

**NEW CONSTRUCTION PURCHASE AND SALE AGREEMENT**

Date: \_\_\_\_\_, 20\_\_\_\_\_

1. **Parties.** This legally binding New Construction Purchase and Sale Agreement (“Agreement”) is between \_\_\_\_\_ (“Buyer”) and Keystone Homes, Inc. (“Seller”).

**AFFILIATES OF SELLER ARE LICENSED UNDER THE LAWS OF SOUTH CAROLINA AND GEORGIA AS REAL ESTATE BROKERS.**

2. **Property to be sold.** Buyer agrees to buy and Seller agrees to sell all that tract or parcel of land, with such improvements (altogether the “Property”) as is located thereon, described as follows:

Lot \_\_\_\_\_ Block \_\_\_\_\_ Section/Phase \_\_\_\_\_ Subdivision \_\_\_\_\_  
Address \_\_\_\_\_ City \_\_\_\_\_  
\_\_\_\_\_  
Zip Code \_\_\_\_\_ County \_\_\_\_\_ State \_\_\_\_\_

Seller represents Property is connected to \_\_\_\_\_ public sewer system or to \_\_\_\_\_ septic tank and to \_\_\_\_\_ public water or \_\_\_\_\_ well system. If Property requires the use of a septic system, Agreement may be voided by Seller if the government authority issuing septic system permits does not approve the home site and home to be constructed as named in Agreement for a standard septic system.

3. **Term of Construction and Closing Date.** The estimated date the Home will be available for occupancy is \_\_\_\_\_ (“Closing Date”) but the actual date of closing may vary based on Seller’s construction schedule.

**THIS AGREEMENT IS SUBJECT TO ARBITRATION.** See paragraph 14 of Agreement.

4. **Purchase Price and Method of Payment.** The purchase price of the Property to be paid by Buyer at closing is: \$\_\_\_\_\_, subject to the following: *[Select sections A or B below. The sections not marked are not a part of the Agreement.]*

Seller and/or lender shall pay the following: The sum of up to \$\_\_\_\_\_ to be used by Buyer for closing costs as described in paragraph 4.C.a. and in paragraph 4.D. Unspent sums, if any, shall remain with the Seller. If lender is not on Seller’s approved lender list, Buyer shall make a construction deposit as described in 4.E.c of \$1,500.

A.  **All Cash at Closing.** At closing, Buyer shall pay the purchase price to Seller in cash, or its equivalent. Buyer’s obligation to close shall not be subject to any financial contingency. Don White shall be closing attorney for Aiken Augusta area Agreements. An attorney of Seller’s choosing shall close Savannah area Agreements. Verification of cash funds should be provided within five (5) business days from final acceptance of the Agreement. Verification can be provided in the form of a bank statement, letter from a bank, or other forms or verification that provides evidence that cash funds will be available.

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**B.      New Loan to be Obtained.**

**a.** This Agreement is made contingent upon Buyer’s ability to obtain a mortgage loan within twenty-one (21) calendar days from Acceptance, as set forth herein. “Ability to obtain” as used herein means that Buyer is qualified to receive the loan described herein based upon Seller’s approved lenders’ customary and standard underwriting criteria. Seller acknowledges that Buyer is not obligated to use one of Seller’s approved lenders as Buyer’s mortgage loan provider.

**b.** If Buyer is unable to obtain financing in twenty-one (21) calendar days from Acceptance, Seller may, at its sole option, elect to void the Agreement. If Buyer has applied in a timely manner, continuously pursued all available financing options, and cooperated with the mortgage loan provider of their choosing, Buyer will be refunded any earnest money except for expenses for plan revisions. If Seller elects not to void the Agreement, Seller may extend the Agreement for such period of time or periods of time as determined by Seller. Any such continuance of time shall be for the sole reason of granting Buyer additional time to secure financing.

**c.** In order to facilitate the home purchase and closing process, the Buyer hereby authorizes and grants the Seller full access to and disclosure of any and all credit and loan information gathered by the Buyer’s lender. This information includes, but is not limited to, credit reports, credit scores, loan applications, and oral and written opinions from the lender or its agent relating to the creditworthiness of the Buyer. The Buyer hereby authorizes his/her lender to disclose and make available all such information to the Seller, upon receiving a written request from Seller. Delivery of this Purchase and Sales Agreement to the lender shall be considered conclusive evidence that the Buyer has given written authorization to release such information to the seller. The Buyer further holds harmless and indemnifies his/her lender from any liability due to disclosure of such information to the Seller. The Seller shall not disclose or make available to any third party whatsoever any of the loan and credit information it receives from the lender. The Seller shall use the credit and loan information it receives only for purposes of determining the Buyer’s ability to consummate the purchase of the property described herein and to facilitate the purchase and closing process. The Buyer also authorizes Seller to communicate with Buyer’s landlord about any and all contractual matters relating to Buyer’s lease agreement.

**d.** Buyer acknowledges Seller will not begin construction on a pre-sold home until written loan approval is received by Seller. Buyer acknowledges closing date may be delayed if written loan approval is not provided at date of Agreement ratification.

**C.     Closing Costs and Other Settlement Expenses.**

**a. Items Paid By Buyer at Closing.** At closing, Buyer shall pay the following:

1. Property transfer tax (this is a Seller expense in South Carolina)
2. All costs, fees and charges to have the closing attorney search title and prepare: (a) the warranty deed; (b) owner’s affidavit; (c) Buyer’s powers of attorney; and (d) all promissory notes, deeds to secure debt and other loan documents required by any lender providing financing in the transaction.
3. All closing costs, prepaids, tax service charges, recording costs, courier fees, overnight delivery fees, survey costs, document preparation fees, underwriting fees, delivery, copying and handling charges, escrow establishment charges, loan discount points, costs to buy down a loan, and other similar costs (unless any of the same are prohibited by Buyer’s mortgage lender) and all other costs, fees, charges and amounts to close this transaction otherwise, except as they relate to the clearance of title encumbrances and/or defects necessary for Seller to be able to convey good and marketable title to the Property.

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**b. Prorated Amounts.** Seller and Buyer agree to prorate the following: (1) real estate taxes and community association assessments, if any, for the calendar year in which the sale is closed, as of the date of closing; and (2) all utility bills, solid waste and other fees as of the date of closing (or the day of possession of Property by Buyer, whichever is later) that are issued after closing and include service for any period of time Property was owned/occupied by Seller or Seller's invitees. In the event real estate taxes are paid at closing based upon estimated tax bill or tax bill under appeal, Buyer and Seller upon the issuance of the actual tax bill or the appeal being resolved shall promptly make any financial adjustments between themselves as are necessary to prorate the tax bill correctly. This subparagraph shall survive the closing.

**D. Survey.** Seller will order a survey on the Property. The survey is part of the Buyer's closing costs as described in 4.C.a.3.

**E. Closing.**

**a. Closing.** Once Property has reached substantial completion, Buyer agrees to close on Property. Closing will take place at a location of Seller's choosing. Buyer agrees Seller will schedule closing date and time in accordance with Section 4 E (a) of the Agreement. Seller will notify Buyer of the date and time of closing. Failure to close home by Closing Date stated in Paragraph 3, page 1, of the Agreement will, at Seller's option, result in termination of the Agreement, and forfeiture of the earnest money, construction deposits and any extras deposits. In addition, any remaining balance of money owed for extras ordered by the Buyer shall be immediately due and payable.

Buyer acknowledges that certain loan programs, including but not limited to VA, FHA and USDA, may delay the actual date of closing. Buyer acknowledges inclement weather and/or other acts of God may extend the actual date of closing and agrees to hold Seller harmless for same.

Buyer acknowledges the Closing Date is an estimate and Buyer will hold Seller harmless for any consequential or inconsequential damages as a result of any delay of the actual date of closing.

Buyer agrees that if home is altered for accessibility reasons, Seller will require an additional sixty days for completion.

**b. Extras.** Extras are any changes in materials, and/or additions, and/or changes to a standard Seller offered home or product. An example of a change in material is the substitution of hardwood flooring for carpet. An example of an addition is the addition of a covered porch that is not included with a home as standard. An example of a change in plan would be the moving of a wall from its standard location. Extras almost always increase the price of the home. Buyer agrees that any request for Extras will be set forth in writing on a form prepared by Seller entitled "Change Order and Sales Agreement Amendment" (Change Order). The Change Order must be signed by Buyer and Seller. Buyer acknowledges no subcontractor, workman or vendor has authority to agree on behalf of Seller to any change order. Buyer agrees to allow Seller adequate lead-time to schedule any Extras into the normal building sequence. Seller has the right and absolute discretion to refuse to make changes or install Extras that are requested. Buyer agrees to pay Seller for the performance of work in the Change Order in accordance with the Seller's payment policy. Buyer acknowledges there will be no refunds of payments made by Buyer under the Change Order. Seller may not accept any Extras request within forty-five (45) days of closing. **BUYER FURTHER ACKNOWLEDGES ANY WORK DONE ON THE HOME PURSUANT TO A CHANGE ORDER MAY NOT INCREASE THE APPRAISED VALUE OF THE PROPERTY.** Seller shall not be responsible if appraised value does not reflect the amount paid in the Change Order.

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By initialing the boxes below and signing this Agreement, if "Buyer" consists of two or more persons, the undersigned hereby give a reciprocal Limited Power of Attorney to the other respective person(s) to grant him or her full power and authority to execute any modification, change order, amendment, alteration or correction whatsoever to this Agreement; hereby ratifying, confirming and binding myself to such acts as if I were personally present at the execution of said document.

BUYER Initials

**c. Construction Deposits.** Buyer agrees to deposit \$ \_\_\_\_\_ with Keystone Homes, Inc. for the construction of Home. The deposit ("Deposit") will be credited toward the Purchase Price of Home at closing. Buyer agrees Deposit is not earnest money and is not refundable if Buyer does not close on Home by the Closing Date stated in Paragraph 3, Page 1 of this Agreement. This non-refundable construction deposit is not subject to the provisions of Paragraph 4 B of this Agreement. The Construction Deposit is not refundable regardless of whether the Buyer's mortgage loan is approved or not approved as provided in Paragraph 4 B above. Construction Deposits are not subject to any VA or FHA amendments. If Seller does not receive Deposit within 5 days of Agreement acceptance, Seller may terminate Agreement. If Buyer uses Lender not on Seller's approved list and Closing Date is delayed, other than a delay because Seller has not obtained a Certificate of Occupancy for Property, then Seller shall retain \$50 per day of Deposit as liquidated damages. Any and all amounts retained by Seller because of Closing Date delays shall not be credited toward the Purchase Price of Property.

**5. Earnest Money.** Buyer has paid to \_\_\_\_\_ ("Holder") earnest money of \$ \_\_\_\_\_ check or money order. Any amount paid by Buyer over and above the sum of \$99.00 at the time of the execution of this Agreement shall be deemed to be Construction Deposits and shall be governed by the terms of item 4(E)(c) on page 3 of this Agreement. The earnest money shall be deposited in Holder's escrow/trust account (with Holder retaining the interest if the account is interest-bearing) within five banking days from the Binding Agreement Date and shall be applied toward the purchase price of the Property at the time of closing. In the event any earnest money check is not honored, for any reason, by the bank upon which it is drawn, Holder shall promptly notify Buyer. Buyer shall have three banking days after notice to deliver good funds to Holder. In the event Buyer does not timely deliver good funds, the Seller shall have the right to terminate the Agreement upon written notice via US mail, email, or facsimile to the Buyer or their real estate agent.

Buyer agrees if the Buyer has selected any Extras for the home, as defined in paragraph 4(E)(b) on page 3 of this Agreement, the earnest money will be applied to the Extras if the home does not close.

In the event Buyer does not close on Property, Buyer and Seller agree to waive any right to dispute Buyer's or Seller's entitlement to an earnest money deposit and both Buyer and Seller empower Holder to disburse the earnest money deposit by Holder's reasonable interpretation of the Agreement.

**6. Building Phase.**

**A. Plan Name.** Seller will build the \_\_\_\_\_ Plan.

**B. Plans and Specifications.** The improvements ("Home") will be constructed or completed in substantial conformance with the plan named above. Plans are the property of Seller or Seller's architect and shall be maintained at Sellers' office. Buyer acknowledges that they have no ownership right in the plans and Buyer agrees that in the event of unauthorized or illegal use of the plans, Buyer will be liable to the Seller in the amount of lost profits and all consequential and incidental damages resulting from the unauthorized reuse or resale of the plans. Buyer also acknowledges that damages for unauthorized use

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may not be ascertainable, and consents to injunctive relief enjoining the Buyer from further unauthorized use of the plans and specifications. Seller makes no representations or warranties about the quality of the plans. Buyer shall have the right to examine the actual plans prior to construction with one of Seller's authorized representatives.

Buyer acknowledges the plans are subject to minor changes and revision. Unless otherwise stipulated all workmanship, equipment, and materials will be new and have a grade considered acceptable by local standards for the intended use. All work and material will be in accordance with Construction Industry Standards in use in the municipality or county in which the property is located. Whenever an article, material or equipment is defined by describing a proprietary product or by using the name of a manufacturer or vender, the term "or equal" will be implied. In addition, the Seller specifically reserves the right to make changes in the plans and specifications and to substitute building materials, appliances, equipment, and fixtures as may be necessitated by the availability of materials, colors or brand names, by material shortages, cost increases, strikes or other situations which in the Seller's sole judgment requires such changes, provided such changes do not materially diminish the size of the improvement or that any substitution be of equal or greater quality. Buyer acknowledges that Buyer is not entitled to compensation for any substitution of materials.

In the case of a home that is completed or under construction at the time of execution of the Agreement, Seller may have made adjustments to the plans or specifications. In this case, the as built condition takes precedent over standard specifications and plans regarding the portion of construction completed.

Buyer acknowledges Seller may install backflow prevention devices on the Property. Buyer acknowledges the local municipality may require such backflow prevention devices be monitored. Buyer acknowledges any cost of such monitoring is the responsibility of the Buyer after ownership of Property is transferred to Buyer.

**C. Home Orientation, Lot Clearing, Landscaping, and Drainage.** When facing the home, garage will be on \_\_\_left/\_\_\_right side. Buyer further acknowledges that Seller reserves the right to change the placement of the garage based on such factors, including, but not limited to, lot topography. If buyer purchases corner lot, home is to face \_\_\_\_\_ with garage entry on \_\_\_\_\_ (Street Name). Buyer acknowledges clearing will allow for home site and approximately 30 to 40 feet of backyard where possible. Due to factors such as, but not limited to, lot size, home placement, and size of planting beds, buyer acknowledges standard landscaping allowance may not completely sod front yard. Buyer acknowledges Seller will attempt to save all trees marked by Buyer; however, Seller cannot guarantee survival of trees. Buyer agrees to hold Seller harmless for loss of such trees. Buyer agrees any tree(s) remaining on property after the footing has been completed, shall remain on the property unless Seller at it sole discretion elects to remove tree(s) from site.

All grading, fill, removal of trees and shrubs, and control of water will be performed in a lawful manner but will otherwise be performed at Seller's sole discretion. Certain areas of the lot may be left in a natural state and may not be landscaped or graded. At Closing, Seller's responsibility with respect to soil erosion, soil conditions, drainage, grass, shrubs, bushes, trees, flowers and landscaping terminates and Buyer's begins. After closing, Buyer acknowledges Seller has no responsibility to remove, control, or redirect subterranean or surface water, except that caused by settling specifically described in Quality Builders Warranty Limited Warranty Agreement ("Limited Warranty"). After closing, Seller is not responsible for landscaping damage or destruction of landscaping on the property. Seller makes no warranty as to the type, location, or amount of landscaping which will be on the lot and/or the condition of the landscaping before or after closing, except that shrubbery and grass shall be living at time of closing.

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**D. Footings and Foundations.** Seller has the right to void Agreement if Seller discovers soil or lot conditions that require the use of an engineered footing or foundation. Seller will provide written notice to Buyer within 10 days of the discovery of such condition(s) and its decision to void and cancel this Agreement. If such condition(s) occurs, the Buyer's earnest money will be promptly refunded or applied to the purchase of another property owned by Seller, as the parties agree.

Buyer acknowledges Seller shall have absolute discretion in the choice of foundation types. Buyer acknowledges foundation types include concrete slabs on stem walls, monolithic slabs, basement slabs and walls, pier and curtain wall, crawlspaces, crawlspaces with knee walls, a combination of the foregoing, or any other foundation type chosen by Seller.

**E. Decorative Selections.** If there are decorative selections yet to be selected in the completion of the residence, Buyer acknowledges it is Buyer's responsibility to make all selections at a maximum of 14 days from Agreement acceptance date unless an earlier date is specified. Buyer agrees selections will be set forth in writing on a form prepared by Seller entitled Change Order. Buyer and Seller agree the Change Order will modify the Agreement. Buyer further acknowledges that if the selections have not been made by the earlier of 14 days or the specified date, that Seller at Seller's option, may make such missing selections for Buyer and such selections are hereby deemed agreed to and acceptable to Buyer. **BUYER AGREES TO SCHEDULE A SELECTION APPOINTMENT BETWEEN 9 AM - 4 PM M-F EXCEPT FOR HOLIDAYS.** Seller reserves the right to approve or reject color selections. Buyer acknowledges some color selections are considered extras and may require an additional deposit.

**F. Household Goods.** The movement of any household goods or other materials by Buyer into the home will not be permitted until after closing.

**G. Contractors and/or Suppliers.** All work and materials to be performed or supplied under the Agreement shall be performed and supplied by Seller's own contractors, subcontractors, employees, agents, material men and suppliers. Buyer shall not have the right to have any work performed or supplies delivered to the Property at Buyer's own direction prior to closing. Buyer agrees not to interfere with the work of Seller's contractors, subcontractors, employees, agents, material men and suppliers.

**H. Inspections.** Buyer and/or Buyer's professional home inspector shall have the right to enter the Property at Buyer's expense and at reasonable times prior to orientation to thoroughly inspect, examine, and test the Property provided Home is ready for inspection. Seller shall cause all utility services and any appliances to be in operation so Buyer may complete all inspections under the Agreement. The Buyer agrees to indemnify and hold the Seller and all Brokers harmless from all claims, injuries, and damages arising out of or related to the exercise of these rights. Buyer shall have the right to request that Seller repair and/or replace within a reasonable time prior to closing only defects in the property identified by Buyer's representative(s). The term "defects" shall mean any portion of an item in the Property which: (1) constitutes a non-grandfathered violation of applicable laws or governmental codes or regulations; (2) has not been substantially completed or constructed in substantial accordance with the plans and specifications for the Property; or (3) is a defect as that term is defined in any warranty provided by Seller. Buyer agrees to present Seller with a list of defects ("List") under this paragraph at least two weeks prior to closing.

If a professional Home Inspection is performed, Buyer agrees to have inspection completed and present report ("Report") from inspector to Seller at least two weeks prior to closing. Buyer agrees and acknowledges Seller is not governed by outside inspections other than those required by governmental agencies. Buyer further agrees that a home inspector must meet the following requirements: (1) Maintain

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all licenses required by law, (2) Be a full time professional inspector or engineer, (3) Be a current member of the American Society of Home Inspectors or the National Society of Home Inspectors, (4) Have general liability insurance in the amount of at least \$500,000, and (5) Have professional liability insurance in the amount of at least \$500,000.

Buyer acknowledges that the only criteria that will be used to compile the Report or List are set forth in the warranty described in Paragraph 23 of the Agreement. Buyer also acknowledges that Seller is not required and will not perform any work that would exceed the approved or generally accepted criteria. Buyer agrees to deliver only one Report or List for all requested repairs under Paragraph 23 of the Agreement.

Buyer acknowledges that Seller will make its best effort to complete all of the items specified in the agreed upon Report or List on a timely basis before closing, but the fact that any repairs, touchups or adjustments are incomplete shall not constitute a valid reason for Buyer's failure to close. Seller will repair or complete after closing any uncompleted items on Report or List agreed to by Seller in writing according to Seller's warranty scheduling policy. The existence of such uncompleted Report or List items shall not entitle Buyer to cancel the Agreement, withhold funds at closing, or delay the closing beyond the Closing Date. Seller will retain exclusive possession of the Home until Seller has received all monies due from Buyer.

At other times, Buyer agrees to limit inspections of the Property to a reasonable length of time during business hours. Buyer further agrees to avoid conversations with workmen or in any way hinder their work. Buyer agrees to deal only with the designated representative assigned by Seller to the Property and to limit communications with the representative to normal business hours.

The Buyer's agents, relatives, guests, invitees, etc., are not permitted on site or in the Home without written permission of the Seller. Such limited access is intended to prevent accidental workplace injuries, and access will be given upon reasonable notice to Seller.

If the Buyer enters on the property or into the Home for any reason, the Buyer assumes full responsibility for any injury suffered by Buyer, Buyer's invitees, agents, relatives, etc., and agrees to indemnify and hold harmless the Seller for all damages resulting from such access.

POSSESSION OF THE PROPERTY WILL BE DEEMED TO BE FINAL ACCEPTANCE OF THE PROPERTY EXCEPT FOR ANY UNCOMPLETED LIST ITEMS AGREED TO BY SELLER IN WRITING.

Buyer waives any and all rights to receive Residential Property Condition Disclosure Statements required by Georgia or South Carolina laws prior to an offer being submitted to Seller.

**I. Power of Attorney.** Buyer acknowledges Buyer must have a valid Power of Attorney on file authorizing an individual other than the Buyer to discuss, negotiate, or to take any other action in regard to the Agreement. No Power of Attorney is necessary for Actions with Buyer's real estate agent, lender, appraiser, insurance agent or any other person or entity named in the Agreement for such actions necessary for performance of Agreement.

**7. Protective Covenants and Association Fees.** Buyer acknowledges the Property being purchased under the Agreement is subject to protective covenants ("Covenants") that restrict the use of the property. Buyer agrees to comply with the restrictions of the Covenants. Furthermore, Buyer acknowledges receipt

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of the Covenants. Buyer agrees that the covenants may be amended or updated by the Declarant named in the covenants, the subdivision developer, or Seller.

**A. Association Fees.** *[The sections not marked are not a part of the Agreement.]*

- Mandatory.** Buyer acknowledges there is a required association fee in the approximate amount of \$ \_\_\_\_\_ per year, prorated at closing. The amounts of association fees are dependent upon the management of the association and may change from time to time.
- Not Mandatory.** Buyer acknowledges that there is not a required association fee.
- No Association.** Buyer acknowledges that there is no association.

**8. Closing and Possession.**

**A. Completion.** The Property shall be considered completed and ready to close upon issuance of a Certificate of Occupancy or Final Inspection Certificate covering the Property by the city or county in which the Property lies. Seller shall deliver to Buyer at closing a Certificate of Occupancy, or the appropriate equivalent or substitute for the Property. Closing will take place even if some work needs to be completed so long as either a certificate of occupancy (or equivalent), either temporary or permanent, has been issued or lender’s final inspection has been completed. In the event the governmental agency having jurisdiction of the Home does not routinely issue certificates of occupancy or the equivalent, the closing will take place when Seller deems the Home to be substantially complete.

**B. Warranty of Title.** Seller warrants that at the time of closing, Seller will convey good and marketable title to said Property by limited warranty deed, subject to: (1) zoning; (2) general utility, sewer, and drainage easements of record; (3) subdivision and/or condominium declarations, covenants, restrictions, and easements of record on the Acceptance Date; (4) leases and other encumbrances specified in the Agreement; (5) any other encumbrances shown on subdivision or individual plat. Buyer agrees to assume Seller’s responsibilities in any leases specified in the Agreement.

In South Carolina, if the property being purchased was previously zoned for agricultural use, “rollback taxes” may be assessed by the governing authority at some future date after title transfers from Seller to Buyer. The parties agree that although payment of rollback taxes are the responsibility of the prior owner who actually received the benefit of that agricultural use zoning, the Buyer may receive a billing statement for these rollback taxes in the future. In such an event, Buyer may contact Seller, who shall facilitate and provide its last known contact information for the prior owner responsible for payment of these taxes. However, unless Seller or one of its affiliated companies previously owned the property and received the benefit of agricultural use zoning, the parties agree Seller shall not be responsible for payment of rollback taxes. Therefore, in the event Buyer is unable to obtain payment for rollback taxes from a prior owner not affiliated with the Seller who received the benefit of agricultural use zoning, Buyer shall then be responsible for payment of the rollback taxes.

**C. Examination.** Buyer may, prior to closing, examine title and furnish Seller with a written statement of objections affecting the marketability of said title. If Seller fails to satisfy valid title objections prior to closing or any extension thereof, then Buyer may terminate the Agreement upon written notice to Seller, in which case Buyer’s earnest money shall be returned. Good and marketable title as used herein shall mean title which a title insurance company licensed to do business in Georgia or South Carolina will insure at its regular rates, subject only to standard exceptions.

**D. Possession.** Possession of Property will be given to Buyer at the time of closing. Seller shall deliver Property clean and free of debris at time of possession. The Property, including but not limited to,

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landscaping and lawn, shall be maintained in the same condition from the date of the Agreement until possession is delivered, ordinary wear and tear excepted. If the Property is destroyed or substantially damaged prior to closing, Seller shall promptly notify Buyer of the amount of insurance proceeds available to repair the damage and whether Seller will complete repairs prior to closing. Buyer may terminate the Agreement not later than five days after receiving such notice by giving written notice to Seller. If Buyer does not terminate the Agreement, Buyer shall receive at closing such insurance proceeds as are paid on the claim which are not spent to repair the damage.

**E. Soil Treatment Bond.** At closing, Seller shall provide Buyer a current Soil Treatment Certification/Bond. If any additional inspections and/or reports are requested by Buyer or Lender, any costs for such inspections and/or reports shall be paid by Buyer.

**F. Personal Property.** No personal property will convey as a part of the sale except as that described in Seller's features sheet for each neighborhood.

**9. Advertising Rights.** Buyer agrees Seller has the right to use pictures of the Buyer's home in advertising.

**10. Disclaimer.** Buyer and Seller acknowledge that they have not relied upon any advice, representations or statements of Brokers and waive and shall not assert any claims against Brokers involving the same. Buyer and Seller agree that Brokers shall not be responsible to advise Buyer and Seller on any matter including but not limited to the following: any matter which could have been revealed through a survey, title search or inspection of the Property; the condition of the Property, any portion thereof, or any item therein; building products and construction techniques; the necessity or cost of any repairs to the Property; hazardous or toxic materials or substances; termites and other wood destroying organisms; the tax or legal consequences of this transaction; the availability and cost of utilities or community amenities; the appraised or future value of the Property; any condition(s) existing off the Property which may affect the Property; the terms, conditions and availability of financing; and the uses and zoning of the Property whether permitted or proposed. Buyer and Seller acknowledge that Brokers are not experts with respect to the above matters and that, if any of these matters or any other matters are of concern to them, they should seek independent expert advice relative thereto. Buyer further acknowledges that in every neighborhood there are conditions which different buyers may find objectionable. Buyer shall therefore be responsible to become fully acquainted with neighborhood and other off site conditions which could affect the Property including but not limited to, landfills, quarries, high voltage power lines, cemeteries, airports, prisons, stadiums, odor producing factories, and crime.

**11. Brokerage and Agency.**

**A. Agency.**

**Georgia**

**(i)** In the Agreement, the term "Broker" shall mean a licensed Georgia real estate broker or brokerage firm and where the context would indicate the broker's affiliated licensees. No Broker in this transaction shall owe any duty to Buyer or Seller greater than what is set forth in their brokerage engagements and the Brokerage Relationships in Real Estate Transactions Act, O.C.G.A. §10-6A-1 et seq.

**(ii)** Buyer acknowledges that if they are not represented by a Broker they are solely responsible for protecting their own interests and that Broker's role is limited to performing ministerial acts.

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□ **South Carolina**

Attached is the South Carolina Real Estate Commission's "Agency Relationships in Real Estate" form, provided to the Buyer for informational purposes only.

**B. Brokerage.** The Selling Broker(s) identified herein has performed valuable brokerage services and is to be paid a commission pursuant to a separate agreement or agreements. If no selling broker is identified at the time of writing this Agreement, Buyer agrees Seller shall pay no brokerage fees or commissions. The closing attorney is directed to pay the commission of the Broker(s) at closing out of the proceeds of the sale. If the sale proceeds are insufficient to pay the full commission, the party owing the commission will pay any shortfall at closing. If more than one Broker is involved in the transaction, the closing attorney is directed to pay each Broker their respective portion of said commission. In the event the sale is not closed because of Buyer's and/or Seller's failure or refusal to perform any of their obligations herein, the non-performing party shall immediately pay the Broker(s) the full commission the Broker(s) would have received had the sale closed, and the Selling Broker may pursue the non-performing party for their portion of the commission.

**12. Time Limit of Offer.** The terms of this Agreement shall constitute an offer ("Offer") which shall expire at \_\_\_\_\_ o'clock \_\_\_ M. on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ unless prior to that time it is accepted in writing by the party to whom the offer was made and notice of acceptance is delivered back to the party making the offer via facsimile, e-mail or in writing.

(For Seller's Use Only) The Seller's counter offer shall expire at \_\_\_\_\_ o'clock \_\_\_ M. on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ unless prior to that time it is accepted in writing by the party to whom the offer was made and notice of acceptance is delivered back to the party making the offer via facsimile, e-mail or in writing.

**13. Default.** If the Buyer shall default under the Agreement, the Seller shall have the option of suing for any damages or rescinding the Agreement. In the event the Agreement is rescinded the earnest money, construction deposits and extras money shall be retained by the Seller.

If Seller has defaulted under any of the terms of the Agreement, Buyer will provide Seller with written notice as to the exact nature of such default. Seller will have ten (10) calendar days from the date of the receipt of such notice within which to cure the default. Under no circumstances will Seller be liable for any consequential, special, indirect, or punitive damages.

If Buyer fails to close on Property, then Buyer agrees to reimburse Seller for costs incurred by Seller for the costs of holding Property from Closing Date to date upon which it closes to another buyer. Such reimbursable costs include, but are not limited to, interest, utility charges, property taxes, insurance, cleaning, and lawn maintenance. Any dispute about reimbursable costs shall be settled by arbitration as described in Paragraph 14 of Agreement and the losing party shall pay for all arbitration costs.

**14. Agreement to Arbitrate.** The Seller is a member of Quality Builders Warranty Program and Buyer will be provided with a Ten Year Limited Warranty Agreement in connection with the purchase of the Property. The Seller's sole responsibility shall be limited to the terms and conditions set forth in the Limited Warranty. The Buyer agrees to submit to and be bound by the dispute settlement procedures under the Limited Warranty, which includes Binding Arbitration. Seller makes no further warranties, expressed, general, limited or implied, including implied warranty of merchantability, implied warranty for a particular purpose or implied warranty of habitability except as contained in the Limited Warranty.

In the event that the Buyer asserts any claim or complaint arising out of or relating to this Agreement

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which Seller and Buyer do not resolve by mutual agreement, and either: (i) the claim or complaint does not fall within the scope and jurisdiction of the Quality Builders Warranty for the Property (claims or complaints that are determined to be expired or excluded under the Warranty are considered to be within the scope and jurisdiction of the Warranty); or (ii) the Property for some reason is determined to not be enrolled in the Quality Builders Program, then the claim or complaint shall be settled by binding arbitration through Construction Arbitration Program, administered by DeMars & Associates Limited (CAP-Home).

Buyer's sole and exclusive remedy against Seller is final and binding arbitration as described herein and Buyer hereby waives any rights it may have to litigate any matters pertaining to the Agreement or in any way arising out of the purchase or construction of the Property. This provision shall survive closing and the execution and delivery of the deed of conveyance. Buyer likewise consents to Seller's arbitration of any claims Seller may have against the Buyer to the same extent as provided in this Paragraph 14. Accordingly, Buyer and Seller hereby waive court trial or trial by jury as to any and all claims, disputes or other matters arising out of or relating to this Agreement, whether sounding in contract, tort, or otherwise. This Paragraph shall survive closing and execution and delivery of the deed of conveyance.

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In the event Buyer disregards the requirements to arbitrate any claims, complaints or disputes against the Seller, all as set forth in the body of this Agreement, but instead files a lawsuit or some civil action in any Court of law or equity to prosecute such claims, complaints or disputes, then Buyer shall be responsible for payment of all attorney fees, court costs, and any related litigation expenses incurred by Seller in defending that lawsuit or civil action.

**15. Buyback Agreement.** In the event Buyer asserts any claim whatsoever against Seller, the Seller, at its sole option, may repurchase the home at the price on the Limited Warranty Deed. If Seller exercises this option, this shall be Buyer's sole and exclusive remedy. In such event, Buyer hereby waives any and all additional claims, damages or causes of action related to or arising out of this Agreement, including but not limited to incidental and consequential damages.

**16. Development of Adjacent and Nearby Lands.** Buyer acknowledges that land surrounding the community within which the Home is located may be developed in any manner and Buyer is not entitled to rely upon any representation with regard to the present or future use of this land. Furthermore, Buyer acknowledges that with regard to other land owned by Seller in this community, Seller or developer has the right to develop said land or sell it to others for the purpose of future development or use, without any limitation or restrictions on its future usage. The Agreement shall survive closing of the sale of Property.

**17. Entire Agreement; Binding Agreement.** The parties agree that the written Agreement expresses the entire agreement between the parties, and that there is no agreement, oral or otherwise, modifying the terms hereunder and that the Agreement shall be binding on both parties, their principles, heirs, personal representative, successors and assigns as state law permits. However, Seller and Buyer acknowledge that written Agreement may from time to time, be modified by a change order, addendum, or other form of modification. Buyer(s) acknowledge that only officers of the Seller can modify the Agreement. The modification or waiver of any of the provisions of this Agreement shall be effective only if made in writing and executed with the same formality of this Agreement. The failure of either party to insist upon strict performance of any of the provisions of this Agreement shall not be construed as a waiver of any subsequent default of the same or similar nature. The Agreement shall survive closing. Buyer(s) acknowledge any work performed after closing shall be in accordance with this Agreement and there shall be no need for a separate agreement to perform any warranty work or other work as deemed

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necessary by the Seller.

**18. Notices.** Any notice required to Seller herein shall be delivered in writing to the Seller at 924 Stevens Creek Road, Augusta, GA 30907. Any written notice to Buyer shall be deemed received if addressed and mailed to Buyer’s address as set forth herein or to Buyers’ real estate agent by facsimile, U.S. mail, email, or other mail service.

**19. Severability.** If any provision of the Agreement shall be deemed illegal, invalid or unenforceable, the offending provision shall not affect the validity, legality or enforceability of the remaining portions of the Agreement and they shall remain in full force.

**20. Facsimile and Other Electronic Means.** The parties agree that the offer, any counteroffer and/or acceptance of any offer or counteroffer may be communicated by use of a fax or other secure electronic means, including but not limited to electronic mail and the Internet, and the signatures, initials and handwritten or typewritten modifications to any of the foregoing shall be deemed to be valid and binding upon the parties as if the original signatures, initials and handwritten or typewritten modifications were present on the documents in the handwriting of each party.

**21. Time.** Time is of the essence for performance by the Buyer including Buyer’s attendance on the Closing Date, payment in full of the purchase price, and closing costs, and other dates in the Agreement. In the event the Buyer fails to perform or honor any other obligations under the Agreement, Buyer will be in default under the Agreement.

**22. Transfer, Assignment, and Recording.** Buyer may not transfer or assign the Agreement, or any rights and obligations therein, without the express written permission of Seller. Seller shall have the right to assign this Agreement without Buyer’s expressed or implied consent and/or approval. The Agreement will be binding upon Buyer and Seller, and their respective heirs, successors, administrators and assigns. Buyer may not record the Agreement or any part thereof and any such recording will have no affect under Georgia or South Carolina law.

**23. Limited Warranty.**

**A. Warranty Compliance.** The Seller’s warranty responsibilities shall be expressly limited only to the requirements as set forth in the Quality Builders Warranty Limited Warranty Agreement (“Limited Warranty”).

Buyer expressly acknowledges receipt of a copy of the Limited Warranty, which is QBW Form 300, revised June 2013.

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**B. No Other Warranty.** By acceptance of the above stated Limited Warranty provisions, Buyer expressly waives any and all warranty requirements granted pursuant to federal, state, county and local laws, including, but not limited to, statutory law, case law, and local regulations and ordinances.

**C. Term.** The term of this Limited Warranty shall be one (1) year workmanship/materials, two (2) year delivery portion of systems, and ten (10) year major structural defect coverage, commencing on the date of closing of the purchase of the Property by the Buyer or the date Property was first used as a residence, whichever occurs first, except for items in the Limited Warranty that are only warranted to meet a standard on the date of closing. This Limited Warranty shall become effective from and after the

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closing.

**D. Performance Standards.** The Performance Standards in the Limited Warranty are based on the Residential Construction Performance Guidelines as published by the National Association of Home Builders.

**E. Notice to Seller.** In the event of the occurrence of a problem as to which the Seller has responsibility in the Limited Warranty, the Buyer must comply with Paragraph 18, Notices.

The notice must specify the problem in detail and must be given to the Seller within the warranty term. The Seller shall not be responsible for problems as to which a required, timely notice has not been given. The Buyer shall permit the Seller or its agents, employers or contractors reasonable access to the Property during normal business hours (Monday - Friday, 9:00 AM - 5:00 PM) to inspect or perform work required under this Limited Warranty.

**F. Exclusive Warranty and Remedy.** The Limited Warranty is given by the Seller and accepted by the Buyer in lieu of all other warranties of any kind whatsoever, express or implied, including without limitation, warranties of habitability, merchantability, fitness, and workmanship relating to the Property, all of which other warranties are expressly excluded by the Seller. Except for any rights of the Buyer relating to completion of items of the Orientation, as expressly set forth in the Agreement, this Limited Warranty, is also given by the Seller and accepted by the Buyer in lieu of all other rights or remedies that the Buyer has or may have against the Seller relating to construction on the Property or the condition or circumstance existing on or in the vicinity of the Property, including but not limited to any rights based on negligent construction, code violations, breach of Agreement or breach of warranty (other than based on the terms of the Limited Warranty). In lieu of repairing any problem covered by the Limited Warranty, the Seller shall have the option of replacing such item or of paying reasonable sums to the Buyer with which to have such problem addressed by the Buyer or third party. Unless a problem constitutes an emergency or additional material damage would result from delay in addressing such problem, the Seller has the option of waiting to address all or several problems at once or in groups.

**G. Miscellaneous.** This Limited Warranty is part of the Agreement and incorporates its terms and provisions, (including without limitation those requiring mandatory binding arbitration), except to the extent they conflict with the terms of this Limited Warranty, in which event the terms of this Limited Warranty shall prevail.

**24. Megan's Law.** The Buyer agrees that the Seller, Listing and/or Selling Broker and all affiliated agents are not responsible for obtaining or disclosing any information contained in the South Carolina Sex Offender Registry. The Buyer agrees that no course of action may be brought against the Seller, Listing and/or Selling Broker and all affiliated agents for failure to obtain or disclose any information contained in the South Carolina Sex Offender Registry. The Buyer agrees that the Buyer has the sole responsibility to obtain any such information. The Buyer understands that Sex Offender Registry information may be obtained from the local sheriff's department or other appropriate law enforcement officials. In Georgia, if Buyer is concerned about the possibility of a registered sex offender residing in a neighborhood in which Buyer is interested; Buyer should review the Georgia Violent Sex Offender Registry available on the Georgia Bureau of Investigation Website at [www.gbi.georgia.gov](http://www.gbi.georgia.gov).

**25. Exhibits, Addenda, and Special Stipulations.** If any exhibit or addendum conflicts with any preceding paragraph, said exhibit, addenda, and special stipulations shall control except as such might affect the treatment of earnest money, construction deposits or any extras money.

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26. **Roads.**  **Private.** Buyer acknowledges the roads and drainage systems are owned and maintained by the homeowners association.

**Public.** Buyer acknowledges the roads and drainage systems are public.

27. **Special Stipulations.**

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Buyer's Signature

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Buyer's Signature

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Print or Type Name

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Selling Broker

\_\_\_\_\_  
By: Broker or Broker's Affiliated Licensee

\_\_\_\_\_  
Print or Type Name

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(GA) (SC)  
Selling Firm Brokerage Licensing Number

\_\_\_\_\_  
Selling Broker/Licensee Contact Information:

\_\_\_\_\_  
Phone #

\_\_\_\_\_  
Email

\_\_\_\_\_  
(GA) (SC)  
Selling Agent's GA or SC RE License Number

\_\_\_\_\_  
Seller's Signature

\_\_\_\_\_  
KEYSTONE HOMES, INC.  
Print or Type Name:

\_\_\_\_\_  
Listing Broker

\_\_\_\_\_  
By: Broker or Broker's Affiliated Licensee

\_\_\_\_\_  
Print or Type Name

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Listing Broker/Licensee Contact Information:

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Phone #

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Email

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(GA) (SC)  
Listing Agent's GA or SC RE License Number

**Homebuyer Information**

NAME \_\_\_\_\_

E-MAIL \_\_\_\_\_

PHONE (\_\_\_\_) \_\_\_\_\_

NAME \_\_\_\_\_

E-MAIL \_\_\_\_\_

PHONE (\_\_\_\_) \_\_\_\_\_

CURRENT MAILING ADDRESS \_\_\_\_\_

PREFERRED METHOD OF CONTACT \_\_\_\_\_

CLOSING DATE \_\_\_\_\_

Do you prefer morning \_\_\_\_ or afternoon \_\_\_\_ orientation? Morning \_\_\_\_ or afternoon \_\_\_\_ closing?

Do you prefer a specific day for orientation \_\_\_\_\_ M T W TH F or for closing \_\_\_\_\_ M T W TH F?

**Acceptance Date**

The above proposition is hereby accepted, \_\_\_\_\_ o'clock \_\_\_\_\_ m on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**Binding Agreement Date**

This instrument shall become a binding agreement on the date ("Binding Agreement Date") when notice of the acceptance of this Agreement has been received by offeror. The offeror shall promptly notify offeree when acceptance has been received.