely manner all written offers or counteroffers to and from Buyer;
 - (iv) disclosing to Buyer all material facts related to the property or concerning the transaction of which Firm has actual knowledge; and
 - (v) accounting for in a timely manner all money and property received in which Buyer has or may have an interest.
- (b) **Confidentiality.** Unless otherwise provided by law or Buyer consents in writing to the release of the information, Firm shall maintain the confidentiality of all personal and financial information and other matters identified as confidential by Buyer, if that information is received from Buyer during the brokerage relationship.
- (c) **Standard of care.** In satisfying Firm’s duties, Firm shall exercise ordinary care, comply with all applicable laws and regulations, and treat all prospective sellers honestly and not knowingly give them false information.
- (d) **Representation of others.** Firm may show the same property to other buyers, represent other buyers, represent sellers relative to other properties, or provide assistance to a seller or prospective seller by performing ministerial acts that are not inconsistent with Firm’s duties under this Agreement.
- (e) **Submission of information to listing service.** Upon closing of any sale of property not entered in a listing service of which Firm is a member, Buyer authorizes Firm to submit pertinent information concerning the property, including sales price, to such listing service.

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

- (a) Unless otherwise stated in Paragraph 13 below, Firm has Buyer's permission to disclose Buyer's name.
- (b) In accordance with NC General Statutes Section 93A-12, if a dispute regarding the return or forfeiture of any earnest money deposit arises between Buyer and the seller of any real property Buyer may agree to purchase, the escrow agent holding the deposit may deposit the disputed monies with the appropriate Clerk of Court following written notice to the parties. In the event of any such dispute, Buyer directs Firm to disclose Buyer’s last known mailing address to the escrow agent upon request to enable the escrow agent to comply with the notice requirement of such law.

Buyer initials Individual agent initials

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

WARNING: Buyer Letters to Seller. Personal letters to sellers expressing why a buyer wishes to purchase a seller's property is a tactic sometimes used to attempt to make a buyer's offer stand out to the seller. Such letters often contain personal information and reveal characteristics of the buyer which could be used, knowingly or through unconscious bias, as a basis for the seller's decision to accept or reject an offer that may violate State and Federal Fair Housing laws. In order to avoid potential liability for unlawful discrimination as well as the appearance of impropriety, Buyer should discuss with Firm how any such letters will be handled.

9. **BUYER'S DUTIES.** Buyer agrees to cooperate with Firm in the acquisition of real property of the type described in paragraph 1, including but not limited to:

- (a) working exclusively with Firm during the term of this Agreement;
- (b) immediately referring to Firm information about any properties Buyer may have an interest in examining;
- (c) complying with the reasonable requests of Firm to supply any pertinent financial or personal data needed to fulfill the terms of this Agreement;
- (d) being available for reasonable periods of time to examine properties;
- (e) examining properties only by appointments made by or through Firm and accompanied by an agent of Firm;
- (f) conducting all negotiations and communications through Firm;
- (g) conducting all due diligence on property in consultation with Firm; and
- (h) paying for all products and/or services required in the examination and evaluation of properties (examples: surveys, water/soil tests, title reports, property inspections, etc.).

10. **OTHER PROFESSIONAL ADVICE.** In addition to the services rendered to Buyer by the Firm under the terms of this Agreement, Buyer is advised to seek other professional advice in matters of law, taxation, financing, insurance, surveying, wood-destroying insect infestation, structural soundness, engineering, building construction, and other matters pertaining to any proposed transaction. Although Firm may provide Buyer the names of providers who claim to perform such services, Buyer understands that Firm cannot guarantee the quality of service or level of expertise of any such provider. Buyer agrees to pay the full amount due for all services directly to the service provider whether or not the transaction closes. Buyer also agrees to indemnify and hold Firm harmless from and against any and all liability, claim, loss, damage, suit, or expense that Firm may incur either as a result of Buyer's selection and use of any such provider or Buyer's election not to have one or more of such services performed.

- Buyer acknowledges receipt of a sample copy of an Offer to Purchase And Contract for review purposes.
- Buyer acknowledges receipt of a sample copy of a Professional Services Disclosure and Election form (form #760) for review purposes.

SAMPLE

11. **HOME WARRANTY.** The seller of any property Buyer may be interested in buying may or may not provide a home warranty as a part of any sale. If the seller does not provide a home warranty, Buyer may elect to purchase one. Buyer understands that although Firm will assist Buyer in identifying available home warranty products, Buyer must refer specific questions regarding coverage afforded by any such product to the provider thereof. If Firm assists Buyer in obtaining a home warranty, a fee of _____ will be offered to Firm by the person or entity through or from which any home warranty is obtained as compensation to Firm for its assistance in obtaining the home warranty, and Buyer hereby consents to Firm's receipt of such fee.

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

13. **ADDITIONAL PROVISIONS.**

Buyer initials Individual agent initials

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

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

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

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

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

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

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

(d) **Designated Dual Agency.** When a real estate firm represents both the buyer and seller in the same real estate transaction, the firm may, in its discretion, offer designated dual agency. If offered, designated dual agency permits the firm, with the prior express approval of both the buyer and seller, to designate one or more agents to represent only the interests of the seller and a different agent(s) to represent only the interests of the buyer, unless prohibited by law.

NOTE: An individual agent may not be designated to represent a party in a transaction if that agent has received confidential information concerning the other party in connection with the transaction.

SAMPLE

[THIS SPACE INTENTIONALLY LEFT BLANK]

Buyer initials Individual agent initials

(e) **Authorization/Direction** (initial either Dual Agency or Exclusive Representation).

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

Buyer DOES DOES NOT authorize the same individual agent to represent both the Buyer and the seller in a transaction.

(also initial if Firm offers designated dual agency and Buyer authorizes designated dual agency) Designated Dual Agency. In addition to authorizing Firm to act as a dual agent, Buyer authorizes and directs Firm to designate an individual agent(s) to represent the Buyer and a different individual agent(s) to represent the seller. Firm will practice designated dual agency unless: (i) designated agency would not be permitted by law due to circumstances existing at the time of the transaction, or (ii) Buyer authorizes Firm in writing to remain in dual agency only.

SAMPLE

OR

Exclusive Representation. Buyer desires exclusive representation at all times during this agreement and does NOT authorize dual agency.

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

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

15. TERMINATION/BREACH/MEDIATION/ATTORNEYS' FEES.

(a) **Termination.** Buyer acknowledges and understands that this Agreement constitutes a binding, exclusive contract between Buyer and Firm for the entire Term stated above. Buyer's withdrawal from the fiduciary relationship existing between Buyer and Firm prior to the Expiration Date of this Agreement, or Buyer's execution of a buyer agency agreement with another firm that becomes effective during the Term of this Agreement, would be a material breach of this Agreement unless it has been terminated in writing by mutual consent of Buyer and Firm or for legally-sufficient cause, and any subsequent purchase of real property of the type described in paragraph 1 during the Term may entitle Firm to the Fee described in paragraph 4(b).

(b) **Breach.** If Buyer is in material breach of this Agreement, Firm will be entitled to pursue all remedies available to Firm for such breach, including but not limited to recovery of the Fee described in paragraph 4(b). This provision is in addition to Firm's right to the Fee if Buyer breaches an enforceable contract to acquire property after the Fee has been earned in accordance with paragraph 4(c). If Firm is in material breach of this Agreement, Buyer will be entitled to pursue all remedies available to Buyer for such breach.

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

(d) **Attorneys' Fees.** If legal proceedings are brought by Firm or Buyer against the other, the parties agree that a party shall be entitled to recover reasonable attorneys' fees to the extent permitted under N.C. Gen. Stat. § 6-21.2.

16. ENTIRE AGREEMENT; EFFECTIVE DATE; CHANGES. This Agreement constitutes the entire agreement between Buyer and Firm relating to the subject thereof, and any prior agreements pertaining thereto, whether oral or written, have been merged and integrated into this Agreement. This Agreement will become binding on the "Effective Date," the date the last one of Buyer and Firm signs this Agreement and such signing is communicated to the other party. This Agreement may be signed in multiple originals or counterparts, all of which together constitute one and the same instrument. No change of any of the terms of this Agreement shall be valid, binding upon the parties, or entitled to enforcement unless such change has first been reduced to writing, and agreed to and signed by both Buyer and Firm.

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

Buyer initials Individual agent initials

17. **SURVEILLANCE:** Buyer is advised to be mindful of the fact that there could be video/audio/surveillance device(s) located on any property examined by Buyer and that Buyer or Buyer's representatives may be under surveillance during any such examination. Federal and State laws prohibit the interception of an oral communication through the use of any electronic, mechanical, or other device, whether or not recorded, without the consent of a party to that communication. However, video surveillance without consent is not illegal.

18 **PHOTOGRAPHS AND VIDEO:** Unless a property owner has notified the public that photography and video recording is prohibited, it is permissible to photograph or video the interior of private property since the owner's permission to enter the property implies permission to do so. However, under no circumstances may Buyer take photographs or videos that intrude on a property owner's reasonable expectations of privacy.

Buyer should only photograph or video things that are in "plain view". For example, taking a photo or video of the contents of a medicine cabinet or of financial records in a desk drawer would be impermissible. In addition, any permitted photography or video should be used only in a manner related directly to Buyer's examination and purchase of a property. **TAKING IMPERMISSIBLE PHOTOGRAPHS OR VIDEOS OR USING THEM FOR AN IMPERMISSIBLE PURPOSE COULD SUBJECT BUYER TO CIVIL LIABILITY.**

Buyer acknowledges and understands that neither Firm nor its agents have control over information about any property Buyer may purchase that has been placed on the Internet in connection with the marketing of any such property for sale, whether by or through a listing service or otherwise, including but not limited to photographs, and that any such information will not be removed following Buyer's purchase of any such property.

19. **WIRE FRAUD WARNING:**

SAMPLE

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

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

Buyer acknowledges and understands that there are risks associated with wire transfers that are not within the reasonable control of Firm, and Buyer hereby agrees to release and discharge Firm and Firm's agents from any and all claims, demands, rights and causes of action of whatsoever kind and nature not caused by gross negligence of Firm or Firm's agents arising directly or indirectly out of any wire transfer Buyer sends or receives/was to receive in connection with any real estate transaction in which Firm represents buyer.

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NOTE: The North Carolina Real Estate Commission publishes a series of Q&A brochures that address common questions on a variety of topics relating to real estate transactions, including offer and acceptance, earnest money deposits, home inspections, and real estate closings . They are available free of charge on the Commission’s website at www.ncrec.gov.

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

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

Buyer: _____
Print Name Signature Date

Contact Information: _____
Home Work Cell Email

Mailing Address: _____

Buyer: _____
Print Name Signature Date

Contact Information: _____
Home Work Cell Email

Mailing Address: _____

Entity Buyer: _____
(Name of LLC/Corporation/Partnership/Trust/etc.)

By: _____ Date: _____

Name: _____ Title: _____

Contact Information: _____
Home Work Cell Email

Mailing Address: _____

Firm: MALLARD REALTY GROUP C26335 Firm Phone: 919-696-4254
Print Real Estate Firm Name Firm License Number

Office Address: _____

By: JAMES KEMPSKI 271183
Individual Agent Signature Individual License Number Date

Agent Phone: 919-308-7597 Fax: _____ Email: _____

LICENSURE BOARD
322 Chapanoke Road, Suite 115
Raleigh, North Carolina 27603
Phone: 919/662-4480
Website: www.ncdoi.com/OSFM/
or www.ncbilb.com

Questions and Answers on:
**HOME
INSPECTIONS**



*Scan the code below to access the
Commission Website from your mobile devices.*



**THE NORTH CAROLINA
REAL ESTATE COMMISSION**
P. O. Box 17100
Raleigh, North Carolina 27619-7100
Phone: 919/875-3700
Website: www.ncrec.gov

*100,000 copies of this public document were printed
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A publication of the North Carolina Real Estate Commission

Questions and Answers on: HOME INSPECTIONS

For most people, purchasing a home is the largest investment they will ever make. It is no wonder then that many homebuyers employ professionals to inspect the structural and mechanical systems of the home and report on their condition. While sellers also employ home inspectors to alert them to problems with their homes which could arise later in the transaction, this brochure is written from the viewpoint of the potential homebuyer.

This brochure is a joint publication of the North Carolina Home Inspector Licensure Board and the North Carolina Real Estate Commission. It is designed to give consumers a better understanding of the home inspection process, what a home inspection is, who can perform an inspection and what to expect. If you have further questions regarding home inspections and home inspectors, contact the North Carolina Home Inspector Licensure Board, 322 Chapanoke Road, Suite 115, Raleigh, NC 27603, 919/662-4480, www.ncdoi.com/OSEM/ or www.ncbilb.com.



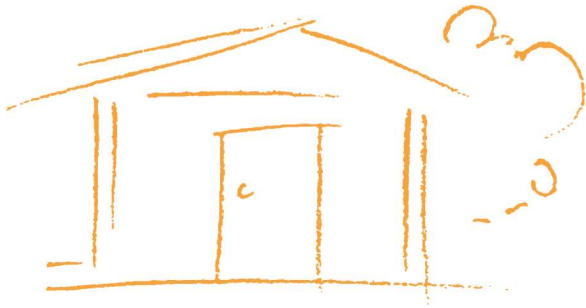
Q: What is a home inspection?

A: A home inspection is an evaluation of the visible and accessible systems and components of a home (plumbing system, roof, etc.) and is intended to give the client (usually a homebuyer) an understanding of their condition. It is also important to know what a home inspection is not! It is not an appraisal of the property's value; nor should you expect it to address the cost of repairs. It does not guarantee that the home complies with building codes (which are subject to periodic change) or protect you in the event an item inspected fails in the future. [*Note: warranties can be purchased to cover many items.*] No home inspection should be considered a "technically exhaustive" evaluation; rather, it is an evaluation of the property on the day it is inspected, taking into consideration normal wear and tear.



Q: Can anyone perform a home inspection?

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



Q: Why should I have the home inspected?

A: Most homebuyers lack the knowledge, skill and emotional detachment needed to inspect homes themselves. By using the services of a licensed home inspector, homebuyers can gain an understanding of the condition of the property, especially whether any items are so defective as to impair function or warrant further investigation by a specialist.

Q: In my home purchase I have chosen to sign the standard Offer to Purchase and Contract* form which many real estate and legal professionals use. It states that I have the right to have inspections to determine the condition of the house during a due diligence period. Will the home inspection identify all problems at the home?

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

A: Home inspectors typically inspect structural components (floors, walls, roofs, chimneys, foundations, etc.), mechanical systems (plumbing, electrical, heating/air conditioning), installed appliances and other major components of the property. The Home Inspector Licensure Board's Standards of Practice do not require home inspectors to report on wood-destroying insects, environmental contamination, pools and spas, detached structures and cosmetic issues. Always ask the home inspector if he or she covers all the things that are important to you. If not, it is your responsibility

to arrange for an inspection of these items by the appropriate professionals. For a description of the services to be provided by the home inspector (and the cost), *you should read carefully the written contract which the home inspector must give you and which you must sign before the home inspection can be performed.*

Q: How will I know if I need other/additional inspections?

A: A home inspection is just one of several types of inspections you may wish to have performed. You should consider obtaining a Wood Destroying Insect Report as well as a Septic Inspection when applicable; your lender may require one or both of these. Your home inspection report may recommend further evaluation by a specialist such as licensed mechanical, electrical, plumbing contractors or a professional engineer. You can discuss these issues with your home inspector and your broker and they can often suggest other professionals for you to consider.

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

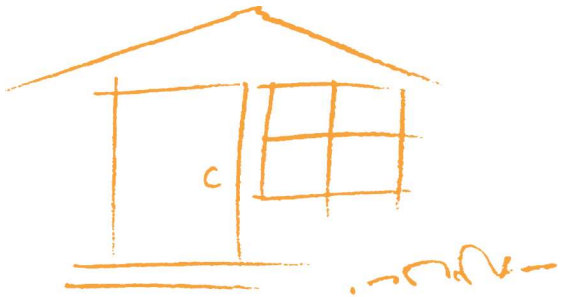
A: You can arrange for the home inspection or ask your real estate agent to assist you. Unless you otherwise agree, you will be responsible for payment of the home inspection and any subsequent inspections. If the inspection is to be performed after you have signed the purchase contract, be sure to schedule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

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

A: Whenever possible, you should be present. The

Continued

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



Q: Are all inspection reports the same?

A: No. While the Home Inspector Licensure Board has established a minimum requirement for report-writing, reports can vary greatly. They can range from a “checklist” of the systems and components to a full narrative including photographs. A home inspector is required to give you a written “Summary” of the inspection identifying any system or component that does not function as intended, or has tangible evidence that warrants further investigation by a specialist. The summary may also describe any system or component that poses a safety concern. The summary does not represent everything you need to know about the home. Carefully read and understand the entire home inspection report.

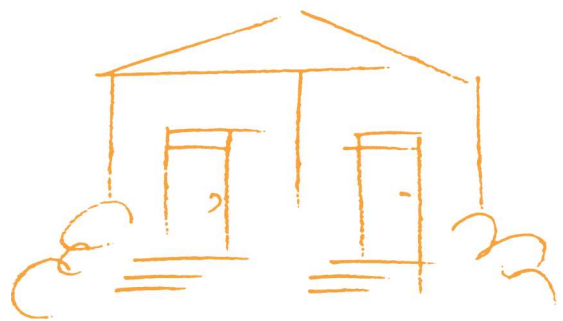
Q: What should I do if I feel something has been missed on the inspection?

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

Q: If, following the home inspection, the seller repairs an item found in the home inspection, may I have the home inspector perform a “re-inspection?”

A: Yes. Some repairs may not be as straightforward as they might seem. The inspector may be able to help you evaluate the repair, but you should be aware that the re-inspection is not a warranty of the repairs that have been made. Some home inspectors charge a fee for re-inspections.

(For more information about due diligence and other possible inspections, see the Commission’s brochure, “Questions and Answers on: Due Diligence for Residential Buyers.”)





Protect Your Family From Lead in Your Home



United States
Environmental
Protection Agency



United States
Consumer Product
Safety Commission



United States
Department of Housing
and Urban Development

Are You Planning to Buy or Rent a Home Built Before 1978?

Did you know that many homes built before 1978 have **lead-based paint**? Lead from paint, chips, and dust can pose serious health hazards.

Read this entire brochure to learn:

- How lead gets into the body
- How lead affects health
- What you can do to protect your family
- Where to go for more information

Before renting or buying a pre-1978 home or apartment, federal law requires:

- Sellers must disclose known information on lead-based paint or lead-based paint hazards before selling a house.
- Real estate sales contracts must include a specific warning statement about lead-based paint. Buyers have up to 10 days to check for lead.
- Landlords must disclose known information on lead-based paint or lead-based paint hazards before leases take effect. Leases must include a specific warning statement about lead-based paint.

If undertaking renovations, repairs, or painting (RRP) projects in your pre-1978 home or apartment:

- Read EPA's pamphlet, *The Lead-Safe Certified Guide to Renovate Right*, to learn about the lead-safe work practices that contractors are required to follow when working in your home (see page 12).



Simple Steps to Protect Your Family from Lead Hazards

If you think your home has lead-based paint:

- Don't try to remove lead-based paint yourself.
- Always keep painted surfaces in good condition to minimize deterioration.
- Get your home checked for lead hazards. Find a certified inspector or risk assessor at [epa.gov/lead](https://www.epa.gov/lead).
- Talk to your landlord about fixing surfaces with peeling or chipping paint.
- Regularly clean floors, window sills, and other surfaces.
- Take precautions to avoid exposure to lead dust when remodeling.
- When renovating, repairing, or painting, hire only EPA- or state-approved Lead-Safe certified renovation firms.
- Before buying, renting, or renovating your home, have it checked for lead-based paint.
- Consult your health care provider about testing your children for lead. Your pediatrician can check for lead with a simple blood test.
- Wash children's hands, bottles, pacifiers, and toys often.
- Make sure children eat healthy, low-fat foods high in iron, calcium, and vitamin C.
- Remove shoes or wipe soil off shoes before entering your house.

Lead Gets into the Body in Many Ways

Adults and children can get lead into their bodies if they:

- Breathe in lead dust (especially during activities such as renovations, repairs, or painting that disturb painted surfaces).
- Swallow lead dust that has settled on food, food preparation surfaces, and other places.
- Eat paint chips or soil that contains lead.

Lead is especially dangerous to children under the age of 6.

- At this age, children's brains and nervous systems are more sensitive to the damaging effects of lead.
- Children's growing bodies absorb more lead.
- Babies and young children often put their hands and other objects in their mouths. These objects can have lead dust on them.



Women of childbearing age should know that lead is dangerous to a developing fetus.

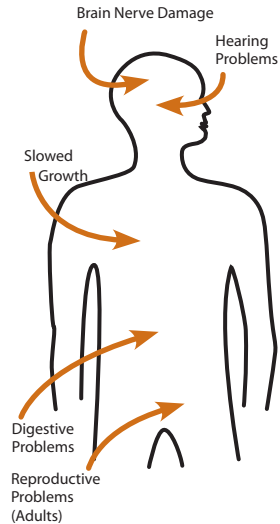
- Women with a high lead level in their system before or during pregnancy risk exposing the fetus to lead through the placenta during fetal development.

Health Effects of Lead

Lead affects the body in many ways. It is important to know that even exposure to low levels of lead can severely harm children.

In children, exposure to lead can cause:

- Nervous system and kidney damage
- Learning disabilities, attention-deficit disorder, and decreased intelligence
- Speech, language, and behavior problems
- Poor muscle coordination
- Decreased muscle and bone growth
- Hearing damage



While low-lead exposure is most common, exposure to high amounts of lead can have devastating effects on children, including seizures, unconsciousness, and in some cases, death.

Although children are especially susceptible to lead exposure, lead can be dangerous for adults, too.

In adults, exposure to lead can cause:

- Harm to a developing fetus
- Increased chance of high blood pressure during pregnancy
- Fertility problems (in men and women)
- High blood pressure
- Digestive problems
- Nerve disorders
- Memory and concentration problems
- Muscle and joint pain

Check Your Family for Lead

Get your children and home tested if you think your home has lead.

Children's blood lead levels tend to increase rapidly from 6 to 12 months of age, and tend to peak at 18 to 24 months of age.

Consult your doctor for advice on testing your children. A simple blood test can detect lead. Blood lead tests are usually recommended for:

- Children at ages 1 and 2
- Children or other family members who have been exposed to high levels of lead
- Children who should be tested under your state or local health screening plan

Your doctor can explain what the test results mean and if more testing will be needed.

Where Lead-Based Paint Is Found

In general, the older your home or childcare facility, the more likely it has lead-based paint.¹

Many homes, including private, federally-assisted, federally-owned housing, and childcare facilities built before 1978 have lead-based paint. In 1978, the federal government banned consumer uses of lead-containing paint.²

Learn how to determine if paint is lead-based paint on page 7.

Lead can be found:

- In homes and childcare facilities in the city, country, or suburbs,
- In private and public single-family homes and apartments,
- On surfaces inside and outside of the house, and
- In soil around a home. (Soil can pick up lead from exterior paint or other sources, such as past use of leaded gas in cars.)

Learn more about where lead is found at [epa.gov/lead](https://www.epa.gov/lead).

¹ "Lead-based paint" is currently defined by the federal government as paint with lead levels greater than or equal to 1.0 milligram per square centimeter (mg/cm²), or more than 0.5% by weight.

² "Lead-containing paint" is currently defined by the federal government as lead in new dried paint in excess of 90 parts per million (ppm) by weight.

Identifying Lead-Based Paint and Lead-Based Paint Hazards

Deteriorated lead-based paint (peeling, chipping, chalking, cracking, or damaged paint) is a hazard and needs immediate attention. **Lead-based paint** may also be a hazard when found on surfaces that children can chew or that get a lot of wear and tear, such as:

- On windows and window sills
- Doors and door frames
- Stairs, railings, banisters, and porches

Lead-based paint is usually not a hazard if it is in good condition and if it is not on an impact or friction surface like a window.

Lead dust can form when lead-based paint is scraped, sanded, or heated. Lead dust also forms when painted surfaces containing lead bump or rub together. Lead paint chips and dust can get on surfaces and objects that people touch. Settled lead dust can reenter the air when the home is vacuumed or swept, or when people walk through it. EPA currently defines the following levels of lead in dust as hazardous:

- 10 micrograms per square foot ($\mu\text{g}/\text{ft}^2$) and higher for floors, including carpeted floors
- 100 $\mu\text{g}/\text{ft}^2$ and higher for interior window sills

Lead in soil can be a hazard when children play in bare soil or when people bring soil into the house on their shoes. EPA currently defines the following levels of lead in soil as hazardous:

- 400 parts per million (ppm) and higher in play areas of bare soil
- 1,200 ppm (average) and higher in bare soil in the remainder of the yard

Remember, lead from paint chips—which you can see—and lead dust—which you may not be able to see—both can be hazards.

The only way to find out if paint, dust, or soil lead hazards exist is to test for them. The next page describes how to do this.

Checking Your Home for Lead

You can get your home tested for lead in several different ways:

- A lead-based paint **inspection** tells you if your home has lead-based paint and where it is located. It won't tell you whether your home currently has lead hazards. A trained and certified testing professional, called a lead-based paint inspector, will conduct a paint inspection using methods, such as:
 - Portable x-ray fluorescence (XRF) machine
 - Lab tests of paint samples
- A **risk assessment** tells you if your home currently has any lead hazards from lead in paint, dust, or soil. It also tells you what actions to take to address any hazards. A trained and certified testing professional, called a risk assessor, will:
 - Sample paint that is deteriorated on doors, windows, floors, stairs, and walls
 - Sample dust near painted surfaces and sample bare soil in the yard
 - Get lab tests of paint, dust, and soil samples
- A combination inspection and risk assessment tells you if your home has any lead-based paint and if your home has any lead hazards, and where both are located.



Be sure to read the report provided to you after your inspection or risk assessment is completed, and ask questions about anything you do not understand.

Checking Your Home for Lead, continued

In preparing for renovation, repair, or painting work in a pre-1978 home, Lead-Safe Certified renovators (see page 12) may:

- Take paint chip samples to determine if lead-based paint is present in the area planned for renovation and send them to an EPA-recognized lead lab for analysis. In housing receiving federal assistance, the person collecting these samples must be a certified lead-based paint inspector or risk assessor
- Use EPA-recognized tests kits to determine if lead-based paint is absent (but not in housing receiving federal assistance)
- Presume that lead-based paint is present and use lead-safe work practices

There are state and federal programs in place to ensure that testing is done safely, reliably, and effectively. Contact your state or local agency for more information, visit [epa.gov/lead](https://www.epa.gov/lead), or call **1-800-424-LEAD (5323)** for a list of contacts in your area.³

³ Hearing- or speech-challenged individuals may access this number through TTY by calling the Federal Relay Service at 1-800-877-8339.

What You Can Do Now to Protect Your Family

If you suspect that your house has lead-based paint hazards, you can take some immediate steps to reduce your family's risk:

- If you rent, notify your landlord of peeling or chipping paint.
- Keep painted surfaces clean and free of dust. Clean floors, window frames, window sills, and other surfaces weekly. Use a mop or sponge with warm water and a general all-purpose cleaner. (Remember: never mix ammonia and bleach products together because they can form a dangerous gas.)
- Carefully clean up paint chips immediately without creating dust.
- Thoroughly rinse sponges and mop heads often during cleaning of dirty or dusty areas, and again afterward.
- Wash your hands and your children's hands often, especially before they eat and before nap time and bed time.
- Keep play areas clean. Wash bottles, pacifiers, toys, and stuffed animals regularly.
- Keep children from chewing window sills or other painted surfaces, or eating soil.
- When renovating, repairing, or painting, hire only EPA- or state-approved Lead-Safe Certified renovation firms (see page 12).
- Clean or remove shoes before entering your home to avoid tracking in lead from soil.
- Make sure children eat nutritious, low-fat meals high in iron, and calcium, such as spinach and dairy products. Children with good diets absorb less lead.

Reducing Lead Hazards

Disturbing lead-based paint or removing lead improperly can increase the hazard to your family by spreading even more lead dust around the house.

- In addition to day-to-day cleaning and good nutrition, you can **temporarily** reduce lead-based paint hazards by taking actions, such as repairing damaged painted surfaces and planting grass to cover lead-contaminated soil. These actions are not permanent solutions and will need ongoing attention.
- You can minimize exposure to lead when renovating, repairing, or painting by hiring an EPA- or state-certified renovator who is trained in the use of lead-safe work practices. If you are a do-it-yourselfer, learn how to use lead-safe work practices in your home.
- To remove lead hazards permanently, you should hire a certified lead abatement contractor. Abatement (or permanent hazard elimination) methods include removing, sealing, or enclosing lead-based paint with special materials. Just painting over the hazard with regular paint is not permanent control.



Always use a certified contractor who is trained to address lead hazards safely.

- Hire a Lead-Safe Certified firm (see page 12) to perform renovation, repair, or painting (RRP) projects that disturb painted surfaces.
- To correct lead hazards permanently, hire a certified lead abatement contractor. This will ensure your contractor knows how to work safely and has the proper equipment to clean up thoroughly.

Certified contractors will employ qualified workers and follow strict safety rules as set by their state or by the federal government.

Reducing Lead Hazards, continued

If your home has had lead abatement work done or if the housing is receiving federal assistance, once the work is completed, dust cleanup activities must be conducted until clearance testing indicates that lead dust levels are below the following levels:

- 10 micrograms per square foot ($\mu\text{g}/\text{ft}^2$) for floors, including carpeted floors
- 100 $\mu\text{g}/\text{ft}^2$ for interior windows sills
- 400 $\mu\text{g}/\text{ft}^2$ for window troughs

Abatements are designed to permanently eliminate lead-based paint hazards. However, lead dust can be reintroduced into an abated area.

- Use a HEPA vacuum on all furniture and other items returned to the area, to reduce the potential for reintroducing lead dust.
- Regularly clean floors, window sills, troughs, and other hard surfaces with a damp cloth or sponge and a general all-purpose cleaner.

Please see page 9 for more information on steps you can take to protect your home after the abatement. For help in locating certified lead abatement professionals in your area, call your state or local agency (see pages 15 and 16), [epa.gov/lead](https://www.epa.gov/lead), or call 1-800-424-LEAD.

Renovating, Repairing or Painting a Home with Lead-Based Paint

If you hire a contractor to conduct renovation, repair, or painting (RRP) projects in your pre-1978 home or childcare facility (such as pre-school and kindergarten), your contractor must:

- Be a Lead-Safe Certified firm approved by EPA or an EPA-authorized state program
- Use qualified trained individuals (Lead-Safe Certified renovators) who follow specific lead-safe work practices to prevent lead contamination
- Provide a copy of EPA's lead hazard information document, *The Lead-Safe Certified Guide to Renovate Right*



RRP contractors working in pre-1978 homes and childcare facilities must follow lead-safe work practices that:

- **Contain the work area.** The area must be contained so that dust and debris do not escape from the work area. Warning signs must be put up, and plastic or other impermeable material and tape must be used.
- **Avoid renovation methods that generate large amounts of lead-contaminated dust.** Some methods generate so much lead-contaminated dust that their use is prohibited. They are:
 - Open-flame burning or torching
 - Sanding, grinding, planing, needle gunning, or blasting with power tools and equipment not equipped with a shroud and HEPA vacuum attachment
 - Using a heat gun at temperatures greater than 1100°F
- **Clean up thoroughly.** The work area should be cleaned up daily. When all the work is done, the area must be cleaned up using special cleaning methods.
- **Dispose of waste properly.** Collect and seal waste in a heavy duty bag or sheeting. When transported, ensure that waste is contained to prevent release of dust and debris.

To learn more about EPA's requirements for RRP projects, visit epa.gov/getleadsafe, or read *The Lead-Safe Certified Guide to Renovate Right*.

Other Sources of Lead

Lead in Drinking Water

The most common sources of lead in drinking water are lead pipes, faucets, and fixtures.

Lead pipes are more likely to be found in older cities and homes built before 1986.

You can't smell or taste lead in drinking water.

To find out for certain if you have lead in drinking water, have your water tested.

Remember older homes with a private well can also have plumbing materials that contain lead.

Important Steps You Can Take to Reduce Lead in Drinking Water

- Use only cold water for drinking, cooking and making baby formula. Remember, boiling water does not remove lead from water.
- Before drinking, flush your home's pipes by running the tap, taking a shower, doing laundry, or doing a load of dishes.
- Regularly clean your faucet's screen (also known as an aerator).
- If you use a filter certified to remove lead, don't forget to read the directions to learn when to change the cartridge. Using a filter after it has expired can make it less effective at removing lead.

Contact your water company to determine if the pipe that connects your home to the water main (called a service line) is made from lead. Your area's water company can also provide information about the lead levels in your system's drinking water.

For more information about lead in drinking water, please contact EPA's Safe Drinking Water Hotline at 1-800-426-4791. If you have other questions about lead poisoning prevention, call 1-800 424-LEAD.*

Call your local health department or water company to find out about testing your water, or visit [epa.gov/safewater](https://www.epa.gov/safewater) for EPA's lead in drinking water information. Some states or utilities offer programs to pay for water testing for residents. Contact your state or local water company to learn more.

* Hearing- or speech-challenged individuals may access this number through TTY by calling the Federal Relay Service at 1-800-877-8339.

Other Sources of Lead, continued

- **Lead smelters** or other industries that release lead into the air.
- **Your job.** If you work with lead, you could bring it home on your body or clothes. Shower and change clothes before coming home. Launder your work clothes separately from the rest of your family's clothes.
- **Hobbies** that use lead, such as making pottery or stained glass, or refinishing furniture. Call your local health department for information about hobbies that may use lead.
- Old **toys** and **furniture** may have been painted with lead-containing paint. Older toys and other children's products may have parts that contain lead.⁴
- Food and liquids cooked or stored in **lead crystal** or **lead-glazed pottery or porcelain** may contain lead.
- Folk remedies, such as "**greta**" and "**azarcon,**" used to treat an upset stomach.

⁴ In 1978, the federal government banned toys, other children's products, and furniture with lead-containing paint. In 2008, the federal government banned lead in most children's products. The federal government currently bans lead in excess of 100 ppm by weight in most children's products.

For More Information

The National Lead Information Center

Learn how to protect children from lead poisoning and get other information about lead hazards on the Web at epa.gov/lead and hud.gov/lead, or call **1-800-424-LEAD (5323)**.

EPA's Safe Drinking Water Hotline

For information about lead in drinking water, call **1-800-426-4791**, or visit epa.gov/safewater for information about lead in drinking water.

Consumer Product Safety Commission (CPSC) Hotline

For information on lead in toys and other consumer products, or to report an unsafe consumer product or a product-related injury, call **1-800-638-2772**, or visit CPSC's website at cpsc.gov or saferproducts.gov.

State and Local Health and Environmental Agencies

Some states, tribes, and cities have their own rules related to lead-based paint. Check with your local agency to see which laws apply to you. Most agencies can also provide information on finding a lead abatement firm in your area, and on possible sources of financial aid for reducing lead hazards. Receive up-to-date address and phone information for your state or local contacts on the Web at epa.gov/lead, or contact the National Lead Information Center at **1-800-424-LEAD**.

Hearing- or speech-challenged individuals may access any of the phone numbers in this brochure through TTY by calling the toll-free Federal Relay Service at **1-800-877-8339**.

U. S. Environmental Protection Agency (EPA)

Regional Offices

The mission of EPA is to protect human health and the environment. Your Regional EPA Office can provide further information regarding regulations and lead protection programs.

Region 1 (Connecticut, Massachusetts, Maine, New Hampshire, Rhode Island, Vermont)

Regional Lead Contact
U.S. EPA Region 1
5 Post Office Square, Suite 100, OES 05-4
Boston, MA 02109-3912
(888) 372-7341

Region 2 (New Jersey, New York, Puerto Rico, Virgin Islands)

Regional Lead Contact
U.S. EPA Region 2
2890 Woodbridge Avenue
Building 205, Mail Stop 225
Edison, NJ 08837-3679
(732) 906-6809

Region 3 (Delaware, Maryland, Pennsylvania, Virginia, DC, West Virginia)

Regional Lead Contact
U.S. EPA Region 3
1650 Arch Street
Philadelphia, PA 19103
(215) 814-2088

Region 4 (Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee)

Regional Lead Contact
U.S. EPA Region 4
AFC Tower, 12th Floor, Air, Pesticides & Toxics
61 Forsyth Street, SW
Atlanta, GA 30303
(404) 562-8998

Region 5 (Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin)

Regional Lead Contact
U.S. EPA Region 5 (LL-17J)
77 West Jackson Boulevard
Chicago, IL 60604-3666
(312) 353-3808

Region 6 (Arkansas, Louisiana, New Mexico, Oklahoma, Texas, and 66 Tribes)

Regional Lead Contact
U.S. EPA Region 6
1445 Ross Avenue, 12th Floor
Dallas, TX 75202-2733
(214) 665-2704

Region 7 (Iowa, Kansas, Missouri, Nebraska)

Regional Lead Contact
U.S. EPA Region 7
11201 Renner Blvd.
Lenexa, KS 66219
(800) 223-0425

Region 8 (Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming)

Regional Lead Contact
U.S. EPA Region 8
1595 Wynkoop St.
Denver, CO 80202
(303) 312-6966

Region 9 (Arizona, California, Hawaii, Nevada)

Regional Lead Contact
U.S. EPA Region 9 (CMD-4-2)
75 Hawthorne Street
San Francisco, CA 94105
(415) 947-4280

Region 10 (Alaska, Idaho, Oregon, Washington)

Regional Lead Contact
U.S. EPA Region 10 (20-C04)
Air and Toxics Enforcement Section
1200 Sixth Avenue, Suite 155
Seattle, WA 98101
(206) 553-1200

Consumer Product Safety Commission (CPSC)

The CPSC protects the public against unreasonable risk of injury from consumer products through education, safety standards activities, and enforcement. Contact CPSC for further information regarding consumer product safety and regulations.

CPSC

4330 East West Highway
Bethesda, MD 20814-4421
1-800-638-2772
cpsc.gov or saferproducts.gov

U. S. Department of Housing and Urban Development (HUD)

HUD's mission is to create strong, sustainable, inclusive communities and quality affordable homes for all. Contact to Office of Lead Hazard Control and Healthy Homes for further information regarding the Lead Safe Housing Rule, which protects families in pre-1978 assisted housing, and for the lead hazard control and research grant programs.

HUD

451 Seventh Street, SW, Room 8236
Washington, DC 20410-3000
(202) 402-7698
hud.gov/lead

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IMPORTANT!

Lead From Paint, Dust, and Soil in and Around Your Home Can Be Dangerous if Not Managed Properly

- Children under 6 years old are most at risk for lead poisoning in your home.
- Lead exposure can harm young children and babies even before they are born.
- Homes, schools, and child care facilities built before 1978 are likely to contain lead-based paint.
- Even children who seem healthy may have dangerous levels of lead in their bodies.
- Disturbing surfaces with lead-based paint or removing lead-based paint improperly can increase the danger to your family.
- People can get lead into their bodies by breathing or swallowing lead dust, or by eating soil or paint chips containing lead.
- People have many options for reducing lead hazards. Generally, lead-based paint that is in good condition is not a hazard (see page 10).

LEAD-BASED PAINT OR LEAD-BASED PAINT HAZARD ADDENDUM

Property: THIS MUST BE PROVIDED WITH ANY PROPERTY BUILT BEFORE "1978"

Seller:

Buyer:

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

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

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

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

Lead Warning Statement

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

Seller's Disclosure (initial)

Grid for Seller's Disclosure (a)

(a) Presence of lead-based paint and/or lead-based paint hazards (check one below):

Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).

Text box for explanation of lead-based paint hazards

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

Grid for Seller's Disclosure (b)

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

Seller has provided the Buyer with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).

Text box for listing documents

Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

SAMPLE

Buyer's Acknowledgement (initial)

Grid for Buyer's Acknowledgement (c), (d), (e)

(c) Buyer acknowledges receipt of Seller's statement set forth in (a) above, and copies of the records/reports listed in (b) above, if any.

(d) Buyer has received the pamphlet Protect Your Family from Lead in Your Home.

(e) Buyer (check one below):

Accepts the opportunity during the Due Diligence Period to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or



This form jointly approved by: North Carolina Bar Association's Real Property Section North Carolina Association of REALTORS®, Inc.



STANDARD FORM 2A9-T Revised 7/2021 © 7/2023

Buyer Initials Seller Initials

Waives the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

Agent's Acknowledgment (initial)

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

Certification of Accuracy

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

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

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

Date: _____

Buyer:

Date: _____

Buyer:

Entity Buyer:

SAMPLE

(Name of LLC/Corporation/Partnership/Trust/etc)

By:

Name: _____
Print Name

Title: _____

Date: _____

Selling Agent:

Date: _____

Date: _____

Seller:

Date: _____

Seller:

Entity Seller

(Name of LLC/Corporation/Partnership/Trust/etc)

By:

Name: _____
Print Name

Title: _____

Date: _____

Listing Agent:

Date: _____



STATE OF NORTH CAROLINA
RESIDENTIAL PROPERTY AND OWNERS' ASSOCIATION DISCLOSURE STATEMENT

Instructions to Property Owners

- 1. The Residential Property Disclosure Act (G.S. 47E) ("Disclosure Act") requires owners of residential real estate...
2. You must respond to each of the questions on the following pages of this form by filling in the requested information...
3. If you are assisted in the sale of your property by a licensed real estate broker, you are still responsible for completing and delivering the Disclosure Statement to the buyers...
4. You must give the completed Disclosure Statement to the buyer no later than the time the buyer makes an offer to purchase your property.

Note to Buyer: If the owner does not give you a Residential Property and Owners' Association Disclosure Statement by the time you make your offer to purchase the property, you may under certain conditions cancel any resulting contract without penalty to you as the buyer.

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

Property Address: SELLERS CAN CHECK YES, NO, OR NO REPRESENTATION

Owner's Name(s):

Owner(s) acknowledge(s) having examined this Disclosure Statement before signing and that all information is true and correct as of the date signed.

Owner Signature: Date

Owner Signature: Date

Buyers acknowledge receipt of a copy of this Disclosure Statement; that they have examined it before signing; that they understand that this is not a warranty by owners or owners' agents; that it is not a substitute for any inspections they may wish to obtain; and that the representations are made by the owners and not the owners' agents or subagents.

Buyer Signature: Date

Buyer Signature: Date

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

SAMPLE

- | | Yes | No | No
Representation |
|---|--------------------------|--------------------------|--------------------------|
| 1. In what year was the dwelling constructed? _____
Explain if necessary: _____ | | | <input type="checkbox"/> |
| 2. Is there any problem, malfunction or defect with the dwelling's foundation, slab, fireplaces/chimneys, floors, windows (including storm windows and screens), doors, ceilings, interior and exterior walls, attached garage, patio, deck or other structural components including any modifications to them?..... | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. The dwelling's exterior walls are made of what type of material? <input type="checkbox"/> Brick Veneer <input type="checkbox"/> Wood <input type="checkbox"/> Stone <input type="checkbox"/> Vinyl <input type="checkbox"/> Synthetic Stucco <input type="checkbox"/> Composition/Hardboard <input type="checkbox"/> Concrete <input type="checkbox"/> Fiber Cement <input type="checkbox"/> Aluminum <input type="checkbox"/> Asbestos <input type="checkbox"/> Other _____ (Check all that apply) | | | <input type="checkbox"/> |
| 4. In what year was the dwelling's roof covering installed? _____ (Approximate if no records are available) Explain if necessary: _____ | | | <input type="checkbox"/> |
| 5. Is there any leakage or other problem with the dwelling's roof?..... | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. Is there any water seepage, leakage, dampness or standing water in the dwelling's basement, crawl space, or slab? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. Is there any problem, malfunction or defect with the dwelling's electrical system (outlets, wiring, panel, switches, fixtures, generator, etc.)?..... | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. Is there any problem, malfunction or defect with the dwelling's plumbing system (pipes, fixtures, water heater, etc.)? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 9. Is there any problem, malfunction or defect with the dwelling's heating and/or air conditioning?..... | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 10. What is the dwelling's heat source? <input type="checkbox"/> Furnace <input type="checkbox"/> Heat Pump <input type="checkbox"/> Baseboard <input type="checkbox"/> Other _____ (Check all that apply) Age of system: _____ | | | <input type="checkbox"/> |
| 11. What is the dwelling's cooling source? <input type="checkbox"/> Central Forced Air <input type="checkbox"/> Wall/Window Unit(s) <input type="checkbox"/> Other _____ (Check all that apply) Age of system: _____ | | | <input type="checkbox"/> |
| 12. What are the dwelling's fuel sources? <input type="checkbox"/> Electricity <input type="checkbox"/> Natural Gas <input type="checkbox"/> Propane <input type="checkbox"/> Oil <input type="checkbox"/> Other _____ (Check all that apply)
If the fuel source is stored in a tank, identify whether the tank is <input type="checkbox"/> above ground or <input type="checkbox"/> below ground, and whether the tank is <input type="checkbox"/> leased by seller or <input type="checkbox"/> owned by seller. (Check all that apply) | | | <input type="checkbox"/> |
| 13. What is the dwelling's water supply source? <input type="checkbox"/> City/County <input type="checkbox"/> Community System <input type="checkbox"/> Private Well <input type="checkbox"/> Shared Well <input type="checkbox"/> Other _____ (Check all that apply)..... | | | <input type="checkbox"/> |
| 14. The dwelling's water pipes are made of what type of material? <input type="checkbox"/> Copper <input type="checkbox"/> Galvanized <input type="checkbox"/> Plastic <input type="checkbox"/> Polybutylene <input type="checkbox"/> Other _____ (Check all that apply)..... | | | <input type="checkbox"/> |
| 15. Is there any problem, malfunction or defect with the dwelling's water supply (including water quality, quantity, or water pressure)?..... | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 16. What is the dwelling's sewage disposal system? <input type="checkbox"/> Septic Tank <input type="checkbox"/> Septic Tank with Pump <input type="checkbox"/> Community System <input type="checkbox"/> Connected to City/County System <input type="checkbox"/> City/County System available <input type="checkbox"/> Straight pipe (wastewater does not go into a septic or other sewer system [note: use of this type of system violates state law]) <input type="checkbox"/> Other _____ (Check all that apply)..... | | | <input type="checkbox"/> |
| 17. If the dwelling is serviced by a septic system, do you know how many bedrooms are allowed by the septic system permit?
If your answer is "yes," how many bedrooms are allowed? _____ <input type="checkbox"/> No records available | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 18. Is there any problem, malfunction or defect with the dwelling's sewer and/or septic system?..... | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 19. Is there any problem, malfunction or defect with the dwelling's central vacuum, pool, hot tub, spa, attic fan, exhaust fan, ceiling fans, sump pump, irrigation system, TV cable wiring or satellite dish, garage door openers, gas logs, or other systems?..... | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 20. Is there any problem, malfunction or defect with any appliances that may be included in the conveyance (range/oven, attached microwave, hood/fan, dishwasher, disposal, etc.)?..... | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Buyer Initials and Date

Owner Initials and Date

Buyer Initials and Date

Owner Initials and Date

- | | <u>Yes</u> | <u>No</u> | <u>No
Representation</u> |
|--|--------------------------|--------------------------|------------------------------|
| 21. Is there any problem with present infestation of the dwelling, or damage from past infestation of wood destroying insects or organisms which has not been repaired?..... | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 22. Is there any problem, malfunction or defect with the drainage, grading or soil stability of the property?..... | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 23. Are there any structural additions or other structural or mechanical changes to the dwelling(s) to be conveyed with the property?..... | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 24. Is the property to be conveyed in violation of any local zoning ordinances, restrictive covenants, or other land-use restrictions, or building codes (including the failure to obtain proper permits for room additions or other changes/improvements)?..... | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 25. Are there any hazardous or toxic substances, materials, or products (such as asbestos, formaldehyde, radon gas, methane gas, lead-based paint) which exceed government safety standards, any debris (whether buried or covered) or underground storage tanks, or any environmentally hazardous conditions (such as contaminated soil or water, or other environmental contamination) located on or which otherwise affect the property?..... | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 26. Is there any noise, odor, smoke, etc. from commercial, industrial, or military sources which affects the property? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 27. Is the property subject to any utility or other easements, shared driveways, party walls or encroachments from or on adjacent property?..... | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 28. Is the property the subject of any lawsuits, foreclosures, bankruptcy, leases or rental agreements, judgments, tax liens, proposed assessments, mechanics' liens, materialmens' liens, or notices from any governmental agency that could affect title to the property?..... | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 29. Is the property subject to a flood hazard or is the property located in a federally-designated flood hazard area? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 30. Does the property abut or adjoin any private road(s) or street(s)?..... | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 31. If there is a private road or street adjoining the property, is there in existence any owners' association or maintenance agreements dealing with the maintenance of the road or street?..... | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

If you answered "yes" to any of the questions listed above (1-31) please explain (attach additional sheets if necessary):

SAMPLE

In lieu of providing a written explanation, you may attach a written report to this Disclosure Statement by a public agency, or by an attorney, engineer, land surveyor, geologist, pest control operator, contractor, home inspector, or other expert, dealing with matters within the scope of that public agency's functions or the expert's license or expertise.

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

- | | <u>Yes</u> | <u>No</u> | <u>No
Representation</u> |
|--|--------------------------|--------------------------|------------------------------|
| 32. Is the property subject to governing documents which impose various mandatory covenants, conditions, and restrictions upon the lot or unit?..... | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

If you answered "yes" to the question above, please explain (attach additional sheets if necessary):

- | | | | |
|--|--------------------------|--------------------------|--------------------------|
| 33. Is the property subject to regulation by one or more owners' association(s) including, but not limited to, obligations to pay regular assessments or dues and special assessments? If you answer is "yes," please provide the information requested below as to each owners' association to which the property is subject [insert N/A into any blank that does not apply]: | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
|--|--------------------------|--------------------------|--------------------------|

• (specify name) _____ whose regular assessments ("dues") are \$ _____ per _____ The name, address and telephone number of the president of the owners' association or the association manager are _____

• (specify name) _____ whose regular assessments ("dues") are \$ _____ per _____ The name, address and telephone number of the president of the owners' association or the association manager are _____

Buyer Initials and Date		Owner Initials and Date	
Buyer Initials and Date		Owner Initials and Date	

***If you answered "Yes" to question 33 above, you must complete the remainder of this Disclosure Statement. If you answered "No" or "No Representation" to question 33 above, you do not need to answer the remaining questions on this Disclosure Statement. Skip to the bottom of the last page and initial and date the page.**

- | | Yes | No | No
Representation |
|--|--------------------------|--------------------------|--------------------------|
| 34. Are any fees charged by the association or by the association's management company in connection with the conveyance or transfer of the lot or property to a new owner? If your answer is "yes," please state the amount of the fees: _____ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 35. As of the date this Disclosure Statement is signed, are there any dues, fees, or special assessments which have been duly approved as required by the applicable declaration or bylaws, and that are payable to an association to which the lot is subject? If your answer is "yes," please state the nature and amount of the dues, fees, or special assessments to which the property is subject: _____ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 36. As of the date this Disclosure Statement is signed, are there any unsatisfied judgments against, or pending lawsuits <i>involving the property or lot to be conveyed</i> ? If your answer is "yes," please state the nature of each pending lawsuit, and the amount of each unsatisfied judgment: _____ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 37. As of the date this Disclosure Statement is signed, are there any unsatisfied judgments against, or pending lawsuits <i>involving the planned community or the association to which the property and lot are subject</i> , with the exception of any action filed by the association for the collection of delinquent assessments on lots other than the property and lot to be conveyed? If your answer is "yes," please state the nature of each pending lawsuit, and the amount of each unsatisfied judgment: _____ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 38. Which of the following services and amenities are paid for by the owners' association(s) identified above out of the association's regular assessments ("dues")? (Check all that apply). | Yes | No | No
Representation |
| Management Fees..... | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Exterior Building Maintenance of Property to be Conveyed..... | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Master Insurance..... | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Exterior Yard/Landscaping Maintenance of Lot to be Conveyed..... | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Common Areas Maintenance..... | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Trash Removal..... | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Recreational Amenity Maintenance (specify amenities covered) _____ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Pest Treatment/Extermination..... | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Street Lights..... | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Water..... | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Sewer..... | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Storm water Management/Drainage/Ponds..... | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Internet Service..... | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Cable..... | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Private Road Maintenance..... | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Parking Area Maintenance..... | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Gate and/or Security..... | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Other: (specify) _____ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

SAMPLE

Buyer Initials and Date		Owner Initials and Date	
Buyer Initials and Date		Owner Initials and Date	



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

Instructions to Property Owners

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

MINERAL AND OIL AND GAS RIGHTS DISCLOSURE

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

SAMPLE

			Yes	No	No Representation
		1. Mineral rights were severed from the property by a previous owner.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Buyer Initials					
		2. Seller has severed the mineral rights from the property.	<input type="checkbox"/>	<input type="checkbox"/>	
Buyer Initials					
		3. Seller intends to sever the mineral rights from the property prior to transfer of title to the Buyer.	<input type="checkbox"/>	<input type="checkbox"/>	
Buyer Initials					
		4. Oil and gas rights were severed from the property by a previous owner.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Buyer Initials					
		5. Seller has severed the oil and gas rights from the property.	<input type="checkbox"/>	<input type="checkbox"/>	
Buyer Initials					
		6. Seller intends to sever the oil and gas rights from the property prior to transfer of title to Buyer.	<input type="checkbox"/>	<input type="checkbox"/>	
Buyer Initials					

Note to Purchasers

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

Property Address: _____

Owner's Name(s): _____

Owner(s) acknowledge having examined this Disclosure Statement before signing and that all information is true and correct as of the date signed.

Owner Signature: _____ Date _____

Owner Signature: _____ Date _____

Purchaser(s) acknowledge receipt of a copy of this Disclosure Statement; that they have examined it before signing; that they understand that this is not a warranty by owner or owner's agent; and that the representations are made by the owner and not the owner's agent(s) or subagent(s).

Purchaser Signature: _____ Date _____

Purchaser Signature: _____ Date _____

SAMPLE

OFFER TO PURCHASE AND CONTRACT

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

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

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

(a) "Seller": **SAMPLE** _____

(b) "Buyer": **SAMPLE** _____

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

The Property will will not include a manufactured (mobile) home(s).

The Property will will not include an off-site and/or separate septic lot, boat slip, garage, parking space, or storage unit.

NOTE: If a manufactured home(s) or a septic lot, boat slip, garage, parking space, or storage unit is included, Buyer and Seller are strongly encouraged to include further details in the Additional Provisions Addendum (Form 2A11-T) and attach it to this offer.

Street Address: _____
City: _____ Zip: _____
County: _____, North Carolina

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

Legal Description: (Complete ALL applicable)

Plat Reference: Lot/Unit _____, Block/Section _____, Subdivision/Condominium _____
as shown on Plat Book/Slide _____ at Page(s) _____

The PIN/PID or other identification number of the Property is: _____

Other description: _____

Some or all of the Property may be described in Deed Book _____ at Page _____

(d) "**Purchase Price**":

\$ **SAMPLE** _____
\$ _____

\$ _____

\$ _____

\$ _____

\$ _____

\$ _____

\$ _____

paid in U.S. Dollars upon the following terms:

BY DUE DILIGENCE FEE made payable and delivered to Seller on the Effective Date by cash personal check official bank check wire transfer electronic transfer (*specify payment service:* _____)

BY INITIAL EARNEST MONEY DEPOSIT made payable and delivered to Escrow Agent named in Paragraph 1(f) within five (5) days of the Effective Date of this Contract by cash personal check official bank check wire transfer electronic transfer.

BY (ADDITIONAL) EARNEST MONEY DEPOSIT made payable and delivered to Escrow Agent named in Paragraph 1(f) no later than 5 p.m. on _____, **TIME BEING OF THE ESSENCE** by cash official bank check wire transfer electronic transfer

BY ASSUMPTION of the unpaid principal balance and all obligations of Seller on the existing loan(s) secured by a deed of trust on the Property in accordance with the attached Loan Assumption Addendum (Standard Form 2A6-T).

BY SELLER FINANCING in accordance with the attached Seller Financing Addendum (Standard Form 2A5-T).

BY BUILDING DEPOSIT in accordance with the attached New Construction Addendum (Standard Form 2A3-T).

BALANCE of the Purchase Price in cash at Settlement (some or all of which may be paid with the proceeds of a new loan)



This form jointly approved by:
North Carolina Bar Association's Real Property Section
North Carolina Association of REALTORS®, Inc.



STANDARD FORM 2-T
Revised 7/2023
© 7/2023

Buyer's initials Seller's initials

Should Buyer fail to deliver either the Due Diligence Fee or any Initial Earnest Money Deposit by their due dates, or should any check or other funds paid by Buyer be dishonored, for any reason, by the institution upon which the payment is drawn, Buyer shall have one (1) banking day after written notice to deliver cash, official bank check, wire transfer or electronic transfer to the payee. In the event Buyer does not timely deliver the required funds, Seller shall have the right to terminate this Contract upon written notice to Buyer, and Seller shall be entitled to recover the Due Diligence Fee together with all Earnest Money Deposit paid or to be paid in the future. In addition, Seller may seek any remedies allowed for dishonored funds. See paragraph 23 for a party's right to attorneys' fees incurred in collecting the Earnest Money Deposit or Due Diligence Fee.

NOTE: If the parties agree that Buyer will pay any fee or deposit described above by electronic or wire transfer, Seller agrees to cooperate in effecting such transfer, including the establishment of any necessary account and providing any necessary information to Buyer, provided, however, Buyer shall be responsible for additional costs, if any, associated with such transfer.

(e) **“Earnest Money Deposit”**: The Initial Earnest Money Deposit, the Additional Earnest Money Deposit and any other earnest monies paid or required to be paid in connection with this transaction, collectively the “Earnest Money Deposit,” shall be deposited promptly and held in escrow by Escrow Agent. The Earnest Money Deposit will be credited to Buyer at Closing or disbursed as required by this Contract.

(f) **“Escrow Agent”** (insert name): **THE ATTORNEY'S NAME GOES HERE**
Buyer and Seller consent to disclosure by the Escrow Agent of any material facts pertaining to the Earnest Money Deposit to the parties to this transaction, their real estate agent(s) and Buyer's lender(s).

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

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

(g) **“Effective Date”**: The date that: (1) the last one of Buyer and Seller has signed or initialed this offer or the final counteroffer, if any, and (2) such signing or initialing is communicated to the party making the offer or counteroffer, as the case may be. The parties acknowledge and agree that the initials lines at the bottom of each page of this Contract are merely evidence of their having reviewed the terms of each page, and that the complete execution of such initials lines shall not be a condition of the effectiveness of this Agreement. The parties further acknowledge that the effectiveness of this Contract is not contingent on Buyer's payment of any Earnest Money Deposit or Due Diligence Fee. See paragraph 1(d) for Seller's remedy for any untimely delivered or dishonored funds.

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

SAMPLE

(i) **“Due Diligence Fee”**: A negotiated amount, if any, paid by Buyer to Seller with this Contract for Buyer's right to terminate the Contract for any reason or no reason during the Due Diligence Period. It shall be the property of Seller upon the Effective Date and shall be a credit to Buyer at Closing. The Due Diligence Fee shall be non-refundable except in the event of a material breach of this Contract by Seller, or if this Contract is terminated under Paragraph 23(b) or as otherwise provided in any addendum hereto. Buyer and Seller each expressly waive any right that they may have to deny the right to conduct Due Diligence or to assert any defense as to the enforceability of this Contract based on the absence or alleged insufficiency of any Due Diligence Fee, it being the intent of the parties to create a legally binding contract for the purchase and sale of the Property without regard to the existence or amount of any Due Diligence Fee. See paragraph 23 for a party's right to attorneys' fees incurred in collecting the Due Diligence Fee.

(j) **“Due Diligence Period”**: The period beginning on the Effective Date and extending through 5:00 p.m. on _____
TIME BEING OF THE ESSENCE.

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

Buyer's initials Seller's initials

(l) **“Settlement Date”**: The parties agree that Settlement will take place on _____ (the “Settlement Date”), unless otherwise agreed in writing, at a time and place designated by Buyer.

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

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

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

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

NOTE: Buyer’s and Seller’s respective responsibilities for the payment of Special Assessments are addressed in paragraphs 6(a) and 8(l).

2. FIXTURES AND EXCLUSIONS:

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

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

SAMPLE

[THIS SPACE INTENTIONALLY LEFT BLANK]

Buyer’s initials Seller’s initials

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

- Alarm and security systems (attached) for security, fire, smoke, carbon monoxide or other toxins with all related access codes, sensors, cameras, dedicated monitors, hard drives, video recorders, power supplies and cables; doorbells/chimes
- All stoves/ranges/ovens; built-in appliances; attached microwave oven; vent hood
- Antennas; satellite dishes and receivers
- Basketball goals and play equipment (permanently attached or in-ground)
- Ceiling and wall-attached fans; light fixtures (including existing bulbs)
- Exercise equipment/devices that are attached
- Fireplace insert; gas logs or starters; attached fireplace screens; wood or coal stoves
- Floor coverings (attached)
- Garage door openers
- Generators that are permanently wired
- Invisible fencing with power supply
- Landscape and outdoor trees and plants (except in moveable containers); raised garden; landscape and foundation lighting; outdoor sound systems; permanent irrigation systems; rain barrels; landscape water features;
- Mailboxes; mounted package and newspaper receptacles
- Mirrors attached to walls, ceilings, cabinets or doors; all bathroom wall mirrors
- Storage shed; utility building
- Swimming pools; spas; hot tubs (excluding inflatable pools, spas, and hot tubs)
- Solar electric and solar water heating systems
- Sump-pumps, radon fans and crawlspace ventilators; de-humidifiers that are permanently wired
- Surface-mounting brackets for television and speakers; recess-mounted speakers; mounted intercom system
- Thermostats
- Water supply equipment, including filters, conditioning and softener systems; re-circulating pumps; well pumps and tanks
- Window/Door blinds and shades, curtain/drapery rods and brackets, door and window screens and combination doors, awnings and storm windows

(c) **Unpairing/deleting data from devices:** Prior to Closing, Seller shall "unpair" any devices that will convey from any personal property devices (hubs, intelligent virtual assistants, mobile devices, vehicles, etc.) with which they are paired, delete personal data from any devices that will convey, and restore all devices to factory default settings unless otherwise agreed. Seller's obligations under this paragraph 2(c) shall survive Closing.

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

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

In addition, any leased fuel tank identified in paragraph 7(d) shall not convey.

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

Seller must repair any damage caused by removal of any items excluded above in a good and workmanlike manner. Seller will notify Buyer upon completion of such repair(s) and provide Buyer with documentation thereof, if any.

NOTE: Buyer is advised to consider attaching the Additional Provisions Addendum (Form 2A11-T) if Buyer has a specific request as to how the repairs should be completed.

SAMPLE

Buyer's initials Seller's initials

3. **PERSONAL PROPERTY:** The following personal property present on the Property on the date of the offer shall be transferred to Buyer at closing at no value:

SAMPLE

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

4. **BUYER'S DUE DILIGENCE PROCESS:**

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

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

NOTE: There is no loan or appraisal contingency in this Offer To Purchase and Contract. Therefore, Buyer is advised to consult with Buyer's lender prior to signing this offer to assure that the Due Diligence Period allows sufficient time for the loan process and for Buyer's lender to provide Buyer sufficient information to decide whether to proceed with or terminate the transaction.

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

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

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

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

(iv) **Appraisals:** An appraisal of the Property.

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

(vi) **Zoning, Governmental Regulation, and Governmental Compliance:** Investigation of current or proposed zoning or other governmental regulation that may affect Buyer's intended use of the Property, adjacent land uses, planned or proposed road construction, and school attendance zones; and investigation of whether the Property is in violation of any law, ordinance, permit, or government regulation as outlined in paragraph 8(h).

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

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

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

Buyer's initials Seller's initials

(x) **Special Assessments:** Investigation of the existence of Special Assessments that may be under consideration by a governmental authority or an owners' association.

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

(d) **Repair/Improvement Negotiations/Agreement:** Buyer acknowledges and understands the following:

- Unless the parties agree otherwise, THE PROPERTY IS BEING SOLD IN ITS CURRENT CONDITION.
- Seller may, but is not required to, engage in negotiations for repairs/improvements to the Property.

Buyer is advised to make any repair/improvement requests in sufficient time to allow negotiations to be concluded prior to the expiration of the Due Diligence Period. Any agreement that the parties may reach with respect to repairs/improvements is an addition to this Contract that must be in writing and signed by the parties in accordance with Paragraph 19.

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

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

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

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

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

5. **BUYER REPRESENTATIONS:**

(a) **Funds to complete purchase:**

(Check if applicable) Cash. Buyer intends to pay cash in order to purchase the Property and does not intend to obtain a loan or funds from sources other than Buyer's own assets. Verification of cash available for Settlement is is not attached.

SAMPLE

NOTE: If Buyer does not intend to obtain a new loan(s) and/or funds from sources other than Buyer's own assets, Seller is advised, prior to signing this offer, to obtain documentation from Buyer which demonstrates that Buyer will be able to close on the Property without the necessity of obtaining a loan or funds from sources other than Buyer's own assets.

OR:

(Check if applicable) Loan(s)/Other Funds: Buyer intends to obtain a loan(s) and/or other funds to purchase the Property from the following sources (check all applicable sources):

First Mortgage Loan:

Buyer intends to obtain a first mortgage loan of the following type in order to purchase the Property: FHA VA (attach FHA/VA Financing Addendum) Conventional USDA Other type: _____

in the principal amount of _____ plus any financed VA Funding Fee or FHA MIP.

Second Mortgage Loan:

Buyer intends to obtain a second mortgage loan of the following type in order to purchase the Property:

Buyer's initials Seller's initials

Other funds:

Buyer intends to obtain funds from the following other source(s) in order to purchase the Property:

SAMPLE

NOTE: Buyer's obligations under this Contract are not conditioned upon obtaining any loan(s) or other funds from sources other than Buyer's own assets. Some mortgage loan programs and other programs providing funds for the purchase of property selected by Buyer may impose repair obligations and/or additional conditions or costs upon Seller or Buyer, and more information may be needed.

Material changes with respect to funding the purchase of the Property that affect the terms of the contract are material facts that must be disclosed.

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

Other Property Address: _____

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

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

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

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

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

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

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

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

Buyer has received a signed copy of the N.C. Residential Property and Owners' Association Disclosure Statement prior to making this offer and acknowledges compliance with N.C.G.S. 47E-5 (Residential Property Disclosure Act).

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

Exempt from N.C. Residential Property and Owners' Association Disclosure Statement because (SEE GUIDELINES): _____

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

Buyer has received a signed copy of the N.C. Mineral and Oil and Gas Rights Mandatory Disclosure Statement prior to making this offer and acknowledges compliance with N.C.G.S. 47E-5 (Residential Property Disclosure Act).

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

Exempt from N.C. Mineral and Oil and Gas Rights Mandatory Disclosure Statement because (SEE GUIDELINES): _____

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

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

6. BUYER OBLIGATIONS:

(a) **Responsibility for Special Assessments:** Buyer shall take title subject to all Special Assessments that may be approved following Settlement.

(b) **Responsibility for Certain Costs:** Buyer shall be responsible for all costs with respect to:

- (i) any loan obtained by Buyer;
- (ii) charges by an owners' association or a management company/vendor as agent of the association under paragraph 9(b) of this Contract;
- (iii) appraisal;
- (iv) title search;
- (v) title insurance;
- (vi) any fees charged by the closing attorney for the preparation of the Closing Disclosure, Seller Disclosure and any other settlement statement;
- (vii) recording the deed; and
- (viii) preparation and recording of all instruments required to secure the balance of the Purchase Price unpaid at Settlement.

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

7. SELLER REPRESENTATIONS:

- (a) **Ownership:** Seller represents that Seller:
- has owned the Property for at least one year.
 - has owned the Property for less than one year.
 - does not yet own the Property.

SAMPLE

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

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

WARNING: IF A LEAD-BASED PAINT DISCLOSURE IS REQUIRED BUT NOT GIVEN TO BUYER PRIOR TO SELLER'S ACCEPTANCE OF THIS OFFER, BUYER MAY NOT BE OBLIGATED TO PURCHASE THE PROPERTY UNDER THIS CONTRACT UNDER FEDERAL LAW.

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

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

(specify name of association): _____ whose regular assessments ("dues") are \$ _____ per _____. The name, address and telephone number of the president of the owners' association or the association manager is: _____

Buyer's initials Seller's initials

Owners' association website address, if any: _____

(specify name of association): _____ whose regular assessments ("dues") are \$ _____ per _____. The name, address and telephone number of the president of the owners' association or the association manager is: _____

Owners' association website address, if any: _____

(d) **Fuel Tank(s)/Fuel:** To the best of Seller's knowledge, there is is fuel tank(s) located on the Property. If "yes" complete the following:

(i) **Description:**

Tank 1:

- Use: currently in use currently NOT in use
- Ownership: owned leased. If leased, name and contact information of tank lessor: _____

- Location: above ground below ground
- Type of fuel: oil propane gasoline and/or diesel other: _____
- Name and contact information of fuel vendor: _____

Tank 2:

- Use: currently in use currently NOT in use
- Ownership: owned leased. If leased, name and contact information of tank lessor: _____

- Location: above ground below ground
- Type of fuel: oil propane gasoline and/or diesel other: _____
- Name and contact information of fuel vendor: _____

(ii) **Tank(s) included in sale:** Buyer and Seller agree that any tank described above that is owned by Seller shall be included in the sale as part of the Purchase Price free of liens, unless excluded in paragraph 2(e) above.

(iii) **Fuel:** Seller may use fuel in the tank(s) described above through Settlement, but may not otherwise remove the fuel or resell it. Any fuel remaining in the tank(s) as of Settlement shall be included in the sale as part of the Purchase Price, free of liens.

- Seller's use of fuel in any fuel tank is subject to Seller's obligation under Paragraph 8(c) to provide working, existing utilities through the earlier of Closing or possession by Buyer.

NOTE: Buyer shall be entitled to conduct inspections to confirm the existence, type and ownership of any fuel tank located on the Property. Buyer is advised to consult with the owner of any leased fuel tank regarding the terms under which Buyer may lease the tank and obtain fuel.

NOTE: State law provides that it is unlawful for any person, other than the supplier or the owner of a fuel supply tank, to disconnect, interrupt or fill the supply tank with liquefied petroleum gas (LP gas or propane) without the consent of the supplier.

(e) **Leases.** The Property is is not subject to any lease(s). If the Property is subject to a lease, Buyer and Seller should include either the Rental/Income/Investment Property provision in the Additional Provisions Addendum (Standard Form 2A11-T) or the Vacation Rental Addendum (Form 2A13-T) with this offer.

8. SELLER OBLIGATIONS:

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

(i) Seller agrees to use best efforts to provide to the closing attorney as soon as reasonably possible after the Effective Date, copies of all title information in possession of or available to Seller, including but not limited to: title insurance policies, attorney's opinions on title, surveys, covenants, deeds, notes and deeds of trust, leases, and easements relating to the Property.

(ii) Seller shall provide to the closing attorney all information needed to obtain a written payoff statement from any lender(s) regarding any security interest in the Property as soon as reasonably possible after the Effective Date, and Seller designates the closing attorney as Seller's agent with express authority to request and obtain on Seller's behalf payoff statements and/or short-pay statements from any such lender(s).

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

Buyer's initials Seller's initials

(b) **Authorization to Disclose Information:** Seller authorizes: (i) any attorney presently or previously representing Seller to release and disclose any title insurance policy in such attorney's file to Buyer and both Buyer's and Seller's agents and attorneys; (ii) the Property's title insurer or its agent to release and disclose all materials in the Property's title insurer's (or title insurer's agent's) file to Buyer and both Buyer's and Seller's agents and attorneys and (iii) the closing attorney to release and disclose any seller's closing disclosure, settlement statement and/or disbursement summary, or any information therefrom to the parties to this transaction, their real estate agent(s) and Buyer's lender(s).

SAMPLE

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

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

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

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

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

(g) **Good Title, Legal Access:** Seller shall execute and deliver a GENERAL WARRANTY DEED for the Property in recordable form no later than Settlement, which shall convey fee simple marketable and insurable title, without exception for mechanics' liens, lis pendens, monetary liens and judgments, and free of other encumbrances or defects that would materially affect the value of the Property, including those which would be revealed by a current and accurate survey of the Property, except: (1) ad valorem taxes for the current year; (2) utility easements and unviolated covenants, conditions or restrictions; and (3) such other liens, encumbrances or defects as may be specifically approved by Buyer in writing. The Property must have legal access to a public right of way.

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

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

(h) **Governmental Compliance:** It is a condition of this Contract that the Property be conveyed free of any material violation of law, ordinance, permit, or government regulation (including, but not limited to, those relating to building, stormwater, impervious surface, environmental protection, and zoning), unless Seller has specifically disclosed such violation(s) prior to the Effective Date. If a violation is discovered and identified after the Effective Date and prior to Closing, then Seller may cure the violation(s). Unless otherwise agreed, if Seller does not cure the violation(s) prior to Closing, then Buyer may choose to accept the violation(s) and proceed to Settlement/Closing or terminate this Contract and receive a refund of the Earnest Money Deposit and the Due Diligence Fee.

Buyer's initials Seller's initials

(i) **Deed, Taxes and Fees:** Seller shall pay for preparation of a deed and all other documents necessary to perform Seller's obligations under this Contract, and for state and county excise taxes, and any deferred, discounted or rollback taxes, and local conveyance fees required by law. The deed is to be made to: (i) Buyer; (ii) a corporation, limited liability company, or other business entity of which Buyer is the sole owner or shareholder; (iii) a trust for which Buyer is the beneficiary; (iv) any relative of Buyer; and/or (v) Other: (Insert Name(s) Only) _____

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

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

(k) **Owners' Association Fees/Charges:** Seller shall pay any charges by an owners' association or a management company/vendor as agent of the association under paragraph 9(a) of this Contract.

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

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

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

(o) **Home Warranty** (Select one of the following):

- No home warranty is to be provided by Seller.
- Buyer may obtain a one-year home warranty at a cost not to exceed \$_____ which includes sales tax and Seller agrees to pay for it at Settlement.
- Seller has obtained and will provide a one-year home warranty from _____ at a cost of \$_____ which includes sales tax and will pay for it at Settlement.

SAMPLE

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

(p) **Seller's Breach of Contract:** See paragraph 23 for Buyer's remedies in the event of breach of this Contract.

9. CHARGES BY OWNERS' ASSOCIATION: Responsibility for payment of charges by an owners' association or a management company/vendor as agent of the association shall be allocated between Buyer and Seller as follows:

(a) Seller shall pay:

- (i) fees incurred by Seller in completing the Residential Property and Owners' Association Disclosure Statement, and resale or other certificates related to a proposed sale of the Property;
- (ii) fees required for confirming Seller's account payment information on owners' association dues or assessments for payment or proration, including any expedite fee permitted under N.C. Gen. Stat. § 47F-3-102 that is charged in connection with providing such information;
- (iii) any fees charged for transferring or updating ownership records of the association; and
- (iv) any fees other than those fees specifically required to be paid by Buyer under paragraph 9(b) below.

(b) Buyer shall pay:

- (i) charges for providing information required by Buyer's lender;
- (ii) charges for working capital contributions, membership fees, or charges imposed for Buyer's use of the common elements and/or services provided to Buyer in connection with Buyer taking possession of the Property, such as "move-in fees"; and
- (iii) charges for determining restrictive covenant compliance.

10. PRORATIONS AND ADJUSTMENTS: Unless otherwise agreed, the following items shall be prorated, with Seller responsible for the prorated amounts of any taxes and dues through the date of Settlement, and Seller entitled to the amount of prorated rents through the date of Settlement, and either adjusted between the parties or paid at Settlement:

Buyer's initials Seller's initials

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

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

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

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

11. CONDITION OF PROPERTY/RISK OF LOSS:

(a) **Condition of Property at Settlement:** If the Property is not in substantially the same or better condition at Closing as on the date of this offer, reasonable wear and tear excepted, Buyer may terminate this Contract by written notice delivered to Seller and the Due Diligence Fee and Earnest Money Deposit shall be refunded to Buyer. If the Property is not in such condition and Buyer does NOT elect to terminate this Contract, Buyer shall be entitled to receive, in addition to the Property, the proceeds of any insurance claim filed by Seller on account of any damage or destruction to the Property.

(b) **Risk of Loss:** The risk of loss or damage by fire or other casualty prior to Closing shall be upon Seller. Seller is advised not to cancel existing insurance on the Property until after confirming recordation of the deed.

12. DELAY IN SETTLEMENT/CLOSING: This paragraph shall apply if one party is ready, willing and able to complete Settlement on the Settlement Date ("Non-Delaying Party") but it is not possible for the other party to complete Settlement by the Settlement Date ("Delaying Party"). In such event, the Delaying Party shall be entitled to a delay in Settlement and shall give as much notice as possible to the Non-Delaying Party and closing attorney. If the Delaying Party fails to complete Settlement and Closing within seven (7) days of the Settlement Date (including any amended Settlement Date agreed to in writing by the parties), then the Delaying Party shall be in breach and the Non-Delaying Party may terminate this Contract and shall be entitled to enforce any remedies available to such party under this Contract for the breach.

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

- A Buyer Possession Before Closing Agreement is attached (Standard Form 2A7-T)
- A Seller Possession After Closing Agreement is attached (Standard Form 2A8-T)
- Possession is subject to rights of tenant(s) (Parties should attach either Additional Provisions Addendum (Form 2A11-T) or Vacation Rental Addendum (Form 2A13-T))

SAMPLE

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

- | | |
|--|--|
| <input type="checkbox"/> Additional Provisions Addendum (Form 2A11-T) | <input type="checkbox"/> New Construction Addendum (Form 2A3-T) |
| <input type="checkbox"/> Additional Signatures Addendum (Form 3-T) | <input type="checkbox"/> Owners' Association Disclosure Addendum (Form 2A12-T) |
| <input type="checkbox"/> Back-Up Contract Addendum (Form 2A1-T) | <input type="checkbox"/> Seller Financing Addendum (Form 2A5-T) |
| <input type="checkbox"/> FHA/VA Financing Addendum (Form 2A4-T) | <input type="checkbox"/> Short Sale Addendum (Form 2A14-T) |
| <input type="checkbox"/> Lead-Based Paint Or Lead-Based Paint Hazard Addendum (Form 2A9-T) | <input type="checkbox"/> Vacation Rental Addendum (Form 2A13-T) |
| <input type="checkbox"/> Loan Assumption Addendum (Form 2A6-T) | |
| <input type="checkbox"/> Identify other attorney or party drafted addenda: _____ | |

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

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

16. TAX-DEFERRED EXCHANGE: In the event Buyer or Seller desires to effect a tax-deferred exchange in connection with the conveyance of the Property, Buyer and Seller agree to cooperate in effecting such exchange; provided, however, that the exchanging party shall be responsible for all additional costs associated with such exchange, and provided further, that a non-exchanging party shall not assume any additional liability with respect to such tax-deferred exchange. Buyer and Seller shall execute such additional documents,

Buyer's initials Seller's initials

including assignment of this Contract in connection therewith, at no cost to the non-exchanging party, as shall be required to give effect to this provision.

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

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

19. **ENTIRE AGREEMENT/RECORDATION:** This Contract contains the entire agreement of the parties and there are no representations, inducements or other provisions other than those expressed herein. All changes, additions or deletions hereto must be in writing and signed by all parties. Nothing contained herein shall alter any agreement between a REALTOR® or broker and Seller or Buyer as contained in any listing agreement, buyer agency agreement, or any other agency agreement between them. This Agreement or any memorandum thereof shall not be recorded without the express written consent of Buyer and Seller.

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

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

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

SAMPLE

23. **REMEDIES:**

(a) **Breach by Buyer:** In the event of material breach of this Contract by Buyer, Seller shall be entitled to any Earnest Money Deposit. The payment of any Earnest Money Deposit and any Due Diligence Fee to Seller (without regard to their respective amounts, including zero) together shall serve as liquidated damages ("Liquidated Damages") and as Seller's sole and exclusive remedy for such breach, provided that such Liquidated Damages shall not limit Seller's rights under Paragraphs 4(e) and 4(f) for damage to the Property as well as Seller's rights under paragraph 1(d) for dishonored funds. It is acknowledged by the parties that the amount of the Liquidated Damages is compensatory and not punitive, such amount being a reasonable estimation of the actual loss that Seller would incur as a result of a breach of this Contract by Buyer. The payment to Seller of the Liquidated Damages shall not constitute a penalty or forfeiture but actual compensation for Seller's anticipated loss, both parties acknowledging the difficulty of determining Seller's actual damages for such breach

(b) **Breach by Seller:** In the event of material breach of this Contract by Seller, Buyer may (i) elect to terminate this Contract as a result of such breach, and shall be entitled to return of both the Earnest Money Deposit and the Due Diligence Fee, together with the reasonable costs actually incurred by Buyer in connection with Buyer's Due Diligence ("Due Diligence Costs"), or (ii) elect not to terminate and instead treat this Contract as remaining in full force and effect and seek the remedy of specific performance.

(c) **Attorneys' Fees:** If legal proceedings are brought by Buyer or Seller against the other to collect the Earnest Money Deposit, Due Diligence Fee, or Due Diligence Costs, the parties agree that a party shall be entitled to recover reasonable attorneys' fees to the extent permitted under N.C. Gen. Stat. § 6-21.2, and if applicable, N.C. Gen. Stat. § 6-21.3 for dishonored funds. The parties acknowledge and agree that the terms of this Contract with respect to entitlement to the Earnest Money Deposit, Due Diligence Fee, or Due Diligence Costs each constitute an "evidence of indebtedness" pursuant to N.C. Gen. Stat. § 6-21.2.

Buyer's initials Seller's initials

NOTE: A party seeking recovery of attorneys' fees under N.C. Gen. Stat. § 6-21.2 must first give written notice to the other party that they have five (5) days from the mailing of the notice to pay the outstanding amount(s) without the attorneys' fees.

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

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

Date: _____

Buyer:

Date: _____

Buyer:

Date: _____

Seller:

Date: _____

Seller:

SAMPLE

Entity Buyer:

(Name of LLC/Corporation/Partnership/Trust/etc.)

By:

Name: _____
Print Name

Title: _____

Date: _____

Entity Seller:

(Name of LLC/Corporation/Partnership/Trust/etc.)

By:

Name: _____
Print Name

Title: _____

Date: _____

WIRE FRAUD WARNING

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

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

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

SAMPLE

Buyer's initials Seller's initials

NOTICE INFORMATION

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

BUYER NOTICE ADDRESS:

SELLER NOTICE ADDRESS:

Mailing Address: _____

Mailing Address: _____

Buyer Fax#: _____

Seller Fax #: _____

Buyer E-mail: _____

Seller E-mail: _____



CONFIRMATION OF AGENCY/NOTICE ADDRESSES

Selling Firm Name: MALLARD REALTY GROUP
Acting as Buyer's Agent Seller's (sub)Agent Dual Agent

Listing Firm Name: MALLARD REALTY GROUP
Acting as Seller's Agent Dual Agent

Firm License #: C26335

Firm License #: C26335

Mailing Address: PO BOX 71853

Mailing Address: PO BOX 71853

DURHAM NC 27722

DURHAM NC 27722

Individual Selling Agent: JAMES KEMPSKI
 Acting as a Designated Dual Agent (check only if applicable)

Individual Listing Agent: JAMES KEMPSKI
 Acting as a Designated Dual Agent (check only if applicable)

Selling Agent License #: 271183

Listing Agent License #: 271183

Selling Agent Phone #: 919-308-7597

Listing Agent Phone #: 919-308-7597

Selling Agent Fax #: _____

Listing Agent Fax #: _____

Selling Agent E-mail: DURHAMBLUES@GMAIL.COM

Listing Agent E-mail: DURHAMBLUES@GMAIL.COM

[THIS SPACE INTENTIONALLY LEFT BLANK]

Buyer's initials Seller's initials

ACKNOWLEDGMENT OF RECEIPT OF MONIES

Seller: SAMPLE ("Seller")

Buyer: SAMPLE ("Buyer")

Property Address: SAMPLE ("Property")

LISTING AGENT ACKNOWLEDGMENT OF RECEIPT OF DUE DILIGENCE FEE

Paragraph 1(d) of the Offer to Purchase and Contract between Buyer and Seller for the sale of the Property provides for the payment to Seller of a Due Diligence Fee in the amount of \$.00, receipt of which Listing Agent hereby acknowledges.

Date: _____

Firm: MALLARD REALTY GROUP

SAMPLE

By: _____
(Signature)

JAMES K. MPSKI
(Print name)

SELLER ACKNOWLEDGMENT OF RECEIPT OF DUE DILIGENCE FEE

Paragraph 1(d) of the Offer to Purchase and Contract between Buyer and Seller for the sale of the Property provides for the payment to Seller of a Due Diligence Fee in the amount of \$.00, receipt of which Seller hereby acknowledges.

Date: _____

Seller: _____
(Signature)

Date: _____

Seller: _____
(Signature)

ESCROW AGENT ACKNOWLEDGMENT OF RECEIPT OF INITIAL EARNEST MONEY DEPOSIT

Paragraph 1(d) of the Offer to Purchase and Contract between Buyer and Seller for the sale of the Property provides for the payment to Escrow Agent of an Initial Earnest Money Deposit in the amount of \$.00. Escrow Agent as identified in Paragraph 1(f) of the Offer to Purchase and Contract hereby acknowledges receipt of the Initial Earnest Money Deposit and agrees to hold and disburse the same in accordance with the terms of the Offer to Purchase and Contract.

Date: _____

Firm: _____

SAMPLE

By: _____
(Signature)

(Print name)

ESCROW AGENT ACKNOWLEDGMENT OF RECEIPT OF (ADDITIONAL) EARNEST MONEY DEPOSIT

Paragraph 1(d) of the Offer to Purchase and Contract between Buyer and Seller for the sale of the Property provides for the payment to Escrow Agent of an (Additional) Earnest Money Deposit in the amount of \$.00. Escrow Agent as identified in Paragraph 1(f) of the Offer to Purchase and Contract hereby acknowledges receipt of the (Additional) Earnest Money Deposit and agrees to hold and disburse the same in accordance with the terms of the Offer to Purchase and Contract.

Date: _____

Firm: SAMPLE

Time: _____ AM PM

By: _____
(Signature)

SAMPLE
(Print name)

SAMPLE

EXCLUSIVE RIGHT TO SELL LISTING AGREEMENT

[Consult "Guidelines" (Form 101G) for guidance in completing this form]

This EXCLUSIVE RIGHT TO SELL LISTING AGREEMENT ("Agreement") is entered into between _____ as Seller(s) ("Seller") of the property described below (the "Property"), and _____ as Listing Firm ("Firm"). The individual agent who signs this Agreement shall, on behalf of the Firm, be primarily responsible for ensuring that the Firm's duties hereunder are fulfilled; however, it is understood and agreed that other agents of the Firm may be assigned to fulfill such duties if deemed appropriate by the Firm. For purposes of this Agreement, the term "Firm," as the context may require, shall be deemed to include the individual agent who signs this Agreement and any other agents of the Firm.

NOTE: If the Property was most recently owned by a person who is now deceased, the tax listing or last recorded deed to the Property may not accurately identify the party(ies) who should be named as Seller. In such a case, the deceased owner's will, or applicable North Carolina law if the deceased owner died without a will, will determine the correct party(ies) to sign this Agreement. Advice from an NC attorney should be obtained concerning the proper party(ies) prior to completing this Agreement.

If the owner of the Property is a corporation, limited liability company, trust or other legal entity, the entity should be named as Seller and a duly authorized officer, manager, trustee or other legal representative of the entity should sign this Agreement on the entity's behalf.

A non-owner spouse should be named as Seller because he or she will be required in most cases to sign the deed to release certain marital rights in the Property. If a married owner has signed and recorded a pre-nuptial agreement, post-nuptial agreement, or a free trader agreement, consult an NC attorney to determine whether the non-owner spouse will be required to sign the deed.

In consideration for Firm's services and efforts to find a buyer for the Property, Firm is hereby granted the exclusive right to sell the Property on the terms and conditions set forth in this Agreement.

Seller represents that as of the Effective Date the Seller is not (or will not be, if the Property is currently listed) a party to a listing agreement with any other real estate firm regarding the Property. Seller also represents that Seller has received a copy of the "WORKING WITH REAL ESTATE AGENTS" disclosure and has reviewed it with Firm.

1. TERM OF AGREEMENT.

(a) **Term.** The term of this Agreement ("Term") shall begin on its Effective Date and shall end at 11:59 p.m. on its Expiration Date.

(b) **Effective Date.** This Agreement shall become effective and the Seller and Firm's respective rights and obligations under this Agreement shall commence ("Effective Date") as follows (*check appropriate box*):

- The Effective Date shall be the date that this Agreement has been signed by both Seller and Firm
- The Property is currently listed for sale exclusively with another real estate firm. Seller represents that the current listing agreement expires on _____. The Effective Date of this Agreement shall commence immediately upon the expiration of the current listing agreement. (**NOTE:** According to Article 16 of the REALTORS® Code of Ethics: "REALTORS® shall not engage in any practice or take any action inconsistent with exclusive representation or exclusive brokerage relationship agreements that other REALTORS® have with clients.")

(c) **Expiration Date.** This Agreement shall terminate at 11:59 p.m. on _____ ("Expiration Date").

2. **PROPERTY.** The Property that is the subject of this Agreement shall include all that real estate described below together with all appurtenances thereto including the improvements located thereon and the fixtures and personal property listed in Paragraphs 3 and 4 below.

Street Address: _____
City: _____ Zip: _____
County: _____, North Carolina

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



North Carolina Association of REALTORS®, Inc.

Individual agent initials Seller initials



Legal Description: (Complete ALL applicable)

Plat Reference: Lot/Unit _____, Block/Section _____, Subdivision/Condominium _____

_____, as shown on Plat Book/Slide _____ at Page(s) _____

- The PIN/PID or other identification number of the Property is _____
- Other description: _____

Some or all of the Property may be described in Deed Book _____ at Page _____

NOTE: THE FOLLOWING PARAGRAPHS 3 AND 4 ARE PART OF THE OFFER TO PURCHASE AND CONTRACT (FORM 2-T), A FORM WHICH IS COMMONLY USED TO PUT RESIDENTIAL REAL ESTATE UNDER CONTRACT IN NORTH CAROLINA. TO MINIMIZE THE POTENTIAL FOR DISPUTES WITH A BUYER, IT IS HIGHLY RECOMMENDED THAT SELLER AND THE INDIVIDUAL AGENT WHO SIGNS THIS AGREEMENT DISCUSS IN DETAIL AND DESCRIBE IN WRITING IN PARAGRAPHS 3 AND 4 WHAT ITEMS SELLER IS WILLING TO CONVEY AS A PART OF ANY SALE OF THE PROPERTY, WHAT ITEMS THE SELLER WOULD LIKE TO EXCLUDE FROM ANY SALE, AND WHAT ITEMS ARE LOCATED ON THE PROPERTY THAT SELLER MAY NOT OWN.

3. **FIXTURES AND EXCLUSIONS:**

SAMPLE

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

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

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

- Alarm and security systems (attached) for security, fire, smoke, carbon monoxide or other toxins with all related access codes, sensors, cameras, dedicated monitors, hard drives, video recorders, power supplies and cables; doorbells/chimes
- All stoves/ranges/ovens; built-in appliances; attached microwave oven; vent hood
- Antennas; satellite dishes and receivers
- Basketball goals and play equipment (permanently attached or in-ground)
- Ceiling and wall-attached fans; light fixtures (including existing bulbs)
- Exercise equipment/devices that are attached
- Fireplace insert; gas logs or starters; attached fireplace screens; wood or coal stoves
- Floor coverings (attached)
- Garage door openers
- Generators that are permanently wired
- Invisible fencing with power supply
- Landscape and outdoor trees and plants (except in moveable containers); raised garden; landscape and foundation lighting; outdoor sound systems; permanent irrigation systems; rain barrels; landscape water features; address markers
- Mailboxes; mounted package and newspaper receptacles
- Mirrors attached to walls, ceilings, cabinets or doors; all bathroom wall mirrors
- Storage shed; utility building
- Swimming pools; spas; hot tubs (excluding inflatable pools, spas, and hot tubs)
- Solar electric and solar water heating systems
- Sump-pumps, radon fans and crawlspace ventilators; de-humidifiers that are permanently wired
- Surface-mounting brackets for television and speakers; recess-mounted speakers; mounted intercom system
- Thermostats
- Water supply equipment, including filters, conditioning and softener systems; re-circulating pumps; well pumps and tanks
- Window/Door blinds and shades, curtain/drapery rods and brackets, door and window screens and combination doors, awnings and storm windows

(c) Unpairing/deleting data from devices: Prior to Closing, Seller shall “unpair” any devices that will convey from any personal property devices (hubs, intelligent virtual assistants, mobile devices, vehicles, etc.) with which they are paired, delete personal data from any devices that will convey, and restore all devices to factory default settings unless otherwise agreed. Seller’s obligations under this paragraph 2(c) shall survive Closing.

Individual agent initials

Seller initials

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

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

In addition, any leased fuel tank identified in paragraph 12(p) shall not convey.

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

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

4. PERSONAL PROPERTY. The following personal property present on the Property on the date of the offer shall be transferred to Buyer at no value at Closing:

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

5. HOME WARRANTY. Seller agrees does not agree to obtain and pay for at settlement a one year home warranty for the Property at a cost not to exceed \$ _____. If Seller agrees to obtain and pay for a home warranty at any time, Firm hereby discloses that a fee of _____ will be offered to Firm by the person or entity through or from which any home warranty is obtained as compensation to Firm for its assistance in obtaining the home warranty, and Seller hereby consents to Firm's receipt of such fee.

6. LISTING PRICE. Seller lists the Property at a price of \$ _____ on the following terms: Cash FHA VA USDA Conventional Loan Assumption Seller Financing Other _____. Seller agrees to sell the Property for the Listing Price or for any other price or on any other terms acceptable to Seller.

SAMPLE

7. FIRM'S COMPENSATION.

(a) **Fee.** Seller agrees to pay Firm a total fee of _____ % of the gross sales price of the Property, OR _____ ("Fee"), which shall include the amount of any compensation paid by Firm as set forth in paragraph 8 below to any other real estate firm, including individual agents and sole proprietors ("Cooperating Real Estate Firm").

(b) **Fee Earned.** The Fee shall be deemed earned under any of the following circumstances:

(i) If a ready, willing and able buyer is procured by Firm, a Cooperating Real Estate Firm, the Seller, or anyone else during the Term of this Agreement at the price and on the terms set forth herein, or at any price and upon any terms acceptable to the Seller;

(ii) If the Property is sold, optioned, exchanged, conveyed or transferred, or the Seller agrees, during the Term of this Agreement or any renewal hereof, to sell, option, exchange, convey or transfer the Property at any price and upon any terms whatsoever; or

(iii) If the circumstances set out in (i) or (ii) above have not occurred, and if, within _____ days after the Expiration Date ("Protection Period"), Seller either directly or indirectly sells, options, exchanges, conveys or transfers, or agrees to sell, option, exchange, convey or transfer the Property upon any terms whatsoever, to any person with whom Seller, Firm, or any Cooperating Real Estate Firm communicated regarding the Property during the Term of this Agreement or any renewal hereof, provided the names of such persons are delivered or postmarked to the Seller within 15 days after the Expiration Date. HOWEVER, Seller shall NOT be obligated to pay the Fee if a valid listing agreement is entered into between Seller and another real estate broker and the Property is subsequently sold, optioned, exchanged, conveyed or transferred during the Protection Period.

(c) **Fee Due and Payable.** Once earned as set forth above, the Fee will be due and payable at the earlier of:

(i) Distribution of proceeds from sale of the Property by the closing attorney;

(ii) The Seller's failure to sell the Property (including but not limited to the Seller's refusal to sign an offer to purchase for the Property at the price and terms stated herein or on other terms acceptable to the Seller, the Seller's default on an executed sales contract for the Property, or the Seller's agreement with a buyer to unreasonably modify or cancel an executed sales contract for the Property); or

(iii) Seller's breach of this Agreement.

(d) **Transfer of Interest in Business Entity.** If Seller is a partnership, corporation or other business entity, and an interest in the partnership, corporation or other business entity is transferred, whether by merger, outright purchase or otherwise, in lieu of a sale of the Property, and applicable law does not prohibit the payment of a fee or commission in connection with such sale or transfer, the Fee shall be calculated on the fair market value of the Property, rather than the gross sales price, multiplied by the percentage of interest so transferred, and shall be paid by Seller at the time of the transfer.

(e) **Additional Compensation.** If additional compensation, incentive, bonus, rebate and/or other valuable consideration ("Additional Compensation") is offered to the Firm from any other party or person in connection with a sale of the Property, Seller will permit Firm to receive it in addition to the Fee. Firm shall timely disclose the promise or expectation of receiving any such Additional Compensation and confirm the disclosure in writing before Seller makes or accepts an offer to sell. (NOTE: NCAR Form #770 may be used to confirm the disclosure of any such Additional Compensation)

8. **COOPERATION WITH/COMPENSATION TO OTHER FIRMS.** Firm has advised Seller of Firm's company policies regarding cooperation and the amount(s) of any compensation that will be offered to other brokers, including but not limited to, seller subagents, buyer agents or both, brokers who do or do not participate in a listing service and brokers who are or are not REALTORS®. Seller authorizes Firm to (Check ALL applicable authorizations):

Cooperate with subagents representing the Seller and offer them the following compensation: _____% of the gross sales price or \$ _____; and/or,

Cooperate with buyer agents representing the buyer and offer them the following compensation: _____% of the gross sales price or \$ _____; and/or,

Cooperate with and compensate other Cooperating Real Estate Firms according to the Firm's attached policy.

Firm will promptly notify Seller if compensation offered to a Cooperating Real Estate Firm is different from that set forth above. Agents with Cooperating Real Estate Firms must orally disclose the nature of their relationship with a buyer (subagent or buyer agent) to Firm at the time of initial contact with Firm, and confirm that relationship in writing no later than the time an offer to purchase is submitted for the Seller's consideration. Seller should be careful about disclosing confidential information because agents representing buyers must disclose all relevant information to their clients.

SAMPLE

9. **FIRM'S DUTIES.**

NOTE: In accordance with the REALTORS® Code of Ethics, Firm shall, with Seller's approval, in response to inquiries from buyers or Cooperating Real Estate Firms, disclose the existence of offers on the Property. Where Seller authorizes disclosure, Firm shall also disclose whether offers were obtained by the individual agent who signs this Agreement, another agent of the Firm, or by a Cooperating Real Estate Firm.

(a) **Best efforts to find buyer.** Firm agrees to provide Seller the benefit of Firm's knowledge, experience and advice in the marketing and sale of the Property. Seller understands that Firm makes no representation or guarantee as to the sale of the Property, but Firm agrees to use its best efforts in good faith to find a buyer who is ready, willing and able to purchase the property.

(b) **Disclosure of material terms of offer:** Seller acknowledges that real estate brokers are prohibited by N.C. Real Estate Commission rule from disclosing the price or other material terms contained in a party's offer to purchase, sell, lease, rent or option real property to a competing party without the express authority of the party making the offer.

(c) **Disclosure of material facts.** Seller acknowledges that Firm is required by law to disclose to potential purchasers of the Property all material facts pertaining to the Property about which the Firm knows or reasonably should know, and that REALTORS® have an ethical responsibility to treat all parties to the transaction honestly.

(d) **Other professional services.** Seller further acknowledges that Firm is being retained solely as a real estate professional, and understands that other professional service providers are available to render advice or services to Seller, including but not limited to an attorney, insurance agent, tax advisor, surveyor, structural engineer, home inspector, environmental consultant, architect, or contractor. Although Firm may provide Seller the names of providers who claim to perform such services, Seller understands that Firm cannot guarantee the quality of service or level of expertise of any such provider. Seller agrees to pay the full amount due for all services directly to the service provider whether or not the transaction closes. Seller also agrees to indemnify and hold Firm harmless from and against any and all liability, claim, loss, damage, suit, or expense that Firm may incur either as a result of Seller's selection and use of any such provider or Seller's election not to have one or more of such services performed.

(e) **Providing agreement to listing service.** Seller acknowledges that the rules of any listing service of which Firm is a member or in which any of Firm's agents participate may obligate Firm to provide a copy of this Agreement to any such listing service at its request, and Seller consents to Firm providing a copy of this Agreement in the event of any such request.

Individual agent initials Seller initials

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

WARNING: Buyer Letters to Seller. To entice a seller to choose their offer, some buyers write personal letters to sellers expressing why they wish to purchase the seller’s property. Such letters often contain personal information and reveal characteristics of the buyer which could be used, knowingly or through unconscious bias, as a basis for the seller’s decision to accept or reject an offer that may violate State and Federal Fair Housing laws, or used to form the basis for a claim that the seller, and possibly the seller’s agent, have violated Fair Housing laws. In order to avoid potential liability for unlawful discrimination as well as the appearance of impropriety, Seller should discuss with Firm how any such letters that may be submitted will be handled.

(initial) Seller acknowledges that Seller has been made aware of each Firm duty described above in this paragraph.

10. **MARKETING.**

(a) **Commencement of Marketing.** The Firm is authorized to commence marketing the Property as described below on _____ (“Marketing Date”). Firm is obligated to present to Seller any offers on the Property that may be submitted to Firm prior to the Marketing Date.

NOTE: IT IS IN THE BEST INTEREST OF MOST SELLERS TO GET THE HIGHEST POSSIBLE PRICE ON THE BEST TERMS FOR THEIR PROPERTY, AND MAXIMIZING EXPOSURE OF THEIR PROPERTY ADVANCES THAT INTEREST. ACCEPTING AN OFFER ON THE PROPERTY BEFORE IT IS FULLY EXPOSED TO THE WIDEST GROUP OF POTENTIAL BUYERS MAY DENY SELLER THE BEST OPPORTUNITY TO ATTRACT OFFERS AT THE HIGHEST PRICE AND BEST TERMS.

(b) **Marketing Authorization.** (Initial “Public Marketing” OR “Office Exclusive” but NOT both):

Public Marketing

SAMPLE

Firm shall submit pertinent information concerning the Property to any listing service of which Firm is a member, or in which any of Firm’s agents participate, in accordance with the rules of any such listing service. Seller authorizes Firm (i) to furnish to the listing service notice of all changes of information concerning the Property authorized in writing by Seller, (ii) upon execution of a sales contract for the Property, to notify the listing service of the pending sale and the expiration date of any due diligence period, and (iii) upon closing of the sale, to disseminate sales information, including sales price, to the listing service, appraisers and real estate brokers.

Seller authorizes Firm as follows (Check ALL applicable sections):

“Coming Soon” Advertising. To market the Property as “Coming Soon,” commencing on the Marketing Date, in any media Firm may in its discretion select, provided that any “Coming Soon” advertising shall be conducted in accordance with any restrictions and requirements of any listing service in which the Property will be included, a copy of which are are not attached to this Agreement. The status of the listing shall be changed to “active” on _____.

Signs. To place “For Sale,” “Under Contract,” “Sale Pending,” or other similar signs on the Property (where permitted by law and relevant covenants) and to remove other such signs.

Open Houses. To conduct open houses of the Property at such times as Seller and Firm may subsequently agree.

Advertising Other Than On The Internet. To advertise the Property in non-Internet media, and to permit other firms to advertise the Property in non-Internet media to the extent and in such manner as Firm may decide.

Internet Advertising. To display information about the Property on the Internet either directly or through a program of any listing service of which the Firm is a member or in which any of Firm’s agents participate. Seller further authorizes other firms who belong to any listing service of which the Firm is a member or in which any of Firm’s agents participate to display information about the Property on the Internet in accordance with the listing service rules and regulations, and also authorizes any listing service of which the Firm is a member or in which any of Firm’s agents participate to use, license or sell to others information about the Property entered into the listing service. Seller specifically authorizes the display of the address of the Property, automated estimates of the market value of the Property and third-party comments about the Property. If seller desires to limit or prohibit Internet advertising as set forth above, seller must complete an opt-out form in accordance with listing service rules.

NOTE: NCAR Form #105 may be used to limit or prohibit Internet advertising and explains how such limitations may or may not be effective.

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Office Exclusive

Seller withholds consent for the listing to be publicly marketed, including social media, and disseminated to other participants of any listing service of which Firm is a member, or in which any of Firm's agents participate. Seller understands and acknowledges that: (i) the rules of any such listing service may require that the listing be filed with the listing service or that the listing service be notified of the listing, but that the listing will not be disseminated to the listing service's participants; and (ii) the listing service may require Firm to provide a certification signed by Seller that the listing shall not be disseminated by the listing service.

Firm is prohibited from marketing the Property publicly, including any of the methods listed in paragraph 10(b) above. If, at a later date, the Property shall be marketed publicly, this Agreement must be amended accordingly. NCR Standard Form 710 may be used for such purpose.

NOTE: THE LISTING MUST BE SUBMITTED TO THE LISTING SERVICE AND DISSEMINATED TO ITS PARTICIPANTS WITHIN ONE (1) BUSINESS DAY OF ANY PUBLIC MARKETING OF THE PROPERTY IF REQUIRED BY LISTING SERVICE RULES. PUBLIC MARKETING INCLUDES, BUT IS NOT LIMITED TO, FLYERS DISPLAYED IN WINDOWS, YARD SIGNS, DIGITAL MARKETING ON PUBLIC FACING WEBSITES, BROKERAGE WEBSITE DISPLAYS (INCLUDING IDX AND VOW), DIGITAL COMMUNICATIONS MARKETING (EMAIL BLASTS), MULTI-BROKERAGE LISTING SHARING NETWORKS, AND APPLICATIONS AVAILABLE TO THE GENERAL PUBLIC.

(c) **Lock/Key Boxes.** The Seller does does not authorize Firm to place lock/key boxes on the Property.

(d) **Seller Acknowledgment.** Seller acknowledges and understands that while the marketing services selected above will facilitate the showing and sale of the Property, there are risks associated with allowing access to and disseminating information about the Property that are not within the reasonable control of the Firm, including but not limited to:

- (i) unauthorized use of a lock/key box,
- (ii) control of visitors during or after a showing or an open house, including the taking and use of photographs and videos of the Property,
- (iii) inappropriate use of information about the Property placed on the Internet or furnished to any listing service in which the Firm participates, and
- (iv) information about the Property placed on the Internet by or through any listing service in which the Firm participates which is inaccurate or dated, or information about the Property which may remain on the Internet following the Expiration Date, including but not limited to photographs.

SAMPLE

Seller acknowledges and understands that neither Firm nor its agents have control over information about the Property that has been placed on the Internet in connection with the marketing of the Property, whether by or through a listing service or otherwise, including but not limited to photographs, and that any such information will not be removed.

Seller agrees that Seller is solely responsible for securing all Seller valuables (cash, jewelry, firearms, etc.), medications, tools, and other items of personal property during the Term of this Agreement.

Seller therefore agrees to release and discharge Firm and Firm's agents from any and all claims, demands, rights and causes of action of whatsoever kind and nature not caused by Firm's negligence arising directly or indirectly out of any such marketing services.

WARNING: IT MAY BE A CRIME UNDER FEDERAL AND STATE LAWS TO LISTEN TO OR RECORD AN ORAL COMMUNICATION THROUGH THE USE OF ANY ELECTRONIC, MECHANICAL, OR OTHER DEVICE WITHOUT THE CONSENT OF A PARTY TO THAT COMMUNICATION. If there is a video/audio/surveillance device(s) on the Property, Seller is advised: (i) that no audio surveillance device may be turned on during any showings, open houses, investigations, examinations or inspections of the Property; and (ii) that the placement of any video surveillance device should not violate a visitor's reasonable expectation of privacy.

11. **EARNEST MONEY.** Firm does does not maintain a trust account to hold earnest money deposits. Any initial and additional earnest money deposits and any other earnest monies paid in connection with any transaction shall be held by an escrow agent named in the sales contract until the consummation or termination of the transaction. Any earnest money forfeited by reason of the buyer's default under a sales contract shall be divided equally between the Firm and Seller. In no event shall the sum paid to the Firm because of a buyer's default be in excess of the fee that would have been due if the sale had closed as contemplated in the sales contract. In accordance with NC General Statutes Section 93A-12, if a dispute regarding the return or forfeiture of any earnest money deposit arises between Seller and the buyer, the escrow agent holding the deposit may deposit the disputed monies with the appropriate Clerk of Court

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following written notice to the parties. In the event of any such dispute, Seller directs Firm to disclose Seller's last known mailing address to the escrow agent upon request to enable the escrow agent to comply with the notice requirement of such law.

12. SELLER REPRESENTATIONS.

(a) Ownership. Seller:

- checkbox has owned the Property for at least one year
checkbox has owned the Property for less than one year
checkbox does not yet own the Property

If Seller does not yet own the Property, Seller agrees to promptly provide Firm information pertaining to Seller's acquisition of the Property, such as a copy of a sales contract or option for the Property, and to keep Firm timely informed of all developments pertaining to Seller's acquisition of the Property.

(b) Bankruptcy. Seller:

- (1) checkbox is checkbox is not under bankruptcy protection under United States law.
(2) checkbox is checkbox is not contemplating seeking bankruptcy protection during the term of this Agreement.

(c) Access. The Property has legal access to a public right of way. If access is by private road/easement/other, there checkbox is checkbox is not an agreement regarding the maintenance of such private road/easement/other means of access. If applicable, Seller agrees to promptly provide Firm information pertaining to any such agreement.

(d) Manufactured (Mobile) Home. Complete ONLY if there is a manufactured (mobile) home(s) on the Property that Seller intends to include as a part of the sale of the Property: VIN(s): _____ or checkbox VIN(s) unknown. Other description (year, model, etc.): _____

(e) Owners' Association. (Complete ONLY if the Property is subject to regulation and/or assessment by an owners' association.) The name, address and telephone number of the president of the owners' association or the association manager is:

Owners' association website address, if any: SAMPLE

The name, address and telephone number of the president of the owners' association or the association manager is: _____

Owners' association website address, if any: _____

(f) Describe any known potential or pending dispute, violation, or litigation that involves or affects Seller, the Owners' association, or the Property: _____

(g) Seller checkbox is checkbox is not a foreign person as defined by the Foreign Investment in Real Property Tax Act. If Seller is not a foreign person as defined by FIRPTA, Seller agrees to provide the closing attorney with a non-foreign status affidavit (pursuant to the Foreign Investment in Real Property Tax Act). Seller acknowledges that there may be withholding as provided by the Internal Revenue Code if Seller does not provide a non-foreign status affidavit.

(h) Receipt of Sample Forms.

- checkbox Seller acknowledges receipt of a sample copy of an Offer to Purchase And Contract (form 2-T) or Offer to Purchase and Contract—New Construction (form 800-T), as may be appropriate for review purposes.
checkbox Seller acknowledges receipt of a sample copy of a Professional Services Disclosure and Election form (form #760) for review purposes.

Each of the following representations is made to the best of Seller's knowledge:

(i) Flood Hazard Disclosure/Insurance. The Property checkbox is checkbox is not located partly or entirely within a designated Special Flood Hazard Area. The Seller checkbox does checkbox does not currently maintain flood hazard insurance on the Property.

(j) Synthetic Stucco. The Property has not been clad previously (either in whole or in part) with an "exterior insulating and finishing system," commonly known as "EIFS" or "synthetic stucco", unless disclosed as follows: _____

(k) Termite Bond. There checkbox is checkbox is not a termite bond on the Property. If there is a termite bond, it checkbox is checkbox is not transferable. If transferable, the transfer cost is \$ _____, and the bonding company is: _____

(l) Current Liens

The Property checkbox is checkbox is not encumbered by a deed of trust or mortgage. Complete any of the following where applicable:

- (i) There is a first deed of trust or mortgage on the Property securing a loan held by:
Lender Name: _____
Approximate balance: \$ _____ Lender Phone#: _____
Lender Address: _____

(ii) There is a second deed of trust or mortgage on the Property securing a loan held by:

Lender Name: _____
Approximate balance: \$ _____ Lender Phone#: _____
Lender Address: _____

(iii) There is a deed of trust or mortgage on the Property securing an equity line of credit held by:

Lender Name: _____
Approximate balance: \$ _____ Lender Phone#: _____
Lender Address: _____

(2) Seller is current on all payments for the loans identified in numbered items (i), (ii) and (iii) above except as specified in (7) below.

(3) Seller is not in default on any loan identified in numbered items (i), (ii) and (iii) above and has not received any notice(s) from the holder of any loan identified in numbered items (i), (ii) and (iii) above or from any other lien holder of any kind, regarding a default under the loan, threatened foreclosure, notice of foreclosure, or the filing of foreclosure except as specified in (7) below.

(4) There are not any liens secured against the Property for Federal, State or local income taxes, unpaid real property taxes, unpaid condominium or homeowners' association fees, mechanics', laborers' or materialmen's liens, or other liens affecting the Property, and Seller has no knowledge of any matter that might result in a lien affecting the Property except as specified in (7) below.

(5) There are not any judgments against Seller affecting the Property, and Seller has no knowledge of any matter that might result in a judgment that may potentially affect the Property except as specified in (7) below.

(6) There are not any Uniform Commercial Code (UCC) fixture filings affecting the Property, and Seller has no knowledge of any matter that might result in a UCC fixture filing affecting the Property except as specified in (7) below.

(7) Specify any information, including approximate balances, required by Seller representations (2) through (6) above:

SAMPLE

NOTE: Outstanding liens may affect Seller's net proceeds.

(m) Lease(s). The Property is is not subject to any lease(s). If applicable:

(i) Seller agrees to promptly provide Firm a copy of any such lease(s) or a written statement of the terms of any oral lease(s);

(ii) If the Property is managed by someone other than Seller, the manager's name and contact information is as follows: _____.

Seller authorizes any such manager to release and disclose to Firm any relevant information about any leases(s) and to cooperate with Firm in the sale of the Property.

(n) FHA Appraisal. An FHA appraisal has has not been performed on the Property within four months prior to the Effective Date. If applicable, Seller agrees to promptly provide Firm a copy of any such appraisal if available.

NOTE: Any such appraisal may or may not be binding on a buyer who intends to obtain FHA financing.

(o) Special Assessments. There are no Special Assessments (as defined in the sample contract form provided to Seller) regarding the Property that have been approved or are under consideration except as follows (Insert "none" or the identification of such assessments, if any): _____

(p) Fuel Tank/Fuel: There is is not a fuel tank(s) located on the Property. *If "yes" complete the following*

(i) Description:

Tank 1:

Use of tank 1: currently in use currently NOT in use (if not in use, indicate if tank closed and method used to close tank, if known): _____

Ownership of tank 1: owned leased. If leased, the name and contact information of tank lessor is: _____

Location of tank 1: above ground below ground

Type of fuel: oil propane gasoline and/or diesel other: _____

Refilling schedule: auto-refill (insert frequency): _____ other (describe): _____

Name and contact information of fuel vendor: _____

Tank 2:

Use of tank 2: currently in use currently NOT in use (if not in use, indicate if tank closed and method used to close tank, if known): _____

Ownership of tank 2: owned leased If leased, the name and contact information of tank lessor is: _____

Location of tank 2: above ground below ground

Type of fuel: oil propane gasoline and/or diesel other: _____

Refilling schedule: auto-refill (insert frequency): _____ other (describe) : _____

Name and contact information of fuel vendor: _____

(ii) Tank(s) included in sale: Any tank described above that is owned by Seller shall be included in the sale as part of the Purchase Price free of liens, unless excluded in paragraph 3(e) above.

(iii) Fuel: Seller may use fuel in the tank(s) described above through Settlement, but may not otherwise remove the fuel or resell it. Any fuel remaining in the tank(s) as of Settlement shall be included in the sale as part of the Purchase Price, free of liens.

NOTE: Seller is advised to consult with Seller's fuel provider to discuss the manner in which any fuel tank(s) will be refilled between the date of a contract on the Property and closing on the Property, including discontinuation of any periodic refilling.

NOTE: Seller's use of fuel in any fuel tank is subject to Seller's obligation under Paragraph 8(c) of the Offer to Purchase and Contract (Form 2-T) to provide working, existing utilities through the earlier of Closing or possession by Buyer.

(q) **Off Site and/or Separate Septic Lot, Boat Slip, Garage, Parking Space, Storage Unit.** Sale of the Property will will not include the following off-site and/or separate septic lot, boat slip, garage, parking space, or storage unit (description): _____

SAMPLE

(r) **Governmental Compliance:** Seller warrants that the Property is not in violation of any law, ordinance, permit, or government regulation (including, but not limited to, those relating to building, stormwater, impervious surface, environmental protection, and zoning), except for the following: _____

If, during the term of this Agreement, Seller becomes aware that any of the representations set forth in this paragraph 12 are incorrect or no longer accurate, Seller shall promptly notify Firm and cooperate with Firm in taking appropriate corrective action.

13. **SELLER'S DUTIES.** Seller agrees to cooperate with Firm in the marketing and sale of the Property, including but not limited to:

- (a) providing to Firm, in a timely manner, accurate information including but not limited to the following:
 - (i) Residential Property and Owner's Association Disclosure Statement (unless exempt);
 - (ii) Mineral and Oil and Gas Rights Mandatory Disclosure Statement (unless exempt); and
 - (iii) Lead-Based Paint or Lead-Based Paint Hazard Addendum with respect to any residential dwelling built prior to 1978.

WARNING: SELLER UNDERSTANDS THAT IF A LEAD-BASED PAINT DISCLOSURE IS REQUIRED BUT NOT GIVEN TO BUYER PRIOR TO SELLER'S ACCEPTANCE OF ANY OFFER, BUYER MAY NOT BE OBLIGATED TO PURCHASE THE PROPERTY UNDER FEDERAL LAW.

(b) making the Property available for showing (including working, existing utilities) at reasonable times and upon reasonable notice.

(c) providing Firm as soon as reasonably possible after the execution of this Agreement copies of the following documents (where relevant) in the possession of Seller:

- (1) restrictive covenants affecting the Property;
- (2) bylaws, articles of incorporation, rules and regulations, and other governing documents of the owners' association and/or the subdivision;
- (3) owners' association's statement of account, master insurance policy showing coverage provided and deductible amount, current financial statement and budget of the owners' association, parking restrictions and information, and architectural guidelines;
- (4) title insurance policies, attorney's opinions on title, surveys, covenants, deeds, notes and deeds of trust and easements relating to the Property.

Seller authorizes (1) any attorney presently or previously representing Seller to release and disclose any title insurance policy in such attorney's file to Firm, (2) the Property's title insurer or its agent to release and disclose all materials in the Property's title insurer's (or title insurer's agent's) file to Firm, and (3) the owners' association manager (or other authorized representative) to release and disclose copies of all documents referenced in subparagraphs (c)(1), (c)(2), and (c)(3) above. Seller acknowledges and understands that Firm is under no obligation to acquire any of the information referenced in this subparagraph (c) or to verify the accuracy of any such information that may be provided to Firm.

(d) immediately referring to Firm all inquiries or offers it may receive regarding the Property; showing the Property only by appointment made by or through Firm; and conducting all negotiations through Firm.

(e) executing and delivering at settlement a GENERAL WARRANTY DEED conveying fee simple marketable title to the Property, including legal access to a public right of way, free of all encumbrances except ad valorem taxes for the current year, utility easements, rights-of-way, and unviolated restrictive covenants, if any, and those encumbrances that the buyer agrees to assume in the sales contract.

Seller represents that the Seller has the right to convey the Property, and that there are currently no circumstances that would prohibit the Seller from conveying fee simple marketable title as set forth in the preceding sentence, except as follows (*insert N/A if not applicable*): _____

NOTE: If any sale of the Property may be a “short sale,” consideration should be given to attaching NCAR form 104 as an addendum to this Agreement.

(f) providing Firm, in a timely manner, any information necessary (including any information omitted under Paragraph 12) to enable Firm to prepare an estimate of Seller’s net proceeds at settlement. Seller acknowledges and understands that any such estimate is an approximation only and that Seller should verify the accuracy of the calculations.

(g) if required by N.C.G.S. §44A-11.1, timely designating a Lien Agent, and providing Firm as soon as reasonably possible a copy of the appointment of Lien Agent.

14. **HOME INSPECTION:** Seller is advised to obtain a home inspection for the purpose of evaluating the condition of the Property in order to enhance its marketability and to help reduce concerns of prospective buyers. Seller agrees does not agree to obtain and pay for a home inspection by a licensed NC Home Inspector within _____ days after the execution of this agreement.

15. **PHOTOGRAPHS AND OTHER MATERIALS:** Firm is specifically authorized to use, for any purposes whatsoever, any and all photographs, drawings, video, advertising copy or other information obtained by or provided to Firm pursuant to this Agreement (including but not limited to any information concerning the price and terms of the sale of the Property, the description of the Property and the length of time the Property is on the market) (“Materials”), both before and after the sale or, in the event there is not a sale, after this Agreement has expired. Seller shall not have or acquire any rights to use any of the Materials created by, on behalf of, or at the direction of Firm or an agent of Firm either during or after the Term of this Agreement without Firm’s written consent. If Seller provides any Materials to Firm (“Seller Materials”), Seller represents that Seller owns the Seller Materials or otherwise has the legal right to provide the Seller Materials to Firm, and Seller grants to Firm and any listing service in which Firm or its agents participate a non-exclusive, perpetual license to use the Seller Materials, including the rights to display, reproduce, distribute or make derivative works from the Seller Materials. Seller agrees to indemnify and hold Firm and its agents harmless from any and all claims resulting from use of the Seller Materials under the terms of this license.

16. **ADDITIONAL TERMS AND CONDITIONS.** The following additional terms and conditions shall also be a part of this Agreement:

SAMPLE

17. **DUAL AGENCY.** Seller understands that the potential for dual agency will arise if a buyer who has an agency relationship with Firm becomes interested in viewing the Property. Firm may represent more than one party in the same transaction only with the knowledge and informed consent of all parties for whom Firm acts.

(a) **Disclosure of Information.** In the event Firm serves as a dual agent, Seller agrees that without permission from the party about whom the information pertains, Firm shall not disclose to the other party the following information:

- (1) that a party may agree to a price, terms, or any conditions of sale other than those offered;
- (2) the motivation of a party for engaging in the transaction, unless disclosure is otherwise required by statute or rule; and
- (3) any information about a party which that party has identified as confidential unless disclosure is otherwise required by statute or rule.

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

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

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

(c) **Seller’s Role.** Should Firm become a dual agent, Seller understands and acknowledges that:

Individual agent initials Seller initials

(1) Seller has the responsibility of making Seller's own decisions as to what terms are to be included in any purchase and sale agreement with a buyer client of Firm;

(2) Seller is fully aware of and understands the implications and consequences of Firm's dual agency role as expressed herein to provide balanced and fair representation of Seller and buyer and to encourage and effect communication between them rather than as an advocate or exclusive agent or representative;

(3) Seller has determined that the benefits of dual agency outweigh any disadvantages or adverse consequences;

(4) Seller may seek independent legal counsel to assist Seller with the negotiation and preparation of a purchase and sale agreement or with any matter relating to the transaction which is the subject matter of a purchase and sale agreement.

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

(d) Designated Dual Agency. When a real estate firm represents both the buyer and seller in the same real estate transaction, the firm may, in its discretion, offer designated dual agency. If offered, designated dual agency permits the firm, with the prior express approval of both the buyer and seller, to designate one or more agents to represent only the interests of the seller and a different agent(s) to represent only the interests of the buyer, unless prohibited by law.

NOTE: An individual agent may not be designated to represent a party in a transaction if that agent has received confidential information concerning the other party in connection with the transaction.

(e) Authorization/Direction (*initial either Dual Agency or Exclusive Representation*).

Dual Agency. Seller authorizes the Firm to act as a dual agent, representing both the Seller and the buyer, subject to the terms and conditions set forth in Paragraph 17.

Seller DOES DOES NOT authorize the same individual agent to represent both the Seller and the buyer in a transaction.

SAMPLE

(also initial if Firm offers designated dual agency and Seller authorizes designated dual agency)

Designated Dual Agency. In addition to authorizing Firm to act as a dual agent, Seller authorizes and directs Firm to designate an individual agent(s) to represent the Seller and a different individual agent(s) to represent the buyer. Firm will practice designated dual agency unless: (i) designated agency would not be permitted by law due to circumstances existing at the time of the transaction, or (ii) Seller authorizes Firm in writing to remain in dual agency only.

OR

Exclusive Representation. Seller desires exclusive representation at all times during this agreement and does NOT authorize dual agency.

18. TERMINATION/BREACH/MEDIATION/ATTORNEYS' FEES.

(a) Termination. Seller acknowledges and understands that this Agreement constitutes a binding, exclusive contract between Seller and Firm for the entire Term stated above. Seller's withdrawal from the fiduciary relationship existing between Seller and Firm prior to the Expiration Date of this Agreement, or Seller's execution of a listing agreement with another firm that becomes effective during the Term of this Agreement, would be a material breach of this Agreement unless it has been terminated in writing by mutual consent of Seller and Firm or for legally-sufficient cause, and any subsequent sale of the Property during the Term may entitle Firm to the Fee described in paragraph 7(a).

(b) Breach. If Seller is in material breach of this Agreement, Firm will be entitled to pursue all remedies available to Firm for such breach, including but not limited to recovery of the Fee described in paragraph 7(a). This provision is in addition to Firm's right to the Fee if Seller breaches this Agreement after the Fee has been earned in accordance with paragraph 7(b). If Firm is in material breach of this Agreement, Seller will be entitled to pursue all remedies available to Seller for such breach.

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

(d) Attorneys' Fees. If legal proceedings are brought by Firm or Seller against the other, the parties agree that a party shall be entitled to recover reasonable attorneys' fees to the extent permitted under N.C. Gen. Stat. § 6-21.2.

Individual agent initials Seller initials

19. WIRE FRAUD WARNING.

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

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

Seller acknowledges and understands that there are risks associated with wire transfers that are not within the reasonable control of Firm, and Seller hereby agrees to release and discharge Firm and Firm's agents from any and all claims, demands, rights and causes of action of whatsoever kind and nature not caused by gross negligence of Firm or Firm's agents arising directly or indirectly out of any wire transfer Seller sends or receives/was to receive in connection with any real estate transaction in which Firm represents Seller.

SAMPLE

[THIS SPACE INTENTIONALLY LEFT BLANK]

20. **ENTIRE AGREEMENT/CHANGES.** This Agreement constitutes the entire agreement between Seller and Firm and there are no representations, inducements, or other provisions other than those expressed herein. This Agreement may be signed in multiple originals or counterparts, all of which together constitute one and the same instrument. All changes, additions, or deletions to this Agreement must be in writing and signed by both Seller and Firm.

NOTE: The North Carolina Real Estate Commission publishes a series of Q&A brochures that address common questions on a variety of topics relating to real estate transactions, including offer and acceptance, earnest money deposits, home inspections, and real estate closings. They are available free of charge on the Commission's website at www.ncrec.gov.

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

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

Seller: _____
Print Name Signature Date

Contact Information: _____
Home Work Cell Email

Mailing Address: _____

Seller: _____
Print Name Signature Date

Contact Information: _____
Home Work Cell Email

Mailing Address: _____

Entity Seller: _____
(Name of LLC/Corporation/Partnership/Trust/etc.)

By: _____ Date: _____

Name: _____ Title: _____
Print Name

Contact Information: _____
Home Work Cell Email

Mailing Address: _____

Firm: MALLARD REALTY GROUP C26335 Firm Phone: 919-696-4254
Print Real Estate Firm Name Firm License Number

Office Address: _____

By: JAMES KEMPSKI 271183
Individual Agent Signature Individual License Number Date

Agent Phone: 919-308-7597 Fax: _____ Email: DURHAMBLUES@GMAIL.COM