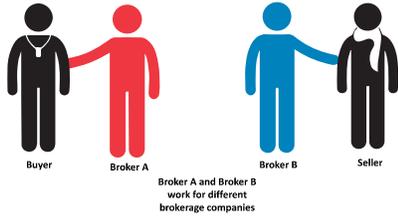
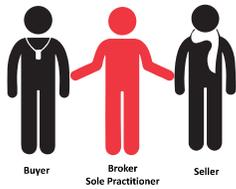


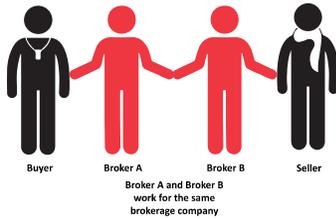
Buyer Agency and Seller Agency



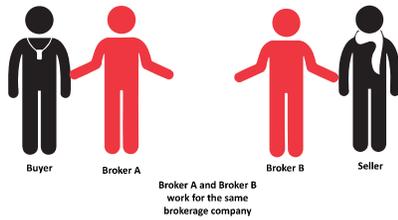
Dual Agency



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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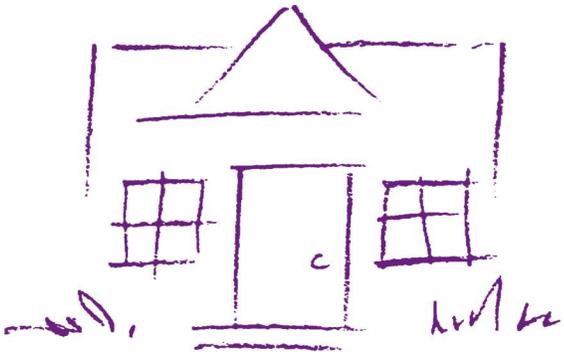


Questions and Answers on: WORKING WITH REAL ESTATE AGENTS

A publication of the North Carolina Real Estate Commission

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.)



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

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 \$ 500.00 - \$1300 (depending on size and age of home)

Termite Inspection – Between \$ 100.00 - \$500.00

HVAC Inspection - Between \$ 300.00- \$500.00 (depending on how many units)

Property Survey (Not Required)- Between \$450-\$ 1500 + (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-\$1500 +

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

Carolina Ventures

Whitney Bullock

919-260-6020

Direct Call Number

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

Jason Grigg Broker and Inspector
Home Inspections

[919-932-0835](tel:919-932-0835)

jason@griggholdingsllc.com

griggholdingsllc.com

Affiliated with Mallard Realty Group

PROFESSIONAL SERVICES DISCLOSURE AND ELECTION
 [See Guidelines (Form 760G) for instructions on completing this form]

Property Address: _____ (“Property”)
 Buyer or Seller: _____
 Real Estate Firm: Mallard Realty Group (“Firm”)

1. There are professional services that typically are performed in connection with the purchase and sale of real estate. Buyer or Seller understands that Firm cannot give advice in certain matters that may relate to the purchase or sale of the Property, including but not limited to matters of law, taxation, financing, surveying, wood-destroying insect infestation, structural soundness or engineering.

REGARDING EACH PROFESSIONAL SERVICE LISTED BELOW, BUYER OR SELLER SHOULD EITHER SELECT THE SERVICE OR ELECT NOT TO HAVE THE SERVICE PERFORMED. WITH RESPECT TO EACH SERVICE SELECTED, INDICATE WHO WILL ORDER THE SERVICE AND THE NAME OF THE SERVICE PROVIDER SELECTED BY BUYER OR SELLER. THIS FORM SHOULD BE AMENDED TO ADDRESS ADDITIONAL PROFESSIONAL SERVICES THAT ARE CONSIDERED AFTER IT IS FIRST COMPLETED.

Service	Waived (Initial)		Selected (Initial)		Ordered By	Name(s) of Service Provider(s)
Accountant/CPA/Tax Advisor					Buyer or Seller	
Appraisal					Attorney Lender	
Attorney (e.g. Title Exam/Title Ins./ Seller Document-Deed Prep/Closing)					Agent	Arnett Law 919-747-2208 Arges Law 919-984-8000 Mann McGibney & Jordan 919-297-3941
Home Warranty					Agent	Choice Home Warranty 800-275-2980 Old Republic - 800-866-2488 2-10 Home Warranty 866-533-0990
Inspections:						
Home					Agent	Billy Spaker All inspected 919-818-2022 Mark Stovall 919-264-5132 Jason Grigg 919-932-0835
HVAC					Agent	R&C HVAC 919-381-0278 Air Innovations 919-620-6715
Pool/Spa					Buyer, Seller, Agent	
Radon*(see note below)					Agent Inspector	Billy Spaker All inspected 919-818-2022 Mark Stovall 919-264-5132 Jason Grigg 919-932-0835
Septic/Sewer					Agent	McFarland Septic 919-383-1015
Well/Water Quality*(see note below)					Agent	AWT Engineers and Soil 919-859-0669
Wood/Pest Infestation					Agent Inspector	Billy Spaker All inspected 919-818-2022 Mark Stovall 919-264-5132 Jason Grigg 919-932-0835
Re-Inspections of agreed-upon repairs (if applicable)					Agent	Billy Spaker All inspected 919-818-2022 Mark Stovall 919-264-5132 Jason Grigg 919-932-0835





Service	Waived (Initial)	Selected (Initial)	Ordered By	Name(s) of Service Provider(s)
Insurance:				
Property	<input type="checkbox"/>	<input type="checkbox"/>	Buyer or Seller	EmilyHunter Farm Bureau 919-544-4953 Brightway Ins. 919-744-1019 Liberty Mutual 919-401-1550 EXT 56557
Flood	<input type="checkbox"/>	<input type="checkbox"/>	Buyer or Seller	EmilyHunter Farm Bureau 919-544-4953 Brightway Ins. 919-744-1019 Liberty Mutual 919-401-1550 EXT 56557
National Flood Insurance Program, Elevation Certificate	<input type="checkbox"/>	<input type="checkbox"/>	Buyer or Seller	EmilyHunter Farm Bureau 919-544-4953 Brightway Ins. 919-744-1019 Liberty Mutual 919-401-1550 EXT 56557
Mortgage Loan	<input type="checkbox"/>	<input type="checkbox"/>	Buyer, Seller , Agent	Carolina Ventures Mortgage 919-260-6020 Tina Konidaris NFM Lending 919-412-5301 Will Scroggs Corp Investors 919-428-5140
Survey** (see note below)	<input type="checkbox"/>	<input type="checkbox"/>	Attorney	
Structural	<input type="checkbox"/>	<input type="checkbox"/>	Agent	Carter Engineering 919-349-9648
Electrical	<input type="checkbox"/>	<input type="checkbox"/>	Buyer, Seller , Agent	ARC Electric 919-888-3500 Ryan King 919-971-4350 Durham Electrical 919-236-7167
Plumbing	<input type="checkbox"/>	<input type="checkbox"/>	Buyer, Seller , Agent	Blake Quality Plumbing 919-383-2483 Durham Plumbing Service 919-672-1723
	<input type="checkbox"/>	<input type="checkbox"/>		
	<input type="checkbox"/>	<input type="checkbox"/>		
	<input type="checkbox"/>	<input type="checkbox"/>		

2. Buyer or Seller acknowledges Firm has recommended that Buyer or Seller consult with a professional for an opinion regarding each service listed above to be performed pursuant to Buyer or Seller's purchase or sale of the property. Buyer or Seller hereby 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 or Seller's selection and use of any of the listed service providers or Buyer or Seller's election not to have one or more of the listed services performed.

*** NOTE REGARDING RADON AND OTHER ENVIRONMENTAL QUALITY ISSUES TESTING:** In addition to testing for the presence of radon, consideration should be given to testing the air and any private drinking well water for the presence of other contaminants, including but not limited to, biological, chemical, and radiological contaminants. Buyer or Seller should consult with an air and/or water quality specialist regarding the need for and scope of any such testing.

Individual Agent initials Buyer or Seller initials

****NOTE REGARDING SURVEYS:** Situations arise all too often that could have been avoided if the buyer had obtained a new survey from a NC registered surveyor. A survey will normally reveal such things as encroachments on the Property from adjacent properties (fences, driveways, etc.); encroachments from the Property onto adjacent properties; road or utility easements crossing the Property; violations of set-back lines; lack of legal access to a public right-of-way; and indefinite or erroneous legal descriptions in previous deeds to the Property. Although title insurance companies may provide lender coverage without a new survey, the owner's policy contains an exception for easements, set-backs and other matters which would have been shown on a survey. Many such matters are not public record and would not be included in an attorney's title examination. In addition, if the buyer does not obtain their own survey, they would have no claim against a surveyor for inaccuracies in a prior survey.

OTHER IMPORTANT NOTES:

- ALTHOUGH FIRM MAY PROVIDE BUYER OR SELLER THE NAMES OF PROVIDERS WHO CLAIM TO PERFORM SERVICES IN ONE OR MORE OF THE LISTED AREAS, BUYER OR SELLER UNDERSTANDS THAT FIRM CANNOT GUARANTEE THE QUALITY OF SERVICE OR LEVEL OF EXPERTISE OF ANY SUCH PROVIDER.
- BUYER OR SELLER AGREES TO PAY THE FULL AMOUNT DUE FOR ALL SERVICES DIRECTLY TO THE SERVICE PROVIDER WHETHER OR NOT THE TRANSACTION CLOSSES.

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 or Seller

Date: _____

Signature of individual agent

Mallard Realty Group

Real Estate Firm (print name)

Buyer or Seller

Date: _____

Date: _____

Entity Buyer or Seller:

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

By:

Name: _____

Title: _____

Date: _____

PROPERTY SHOWING AGREEMENT

This Agreement is between _____ (“Buyer”) and Mallard Realty Group (“Firm”).

- 1. Services Provided: Firm will assist Buyer in locating and touring properties offered for sale in (describe type and location) _____ (“Showing Services”). While providing Showing Services, Firm will represent Buyer as Buyer’s agent and will act in the best interest of Buyer. This is not an exclusive agency agreement, and Buyer may hire another agent at any time. If Buyer decides to make an offer on a property, Firm may require Buyer to sign another agency agreement if Buyer wants Firm’s assistance with the offer.
2. Other Showing or Agency Agreements: Buyer [] has [] has not signed a document with another real estate agent or firm in order to see a property. If Buyer has signed a document with another agent, Buyer agrees to give Firm the agent’s contact information so Firm can confirm its ability to provide services to Buyer.
3. Term of Agreement: This Agreement will be effective when signed by Buyer and Firm and will expire at 11:59 p.m. on _____ unless either Buyer or Firm terminates this Agreement earlier by giving a written notice. Written notice can be given at any time and for any reason by letter, text message, email, or any other writing.
4. Fee for Showing Services: (Choose only one) [] Buyer will pay Firm a non-refundable fee of \$_____ for the Showing Services in this Agreement; or [] No Fee is owed by Buyer under this Agreement. Firm may not receive compensation for Showing Services from any other source.
5. Negotiable Fee: THE AMOUNT, FORMAT, OR RATE OF REAL ESTATE COMPENSATION IS NOT FIXED BY LAW BUT IS SET BY EACH BROKER INDIVIDUALLY AND IS FULLY NEGOTIABLE.
6. NONDISCRIMINATION: 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.

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 TRANSACTION.

Buyer: (Name) _____ (Signature) _____ (Date) _____
Contact: (Phone and Email) _____
Mailing Address: _____

Buyer: (Name) _____ (Signature) _____ (Date) _____
Contact: (Phone and Email) _____
Mailing Address: _____

Entity Buyer: (Name of LLC, Corp., Trust, etc.) _____
By: (Name & Title) _____ (Signature) _____ (Date) _____
Contact: (Phone and Email) _____
Mailing Address: _____

Firm: (Name) Mallard Realty Group (License Num.) C26335 (Phone) _____
By: (Agent Signature) _____ (License Num.) 271183 (Date) _____
Office Address: 318 Cloister CT. Chapel Hill NC 27514
Agent Contact: (Phone, Fax, and Email) James Kempski 919-308-7597 DurhamBlues@gmail.com



EXCLUSIVE BUYER AGENCY AGREEMENT

This Agreement is between _____ (“Buyer”) and SAMPLE (“Firm”).

1. **Services Provided:** Firm will assist Buyer in locating and buying the following real property (describe type and location):

_____ (the “Services”). While providing the Services, Firm will represent Buyer as Buyer’s exclusive agent and will act in the best interest of Buyer. Buyer agrees to cooperate with Firm and also agrees that all offers, contracts, negotiations, leads, inspections, appointments, and any other activities in connection with buying property will be facilitated by and through Firm only. Firm may assign other agents in the Firm to provide the Services at any time. Even though Firm will act in the best interest of Buyer, Buyer understands that Firm may represent other buyers, who may be shown the same property as Buyer.

2. **Buyer Disclosures:** Buyer makes the following disclosures and agrees to update them immediately if any changes occur.

- a. Buyer has has not signed a document with another real estate agent or firm. If Buyer has signed a document with another agent – for example, a document signed in order to tour a property – Buyer agrees to give Firm the agent’s contact information so Firm can confirm its ability to provide the Services to Buyer.
b. Buyer is is not working with a relocation company.
c. Buyer has has not received sample copies of the purchase contract and professional services disclosure form.

3. **Term of Agreement:** This Agreement will be effective when signed by Buyer and Firm and will expire either when Buyer purchases property as described in section 1 or at 11:59 p.m. on _____, whichever occurs first.

4. **Fee for Services:** Buyer agrees to pay Firm (Check all that apply):

- A non-refundable retainer of \$_____ which will be credited toward Firm’s total compensation
 _____ % of the gross sales price
 A flat fee of \$_____
 Other Specific Amount: _____

- a. **Fee Earned; Due and Payable:** Except for any non-refundable retainer, the fee in this section will be earned by Firm when Buyer enters into a written contract (“Contract”) during the term of this Agreement to buy real property as described in section 1. The fee will be due and payable to Firm when Buyer, any authorized assignee of Buyer, or any party authorized by Buyer in the Contract, closes or defaults on the Contract.
b. **Seller or Listing Firm Assistance:** Firm may seek compensation from the seller or listing firm to pay some or all of the fee due in this Agreement. However, Buyer understands that neither a seller nor a listing firm has a duty to pay Firm’s fee.
c. **Mutual Termination Required:** If Buyer hires another buyer agent or firm while this Agreement is in effect, Buyer will remain liable to pay for any earned fee in this section that becomes due and payable unless Firm and Buyer both agree to terminate this Agreement.
d. **Protection Period:** If Buyer enters into a Contract within _____ days after this Agreement expires for a property introduced to Buyer by Firm, then the fee in this section 4 will be deemed earned unless Buyer has entered into another agency agreement with another real estate agent or firm. Any fee earned during this Protection Period will be due and payable as provided in section 4(a) of this Agreement.

5. **Negotiable Fee; Additional Compensation:** BUYER UNDERSTANDS THAT THE AMOUNT, FORMAT, OR RATE OF REAL ESTATE COMPENSATION IS NOT FIXED BY LAW BUT IS SET BY EACH BROKER OR FIRM INDIVIDUALLY AND IS FULLY NEGOTIABLE. If any additional compensation is offered to Firm from any other party or person and related to the Services, and the additional compensation exceeds what Buyer has agreed to pay herein, Firm cannot be paid the additional compensation unless Buyer agrees to amend this Agreement. Buyer has no obligation to agree to additional compensation.



6. **Dual Agency:** Dual agency occurs when a real estate firm represents both the buyer and the seller in a transaction. Designated dual agency is a specific type of dual agency where a firm will appoint one agent to represent only the interests of the seller and a different agent to represent only the interests of the buyer. Designated dual agency permits a firm to fully advise and advocate for both a buyer and a seller as if the appointed agents were not both affiliated with the same firm. Not every real estate firm offers dual agency or designated dual agency. Authorizations available below may vary.

a. **Terms of Dual Agency:** If dual agency is permitted, Buyer understands and agrees to the following:

- i. Firm will act as Buyer’s exclusive agent up until dual agency occurs. However, in its separate representation of Buyer and a seller, Firm may obtain information which, if disclosed, could harm Buyer’s bargaining position.
- ii. Buyer will have to make their own decisions as to what terms will be included in an offer to purchase unless designated dual agency is directed by Buyer below.
- iii. Unless required by law, Firm will not disclose to a seller: that Buyer may agree to a price or contract terms different than what Buyer has offered; Buyer’s motivation for wanting to buy a property; and any other information that Buyer has told Firm is confidential. Firm will similarly not reveal to Buyer the same kind of information as it relates to a seller.
- iv. Firm will represent Buyer and the seller in a balanced and fair manner, and Firm will assist both parties in their communications regarding the transaction. However, Firm will be limited in its ability to advocate for Buyer, like an exclusive agent would, unless designated dual agency is directed below.
- v. If designated dual agency is directed, an agent in Firm will not be designated to represent Buyer or the seller if that agent has received confidential information concerning the other party.
- vi. Buyer has determined that the advantages of dual agency outweigh the disadvantages.

b. **Authorizations:** Initial only as applicable below.

SAMPLE

_____ Firm may act as a dual agent in a transaction involving Buyer. If Firm may not act as a dual agent, then Buyer will always have exclusive representation under this Agreement.

If Firm may act as a dual agent, then:

_____ Buyer authorizes the same agent to represent both Buyer and a seller in dual agency.

_____ Buyer directs Firm to practice designated dual agency. If Buyer directs Firm to practice designated dual agency, then Firm may only practice designated dual agency unless it is not allowed under North Carolina law.

c. **Material Facts:** Regardless of whether dual agency is authorized, Firm must disclose any material facts to all parties in a transaction. This duty applies whether Firm is Buyer’s exclusive agent or a dual agent, including designated dual agency.

d. **Waiver:** Should Firm become a dual agent, Buyer waives all claims, damages, losses, expenses, and liabilities, other than for violations of the NC Real Estate License Law and intentional wrongful acts arising from Firm’s role as a dual agent.

7. **Surveillance; Photographs; and Video:** Buyer understands that some properties may have video, audio, or surveillance devices. Federal and state laws prohibit the recording of oral communications without consent. However, video surveillance without consent may be permitted. Buyer may take photos or record video as long as Buyer does not intrude on the owner’s reasonable expectation of privacy and owner has not prohibited photography and video. Buyer should only record spaces in plain view. If Buyer were to intrude on an owner’s privacy – for example, if Buyer were to take pictures of a medicine cabinet or inside a desk drawer – then Buyer may be subject to liability. Firm may not have control of pictures or videos of a property that Buyer may purchase, and accordingly, such information will not be removed from public display after Buyer’s purchase.

8. **Other Professional Advice:** Buyer is advised to seek other professional advice regarding law, taxes, financing, insurance, surveying, wood destroying insects, structural soundness, engineering, building construction, and other matters related to purchasing real estate. Buyer also should consider seeking legal advice regarding this Agreement. Firm may provide recommendations for these other services, but Firm cannot guarantee the quality or level of expertise. Buyer agrees to hold Firm harmless regarding Buyer’s use of other professional services. Buyer also agrees to fully indemnify Firm if a claim is brought against Firm stemming from Buyer’s use of other professionals or Buyer’s election not to use other professionals.

9. **Inspection Costs:** Unless otherwise agreed, Buyer must pay for all inspection costs and other professional services related to purchasing a property including all items in section 8. This duty to pay will apply regardless of whether Buyer closes on a property.

10. **Confidentiality:** Firm will not disclose the price or other terms of an offer by Buyer to a competing party without the express consent of Buyer. However, sellers may elect not to treat Buyer’s offer as confidential. Sellers may also elect not to disclose other offers and instruct their agent to keep that information confidential.
11. **WIRE FRAUD WARNING:** Before sending any wire, Buyer should verify the recipient’s phone number independently, and call the recipient to verify the wiring instructions. If Buyer receives wiring instructions for a different bank, branch location, or account name or number, they should be presumed fraudulent. If fraud is at all suspected, do not send any funds, contact the recipient immediately, and presume that any phone number received in an email from the closing attorney, Firm, another real estate agent, or anyone else is fraudulent. Buyer understands that there are risks associated with wire transfers that are not within the reasonable control of Firm. Buyer agrees to release and discharge Firm and Firm’s agents from all claims not caused by gross negligence relating to a wire transfer associated with the Services.
12. **Additional Terms:** Exhibit A

 _____. If there is a conflict between the terms in this section and any other part of this Agreement, the terms in this section will control. Firm and Buyer may also insert “see attached” and add additional terms with a separate addendum.
13. **Merger; Modification; Assignment; Enforcement; Attorney’s Fees; and Governing Law:** This Agreement represents the entire agreement of the parties hereto. All prior understandings and agreements are merged into this document. This agreement may only be modified by a written document signed by all parties, and it may not be assigned except by written consent of all parties. Subject to statutory limitations, if legal proceedings are instituted to enforce any provision of this agreement, the prevailing party in the proceeding shall be entitled to recover from the non-prevailing party reasonable attorney’s fees and court costs incurred in connection with the proceeding. This agreement is governed by North Carolina law.
14. **NONDISCRIMINATION:** 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.

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 TRANSACTION.

SAMPLE

Buyer: (Name) _____ (Signature) _____ (Date) _____
 Contact: (Phone and Email) _____
 Mailing Address: _____

Buyer: (Name) _____ (Signature) _____ (Date) _____
 Contact: (Phone and Email) _____
 Mailing Address: _____

Entity Buyer: (Name of LLC, Corp., Trust, etc.) _____
 By: (Name & Title) _____ (Signature) _____ (Date) _____
 Contact: (Phone and Email) _____
 Mailing Address: _____

Firm: (Name) _____ (License Num.) _____ (Phone) _____
 By: (Agent Signature) _____ (License Num.) _____ (Date) _____
 Office Address: _____
 Agent Contact: (Phone, Fax, and Email) _____

Exhibit A

Buyers acknowledgement of the following

SAMPLE

- a) 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 consistent with Firm's duties.
- b) Buyer authorizes Firm to submit pertinent information concerning the property, including sales price, to such listing service.
- c) 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.
- d) 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.).
- e) 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.
- f) 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

SAMPLE

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.

- g) 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. 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. If Firm is in material breach of this Agreement, Buyer agrees to 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 for 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.
- h) 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.

- i) 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.
- j) 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.
- k) This contract / agreement can be terminated at any time for any reason by Mallard Realty Group and / or the buyers agent.

COOPERATIVE COMPENSATION AGREEMENT

(Use this form when a seller is represented by a licensed real estate broker. Use Form 150 for an unrepresented seller.)

“Seller”: _____
 “Buyer”: _____
 “Property”: _____

1. **FEE:** (Check Only One) Seller or Listing Firm agrees to pay Selling Firm cooperative compensation as follows (the “Fee”), subject to the terms of this agreement: _____% of the gross sales price; A flat fee of \$ _____; or, Other: _____.
2. **PAYMENT:** The Fee will be earned by Selling Firm upon both Buyer and Seller signing a written contract for the sale of the Property (the “Contract”) during the term of this agreement. The Fee will be due and payable to Selling Firm when Buyer, any authorized assignee of Buyer, or any party authorized by Buyer and Seller under the Contract or any amendment thereto, closes on the purchase of the Property. The Fee will be paid at closing, as defined in the Contract, unless otherwise agreed.
3. **TERM, EFFECTIVENESS, AND EXPIRATION:** This agreement shall be effective when signed by Seller or Listing Firm, as applicable, and Selling Firm. This agreement will terminate upon the earlier of closing, as defined in the Contract, or _____, 20____, unless the Fee has been earned prior to such date. If the Fee has been earned prior to the expiration date in this paragraph, then this agreement shall not terminate and it will continue to be in full force and effect until closing, as defined in the Contract, or until the Contract is terminated, so long as such termination is not a result of Seller’s breach. If Listing Firm has agreed to pay the Fee, Listing Firm will not be obligated to pay if Seller breaches the Contract and Listing Firm is not paid. Buyer signs below only to acknowledge and consent to the Fee.
4. **MERGER, MODIFICATION, ASSIGNMENT, ENFORCEMENT, AND GOVERNING LAW:** This Agreement represents the entire agreement of the parties hereto. All prior understandings and agreements are merged into this document. This agreement may only be modified by a written document signed by all parties, and it may not be assigned except by written consent of all parties. If legal proceedings are instituted to enforce any provision of this agreement, the prevailing party in the proceeding shall be entitled to recover from the non-prevailing party reasonable attorney’s fees and court costs incurred in connection with the proceeding. This agreement is governed by North Carolina law.

DO NOT UPLOAD THIS FORM TO THE MLS OR ATTACH IT TO A PURCHASE CONTRACT. NC REALTORS® MAKES NO REPRESENTATION AS TO THE LEGAL VALIDITY OR ADEQUACY OF THIS FORM IN ANY TRANSACTION.

Listing Firm: _____ Agent Name (Print): _____ By: _____ (Agent Signature) Date: _____	Selling Firm: _____ Agent Name (Print): _____ By: _____ (Agent Signature) Date: _____
Seller: _____ (Signature) Date: _____ Seller: _____ (Signature) Date: _____ Entity Seller: _____ (Name of LLC/Corporation/Partnership/Trust/Etc.) By: _____ Name (Print): _____ Title: _____ Date: _____	Buyer: _____ (Signature) Date: _____ Buyer: _____ (Signature) Date: _____ Entity Buyer: _____ (Name of LLC/Corporation/Partnership/Trust/Etc.) By: _____ Name (Print): _____ Title: _____ Date: _____



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

A: Whenever possible, you should be present. The 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 evaluation or any combination of the two. Home Inspectors are required to give you a written “Summary” of their inspection identifying any system or component that does not function as intended, or adversely affects the habitability of the dwelling,

or appears to warrant further investigation by a specialist. The summary does not necessarily include all items that have been found to be defective or deficient. Therefore, do not read only the summary. 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.

**North Carolina
Home Inspector Licensure Board**
322 Chapanoke Road, Suite 200
Raleigh, NC 27603
919/662-4480

The North Carolina Real Estate Commission
P.O. Box 17100
Raleigh, North Carolina 27619-7100
919/875-3700
Web Site: www.ncrec.state.nc.us

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Questions and Answers on:
**HOME
INSPECTIONS**



Questions and Answers on: **HOME INSPECTIONS**

For most persons, 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 to them on their condition. Sometimes sellers also employ Home Inspectors to alert them to problems with their homes which could arise later in the transaction. But normally Home Inspectors are employed by buyers. For this reason, 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 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, you should contact the North Carolina Home Inspector Licensure Board, 322 Chapanoke Road, Suite 200, Raleigh, NC 27603 919/662-4480.



Q: What is a home inspection?

A: It 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) a better 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 local 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.]* Nor should it be considered a "technically exhaustive" evaluation, but rather 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, they can gain a better understanding of the condition of the property, especially whether any items do not "function as intended" or "adversely affect the habitability of the dwelling" or "warrant further investigation" by a person who specializes in the item in question.

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 the home inspected and the right to request that the seller repair identified problems with the home. Will the home inspection identify all of these problems?**

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

A: Yes and No. Home Inspectors typically evaluate 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 certain other items listed in the *Offer to Purchase and Contract* form. Always ask the Home Inspector if he covers all the things which 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 their 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 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.

Continued

Home Buyer Guide

Step 1: Research and determine the type of property that you would like to purchase. Skip this if you've already decided on a single-family detached, townhome, condo, or multi-family home. Detached single-family homes are your 'standard' homes, which are detached structures on separate lots. These are the most maintenance intensive but also have the most privacy and yard space. Some people also prefer a detached home so they can control the maintenance schedule versus relying on a homeowners association (HOA) for maintenance. Townhomes are attached dwellings that usually have some maintenance provided by the HOA. For example, the homeowners association is usually responsible for yard maintenance and siding repair. There is some cost associated with this maintenance, and the average HOA fees on a townhome in the Triangle are around \$300 - \$500.00 + per month. Also, in North Carolina, you typically own the land directly underneath your townhome. With a condo you actually don't own the building or the land in most circumstances. You own from the 'paint in' as it is commonly described. With condos, the lowest amount of maintenance is required, since all exterior maintenance on the siding and roof is covered by the HOA. However, most condo HOAs still require you to maintain your heating and air systems. The last option is a multi-family home, such as a duplex or triplex. With these options, home buyers could rent out the other unit or two to help pay for the mortgage on the property. Though initially, this may sound like a great idea, there are many pitfalls with this option. A few examples are the extremely low inventory for this type of property (and the associated premium price that they command), the extra work that multi-family properties require, and the fact that by being so close to your renters you are typically 'always on the clock' when there is a repair or problem.

Step 2: Put a list together of the features you want your new home to have. When it comes to your 'must-have' list, buyers will write out and rank the items they would like to have. It's possible that an amazing home will come on the market that doesn't have a few of these features, but either way, it's a good thing to do while planning on your home. A few examples are the number of beds/baths, yard size, move-in ready, and wanting to be in a certain area or areas. Though these are the basics, you can write down as much as you want to help brainstorm what your first home may look like. The starter home option If your must-have criteria put you over budget, consider a starter home. Many buyers will plan to live in this home for 3-5 years, and then keep it as an investment property afterward (or sell it). A starter home can be a great way to protect you financially if things are just a little bit tight as well. Nobody wants to be house poor, and by purchasing a smaller home at first you can continue to save and invest effectively.

Step 3: Meet with your realtor in person. Once you have your list of wants together it's time to meet! I'll help set up an auto-search for you, which will automatically email you new listings that fit your criteria. Mallard Realty and Triangle House Hunter will also provide guidance based on your criteria, such as which items will be difficult in the current market. For example, if you want to be in an area where the homes all get 5-10 offers I will let you know what it takes to win an offer there. There are many different strategies for various real estate situations. A common

question from home buyers is if they need to pay them a commission. Buyer's usually do not have to pay a commission if the seller is paying the commission. This is because the buyer's realtor is paid through the listing agreement the seller signed with the listing realtor. However, in circumstances, such as a for-sale-by-owner, this may not be the case. If a for sale-by-owner comes up I typically discuss the situation with the buyers, since many for-sale-by-owners are still paying the buyer's agents commission- they just don't have a listing realtor helping them. Another circumstance is where the listing firm and or the seller is not paying a commission to the buyer's agent firm. In those circumstances and others where the listing firm or seller is not paying a buyer's agent commission, **it would be your responsibility to pay the buyer's agent's firm commission. This can range between 2% - 4% of the sales price.** With each property we look at we will assess if the seller or the listing firm is paying a buyer's agent commission.

Step 4: Get your pre-qualification letter for your mortgage Before you start looking at homes in person it's a good idea to get your pre-qualification letter for your mortgage. This is done by going to your bank and talking to a loan officer. We also have recommendations of loan officers that we've worked with for years should you need one. The loan officer will go over how much you can afford, as well as the various payments that you can expect at different price points. If you are shopping around, one important note is to make sure to talk to all of the lenders within a day or two. This is because mortgage rates fluctuate each day and you want to make sure you are comparing apples to apples. The second mortgage lender could seem more expensive, but it could just be that the mortgage rates went up since you met with the first lender. As far as the downpayment goes, there are many options in the marketplace today. The most common are the 3.5%, 5%, 10%, and 20% down options, but there are a few options for 0% down (always with requirements- talk to your loan officer). Also, if you are putting less than 20% down, you may have to pay private mortgage insurance. This is an additional charge of around \$200 or \$400/month (it depends on your loan amount). This fee will go away once you pay enough of your mortgage to hit the 20% equity requirement but is still something to consider when weighing your options.

Step 5: Get out and tour homes! Now is the time to get out there and start touring homes! We will get a list of homes together, and plan a day and time. My knowledge of homes and the area will be helpful as we are touring, as I know what to look out for. I will point out both the positive and negative aspects of a home and neighborhood to help you make an informed choice.

Step 6: Once you find a home you like then review the property disclosures Once you find a house you like it's important to review the property disclosure forms. These are the forms the sellers fill out to disclose any important information, such as how old the roof is or what kind of pipes the property has. Sellers don't always have complete information, but it's still good to review what's available. In North Carolina it's allowed for sellers to put "No Representation" for the disclosure items, which is common on investment properties where the seller has never lived in the home. Although a seller can put "No Representation," the seller's realtor is required

to disclose any material facts that they come across while viewing the property. Examples of material facts include that the property has foundation issues, or that the property is located right next to a landfill.

Step 7: Research homes that have sold recently nearby Along with sending you the disclosures to review I will also research the “comps.” Comps are comparable homes that have sold recently nearby. By analyzing the comps we can determine the approximate value of the home, and whether the seller’s asking price is too high, too low, or just right. Based off of this analysis you can determine what price you would like to offer and develop your offer strategy. Step 8: Prepare the offer paperwork The moment of truth! Now is the time to fill out the offer paperwork and send it on to the sellers. This includes the offer form, disclosures, and pre-approval letter from your lender. Sometimes we also include a personal ‘buyer letter’ to the sellers, especially if there is a multiple-offer situation. Step 9: Negotiate on terms and go under contract! The sellers can accept, reject, or provide a counteroffer. Typically there’s some negotiating on the terms of the offer. Once everyone has agreed on the terms, all parties sign a new offer and we will receive the offer paperwork back from the seller’s realtor. Then we are officially under contract!

Step 10: The transaction Once you are under contract there are two time periods. The first is the "due diligence period," where you will do your inspections and the bank will order an appraisal if you're getting financing. Depending on the bank you use (some banks process faster than others), this is also the period where you'll get approval for the loan. During the inspections, you will find repairs that need to be completed on the home. Repairs are negotiated after the home inspection, and before the due diligence period ends. Though they are not required to as all properties in North Carolina are sold “AS IS”. most sellers will agree to some or all of the repair items. Buyers do not have this option on full AS-IS sales such as foreclosures, short sales, and most estate sales. If buyers are unhappy with what the seller is willing to repair they can terminate the contract, but they would lose the due diligence fee and inspection/appraisal costs (as mentioned above). The second time period is the "pending closing period," which starts when you have finished your due diligence. Inspections and appraisal have been completed and you are now preparing for closing. You will set up utilities and change your mailing address with the USPS. During this period the lender will provide a loan package to your closing attorney and you will review a closing statement. The closing statement has all the charges associated with the purchase, including any prorated taxes and fees. It will also have the dollar amount you need to wire to the attorneys office prior to closing.

Step 11: Closing On closing day be sure to bring your driver's license. Depending on your attorney, closing usually takes about 30 minutes for a transaction without financing and 1 hour with financing. We recommend Arnette Law to our clients. Both of the attorneys Cara and Kesai are great to work with, and our clients are always very satisfied with the experience!

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": _____

(b) "Buyer": _____

(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":

\$ _____

\$ _____

\$ _____

\$ _____

\$ _____

\$ _____

\$ _____

\$ _____

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 IS 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 7/2024
© 7/2024

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): _____
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.

(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. Seller, or Seller's agent, may direct Buyer in writing to make the Due Diligence Fee payable to a party other than "Seller" as that term is defined herein, and Seller agrees to be bound by such written direction. See paragraph 23 for a party's right to attorneys' fees incurred in collecting the Due Diligence Fee.

(j) **“Due Diligence Period”**: (Check only one)

The period beginning on the Effective Date and extending through 5:00 p.m. on (insert date only; not “N/A”) _____;

OR

The period extending for (insert a number only; not “N/A”) _____ days after the Effective Date and ending at 5:00 p.m. on the last day of the period.

TIME IS OF THE ESSENCE FOR ANY DEADLINE IN THIS PARAGRAPH.

(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.

(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).

(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.

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: _____

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 as allowed under paragraphs 4 and 8(c) herein, 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/Wetland/Water Hazard:** Investigation of potential flood hazards, wetlands, or other water or riparian issues on the Property; and/or any requirement to purchase flood insurance in order to obtain a 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.

(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 IS 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.

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:

Other funds:

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

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.

(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: _____

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 not a 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) As soon as reasonably possible after the Effective Date, Seller shall provide to the closing attorney all information needed to obtain a written statement of Seller's account from any owners' association or HOA management company associated with the Property. Seller designates the closing attorney as Seller's agent with express authority to request and obtain on Seller's behalf a written statement of Seller's account as to the Property. Upon request from the closing attorney, Seller shall immediately pay any fees charged by the owners' association or HOA management company for such written statement.

(iv) 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 by the Internal Revenue Code.

(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 therein, to the parties to this transaction, their real estate agent(s) and Buyer's lender(s).

(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 any Due Diligence, investigations, or inspections; (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 Buyer establishes that a violation exists after the Effective Date and prior to Closing, then Buyer must promptly notify Seller and 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.

(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.

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:

- (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))

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, 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.

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.

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: _____

Date: _____

Buyer: _____

Seller: _____

Date: _____

Date: _____

Buyer: _____

Seller: _____

Entity Buyer:

Entity Seller:

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

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

By _____

By: _____

Name: _____
Print Name

Name: _____
Print Name

Title: _____

Title: _____

Date: _____

Date: _____

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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

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:

Mailing Address: _____

Buyer Fax#: _____

Buyer E-mail: _____

SELLER NOTICE ADDRESS:

Mailing Address: _____

Seller Fax#: _____

Seller E-mail: _____

CONFIRMATION OF AGENCY/NOTICE ADDRESSES

Selling Firm Name: _____

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

Firm License #: _____

Mailing Address: _____

Listing Firm Name: _____

Acting as Seller's Agent Dual Agent

Firm License #: _____

Mailing Address: _____

Individual Selling Agent: _____

Acting as a Designated Dual Agent (check only if applicable)

Selling Agent License #: _____

Selling Agent Phone #: _____

Selling Agent Fax #: _____

Selling Agent E-mail: _____

Individual Listing Agent: _____

Acting as a Designated Dual Agent (check only if applicable)

Listing Agent License #: _____

Listing Agent Phone #: _____

Listing Agent Fax #: _____

Listing Agent E-mail: _____

[THIS SPACE INTENTIONALLY LEFT BLANK]

ACKNOWLEDGMENT OF RECEIPT OF MONIES

Seller: _____ (“Seller”)
Buyer: _____ (“Buyer”)
Property Address: _____ (“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 \$ _____, receipt of which Listing Agent hereby acknowledges.

Date _____ Firm: _____

By: _____
(Signature)

(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 \$ _____, 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 \$ _____. 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 : _____

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 \$ _____. 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: _____

Time: _____ AM PM By: _____
(Signature)

(Print name)