

OFFER TO PURCHASE AND CONTRACT

PARTIES:

Buyer:

Seller:

NAME

MAILING ADDRESS

CITY, STATE ZIP

TELEPHONE

EMAIL

Buyer, hereby offers to purchase and Seller, upon acceptance of said offer, agrees to sell and convey, all of that plot, piece or parcel of land described below, together with all oil, gas, and mineral rights along with all improvements located thereon and such fixtures and personal property as are listed below (collectively referred to as the "Property"), upon the terms and conditions set forth herein. This offer shall become a binding contract (hereinafter referred to as "Contract") on the date that: (i) the last one of the Buyer and Seller has signed or initialed this offer or the final counteroffer, if any, and (ii) such signing or initialing is communicated to the party making the offer or counteroffer, as the case may be. Such date shall be referred to herein as the "Effective Date." Buyer and Seller hereby agree that the preferred methods of communication and delivery of any notices required under this Contract shall be in the following order: 1) email; 2) telephone; and then, 3) mailing address.

1. REAL PROPERTY: Located in _____ County, State of North Carolina, being known as and more particularly described as:

Address: _____, NC _____

Lot Number: _____ Subdivision Name: _____ Tax ID: _____

All Part of the property acquired by Seller in Deed Book _____ at Page _____ .

2. FIXTURES: The following items, if any, and if owned by the Seller, are included in the purchase price free of liens: any built-in appliances, light fixtures, ceiling fans, attached floor coverings, blinds, shades, drapery rods and curtain rods, brackets and all related hardware, window and door screens, storm windows, combination doors, awnings, antennas, satellite dishes and receivers, burglar/fire/smoke alarms, pool and spa equipment, solar energy systems, attached fireplace screens, gas logs, fireplace inserts, electric garage door openers with controls, outdoor plants and trees (other than in movable containers), basketball goals, storage sheds, mailboxes, wall and/or door mirrors, attached propane gas tank, invisible fencing including all related equipment, lawn irrigation systems and all related equipment, water softener/conditioner and filter equipment, and any other items attached or affixed to the Property, EXCEPT any such items leased by the Seller and the following items: _____

3. PERSONAL PROPERTY: The following personal property is included in the transfer of the Property for no additional consideration:

4. PURCHASE PRICE: The purchase price is \$ _____ and shall be paid in U.S. Dollars. The purchase price shall be paid as follows:

(a) \$ _____, EARNEST MONEY DEPOSIT with this offer by cash or personal check to be deposited and held in escrow by Innovative Closing Solutions ("Buyer's Attorney") until the sale is closed, at which time it will be credited to Buyer, or until this contract is otherwise terminated. In the event: (1) this offer is not accepted; (2) any of the conditions hereto are not satisfied; or, (3) the Buyer terminates this Contract prior to closing, then all earnest monies shall be refunded to Buyer. In the event of breach of this contract by Seller, all earnest monies shall be refunded to Buyer upon Buyer's request, but such return shall not affect any other remedies available to Buyer for such breach. In the event of breach of this contract by Buyer, then all earnest monies shall be forfeited to Seller upon Seller's request, and such forfeiture shall be the sole remedy available to Seller for such breach.

NOTE: In the event of a dispute between Seller and Buyer over the return or forfeiture of earnest money held in escrow, Buyer may direct Buyer's Attorney as to the distribution of said Earnest Money and Buyer agrees to hold harmless and indemnify Buyer's Attorney from any loss whatsoever regarding the distribution of said Earnest Money per the Buyer's instructions.

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(b) \$ _____, representing the approximate unpaid principal balance and all obligations of Seller on the existing loan(s) secured by a deed of trust on the Property subject-to which Buyer agrees to accept transfer of title.

(c) \$ _____, BY SELLER FINANCING in accordance with the attached Seller Financing Addendum.

(d) \$ _____, BALANCE of the purchase price in cash at Closing.

5. BUYER ABILITY TO TERMINATE:

Buyer's performance is contingent upon: 1) satisfactory, in Buyer's sole discretion, passage of inspections of the Property; 2) Buyer's ability to secure financing suitable to Buyer for the acquisition, renovation, or disposition of the Property; 3) other matters not contemplated at the time of entering into the Contract that, in Buyer's sole discretion, make the completion of the Contract unwise.

Buyer's Right to Terminate: If Buyer, in Buyer's sole discretion, is not satisfied that the above conditions have been satisfied, then Buyer shall have the right to terminate this contract by delivering to Seller, at any time prior to the Closing Date, written notice of termination. If Buyer has timely delivered such notice, this contract shall be terminated and all Earnest Money shall be refunded to Buyer.

6. FLOOD HAZARD DISCLOSURE/CONDITION (Choose ONE of the following alternatives):

To the best of Seller's knowledge, the Property IS located partly or entirely within a designated Special Flood Hazard Area. Buyer understands that it may be necessary to purchase flood insurance in order to obtain any loan secured by the Property from any federally regulated institution or a loan insured or guaranteed by an agency of the U.S. Government.

To the best of Seller's knowledge, the Property IS NOT located partly or entirely within a designated Special Flood Hazard Area. If, following the Effective Date of this contract, it is determined that any permanent improvements on the Property are located within a designated Special Flood Hazard Area according to the current FEMA flood map, or if this contract is subject to a Loan Condition and Buyer's lender requires Buyer to obtain flood insurance as a condition of making the Loan, then in either event Buyer shall have the right to terminate this contract upon written notice to Seller, and all earnest monies shall be refunded to Buyer.

7. OTHER CONDITIONS:

(a) There must be no restriction, easement, zoning or other governmental regulation that would prevent the reasonable use of the Property for the purposes intended by Buyer.

(b) The Property must be in substantially the same or better condition at Closing as on the date of this offer, reasonable wear and tear excepted.

(c) The Property must appraise at a value equal to or exceeding the purchase price.

(d) All deeds of trust, liens, special or regular assessments (including Homeowner's Association assessments and charges), and other charges against the Property, for which the Buyer has not agreed to take title subject-to, must be paid and satisfied by Seller prior to or at Closing such that cancellation may be promptly obtained following Closing. Seller shall remain obligated to obtain any such cancellations following Closing.

(e) Title must be delivered at Closing by GENERAL WARRANTY DEED and must be fee simple marketable and insurable title, free of all encumbrances except: ad valorem taxes for the current year (prorated through the date of Closing); utility easements and unviolated restrictive covenants that do not materially affect the value of the Property; and such other encumbrances as may be assumed or specifically approved by Buyer. The Property must have legal and actual access to a public right of way.

8. PRORATIONS AND ADJUSTMENTS: Unless otherwise provided, the following items shall be prorated and either adjusted between the parties or paid at Closing: (a) Ad valorem taxes on real property shall be prorated on a calendar year basis through the date of Closing (unless this transfer is subject-to a loan with an associated escrow account, in which case Seller agrees to forgo proration of real estate tax and assign any balance in said escrow account to Buyer at Closing); (b) Ad valorem taxes on personal property for the entire year shall be paid by the Seller unless the personal property is conveyed to the Buyer, in which case, the personal property taxes shall be prorated on a calendar year basis through the date of Closing; (c) All late listing penalties, if any, shall be paid by Seller; (d) Rents, if any, for the Property shall be prorated through the date of Closing; (e) Owners' association dues and other like charges shall be prorated through the date of Closing. Seller represents that the regular owners' association dues, if any, are \$ _____ per _____. Seller shall pay any fees required for obtaining account payment information on owners' association dues or assessments for payment or proration and any charge made by the owners' association in connection with the disposition of the Property to Buyer, including any transfer and/or document fee imposed by the owners' association.

9. EXPENSES: Unless otherwise agreed, Buyer shall be responsible for all costs with respect to any loan obtained by Buyer, appraisal, title search, title insurance, recording the deed and for preparation and recording of all instruments required to secure the balance of the purchase price unpaid at Closing. Seller shall pay for preparation of a deed and all other documents necessary to perform

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Seller's obligations under this agreement, and for excise tax (revenue stamps) required by law. Seller shall pay at Closing \$ _____ toward any of Buyer's expenses associated with the purchase of the Property.

10. EVIDENCE OF TITLE: Seller agrees to use his best efforts to deliver to Buyer as soon as reasonably possible after the Effective Date of this contract, 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 and easements relating to the Property. Seller authorizes (1) any attorney presently or previously representing Seller to release and disclose any title insurance policy in such attorney's file to Buyer and both Buyer's and Seller's agents and attorneys; and (2) the Property's title insurer or its agent to release and disclose all materials in the Property's title insurer's (or title insurers agent's) file to Buyer and both Buyers and Seller's agents and attorneys. Seller shall furnish at Closing an affidavit and indemnification agreement in form satisfactory to Buyer showing that all labor and materials, if any, furnished to the Property within 120 days prior to the date of Closing have been paid for and agreeing to indemnify Buyer against all loss from any cause or claim arising therefrom.

11. PROPERTY DISCLOSURE:

- Seller will complete and deliver a signed copy of the N.C. Residential Property Disclosure Statement upon signing of this Contract.
- If the Property is residential and was built prior to 1978 Seller will sign and deliver to Buyer a Lead-Based Paint or Lead-Based Paint Hazards Disclosure Addendum.

12. PROPERTY INSPECTION/INVESTIGATION:

(a) Property Condition: As to all permanent improvements it is a condition of this contract that (i) the built-in appliances, electrical system, plumbing system, heating and cooling systems, roof coverings (including flashing and gutters), doors and windows, exterior building surfaces, structural components (including foundations, retaining walls, columns, chimneys, floors, walls, ceilings and roofs), porches and decks, fireplaces and flues, crawl space and attic ventilation systems (if any), water and sewer systems (public and private), shall be performing the function for which intended and shall not be in need of immediate repair; (ii) there shall be no unusual drainage conditions or evidence of excessive moisture adversely affecting the structure(s); and (iii) there shall be no friable asbestos or existing environmental contamination.

(b) Inspections: Buyer, at Buyer's expense, may inspect or obtain such inspections of the Property as Buyer deems appropriate.

(c) Wood-Destroying Insects: Buyer shall have the option of obtaining, at Buyer's expense, a report from a licensed pest control operator on a standard form in accordance with the regulations of the North Carolina Structural Pest Control Committee, stating that as to all structures there was no visible evidence of wood-destroying insects and containing no indication of visible damage therefrom.

(d) Radon Inspection: Buyer shall have the option, at Buyer's expense, to have the Property tested for radon.

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

13. REASONABLE ACCESS/RESTORATION AND INDEMNITY: Seller will provide reasonable access to the Property (including working, existing utilities) through the earlier of Closing or possession by Buyer. Buyer and Buyer's agents and contractors shall have the right to enter upon the Property for the purpose of appraising and evaluating the Property, and performing the tests and inspections permitted in this contract. 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 NC Home Inspector Licensure Board or applicable to any other NC licensed professional performing the inspections contemplated by Paragraph 12 above. Seller authorizes Buyer to actively market, including showing the Property to prospective future buyers, the Property for sale in anyway Buyer sees fit in its sole discretion. Buyer may conduct a walk-through inspection of the Property prior to Closing.

14. CLOSING: Closing shall be defined as the date and time of recording of the deed and shall be on or before _____ (the "Closing Date"). All parties agree to execute any and all documents and papers necessary in connection with Closing and transfer of title on or before the Closing Date at a place and time designated by Buyer. The deed is to be made to _____.

15. POSSESSION: Unless otherwise provided herein, possession shall be delivered at Closing. In the event possession is NOT to be delivered at Closing: Buyer may take possession before Closing on _____ OR Seller may remain in possession after Closing per the attached Agreement. Seller shall remove, by the date possession is made available to the Buyer, all personal property which is not a part of the purchase and all garbage and debris from the Property.

16. RISK OF LOSS: The risk of loss or damage by fire or other casualty prior to Closing shall be upon Seller. If the improvements on the Property are destroyed or materially damaged prior to Closing, Buyer may terminate this contract by written notice delivered to Seller and all deposits shall be immediately refunded to Buyer. In the event Buyer does NOT elect to terminate this contract, Buyer shall be entitled to receive, in addition to the Property, any of the Seller's insurance proceeds payable on account of the damage or destruction applicable to the Property being purchased. Seller is advised not to cancel existing insurance on the Property until after confirming recordation of the deed.

17. ASSIGNMENTS: Seller may not assign this contract without the written consent of Buyer, but if assigned by agreement, then this contract shall be binding on the Seller, the assignee and his heirs and successors. Buyer may assign this Contract without prior written notice to Seller; however, upon assignment of this Contract, Buyer shall notify Seller of such assignment at or prior to Closing.

18. PARTIES: This contract shall be binding upon and shall inure to the benefit of the parties, i.e., Buyer and Seller and their 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.

19. 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.

20. ENTIRE AGREEMENT: 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.

21. ACCEPTANCE REQUIRED: This Contract must be accepted by Seller and written notice of Seller's acceptance delivered to Buyer on or before 2 PM on _____ or 3 days after this Contract is delivered to Seller for approval, whichever occurs later.

THIS IS A BINDING CONTRACT. IF YOU DO NOT UNDERSTAND IT OR FEEL THAT IT DOES NOT PROVIDE FOR YOUR LEGAL NEEDS, YOU SHOULD CONSULT A NORTH CAROLINA REAL ESTATE ATTORNEY BEFORE YOU SIGN IT.

Date: _____

Date: _____

Buyer: _____ (SEAL)

Seller: _____ (SEAL)

Date: _____

Date: _____

Buyer: _____ (SEAL)

Seller: _____ (SEAL)

ESCROW ACKNOWLEDGMENT

Buyer's Attorney acknowledges receipt of the earnest money and agrees to hold and disburse the same in accordance with the terms hereof.

Date: _____

Firm: Innovative Closing Solutions

By: _____ (Signature)

Printed Name: _____