

Fralin & Waldron, Inc. – NEW RIVER VALLEY

INSTRUCTIONS FOR COMPLETING CONTRACT:

- _____ Completed Purchase Agreement
- _____ Standards and Options Addendum (for patio home communities only)
- _____ Deposit check, made payable to Fralin & Waldron, Inc. (see note below for standard deposit in each community)
NO NOTES ACCEPTED
- _____ Acknowledgment of receipt of Homeowners' Association documents

Paragraph 13a, page 2 of 4, of the Fralin & Waldron, Inc. contract, notes that contracts for build jobs are subject to approval of final plans, specifications and price for the home; so it isn't necessary to add that provision to the contract.

◆ **DEPOSITS:**

The following are the standard deposits required by Fralin & Waldron, Inc., listed by community; deposits are made payable to: **FRALIN AND WALDRON, INC** at contract signing.

<u>Community</u>	<u>Speculative Home*</u>	<u>Custom Selection Job**</u>
CloverLea	\$2500.00	\$2500.00

* Speculative Home – Any home the Builder has selected to place on a particular lot.

** Custom Selection Job – Any home that the buyer chooses the lot and plan to be built. The plan must be selected from Builder's portfolio of plans for the chosen community.

◆ **BUILD JOBS:**

Plans and specifications that exceed Seller's standard plans and specifications will require additional NON-REFUNDABLE deposits paid to Fralin & Waldron, Inc.

◆ **UPGRADES:**

Any and all upgrades to the Seller's standard package must be approved by Seller, priced by Seller to Purchaser, and the amount of same paid to Fralin & Waldron, Inc. prior to work commencing; any payment for upgrades or changes is **non-refundable**.
NON-REFUNDABLE.

◆ **Homeowners' ASSOCIATIONS:**

Disclosure is required for any community with a Homeowners Association; the Builder/Developer will sign contracts when the Acknowledgment of Receipt of Homeowners Association Disclosure Package accompanies the Contract.

*CloverLea: \$200.00 per year, no initial contribution

◆ **AGENT'S RESPONSIBILITIES:**

1. The agent will mediate communication between the purchaser and the New Homes Sales Division, complete the Purchase Agreement for the purchaser, and present the contract to the New Homes Sales Division. Also the agent will ensure the Purchaser receives the Property Owners Association Packet if applicable, and signs the Receipt of Disclosure.
2. After the Purchase Agreement is ratified by both the Builder and the Purchaser, The agent gives copies of signed contract to Purchaser, Lender (if needed), and the Settlement Office of the Purchaser's choice. Notice of where the closing will take place must be given to Dale Eastman, Customer Service at Fralin & Waldron, Inc. 381-1963 or by e-mail: fnrv@ntelos.net. The Buyer's Agent is responsible for setting up the closing as with any other real estate transaction.
3. Communication then begins with the Customer Service Coordinator, Dale Eastman, at Fralin & Waldron, Inc. The agent will call Dale Eastman at 540-381-1963 to set up the initial Plan and Specifications Review meeting. This meeting involves looking over the specific plan for the lot it has been assigned to. The purpose of this meeting is to find out whether the Purchaser will want to make changes, upgrades, etc. to the standard builder's plan. If pricing is needed to make this decision, the customer service representative will get that pricing back to the Purchaser so they can make an informed decision. We encourage the Buyer's Agent to attend this meeting with their clients. After this initial meeting, the purchaser will sign off of the plans so they may be sent to the home site to start the new home building process.
4. Change Orders will be handled through Customer Service. All e-mail correspondence to the purchaser will be copied to the buyer's agent so you're always in the loop of communication up until the closing.
5. Home / Radon Inspections are the responsibilities of the buyer's agent to set up through Customer Service at 540-381-1963.
6. Walk-Throughs are scheduled after a certificate of occupancy has been issued for the new home. This appointment is also scheduled through the Customer Service Department. The buyer's agent should be present at the walk-through.

**NEW RIVER VALLEY
Fralin & Waldron, Inc.
Purchase Agreement**

The Following agency relationships are hereby confirmed by signatures below. If a transaction involves Disclosed Dual Agency or Disclosed Designated Agency, the responsibilities of the parties are defined in the Disclosed Dual Agency Consent and Confirmation Agreement or the Designated Agency Consent and Confirmation Agreement which appropriate Agreement has been reviewed and signed prior to signing the Purchaser Agreement.

Listing Agent: _____ Selling Agent: _____
 is the agent of (check one) (if not the same as Listing Agent) is the agent of (check one)
 _____ the Seller _____ the Buyer
 _____ both the Buyer and Seller _____ the Seller
 _____ both the Buyer and Seller

Listing Firm: _____ Selling Firm: _____
 Principal and/or Supervising Broker is the agent of (check one) Principal and/or Supervising Broker is the agent of (check one)
 _____ the Seller _____ the Buyer
 _____ both the Seller and the Buyer _____ the Seller
 _____ both the Buyer and the Seller

REALTORS ARE REQUIRED BY LAW AND THEIR CODE OF ETHICS TO TREAT ALL PARTIES TO THE TRANSACTION HONESTLY

 PURCHASER DATE PURCHASER DATE

 SELLER - FRALIN & WALDRON, INC. DATE

THIS CONTRACT OF PURCHASE made as of this _____ day of _____, _____, by and between Fralin & Waldron, Inc. a Virginia corporation, Seller (Class A License #2701-007851A): and (Name) _____, (Address) _____ (Home Phone) _____, (Work Phone) _____, Purchaser.

1) **REAL PROPERTY:** Purchaser agrees to buy and Seller agrees to sell land and all improvements thereon located in [check one] () County () City of _____, Virginia, and described as Lot _____, Block _____, Section _____, Map of _____, and more commonly known as _____, a more complete description to be furnished in the deed.

2) **ADDENDA:** The following addenda are made a part of this contract: () Designated Agency Consent & Confirmation Contract; () VA, FHA ; () Standards & Options Addendum; () Home Inspection; () Radon Inspection () Other _____.

3) **OCCUPANCY DISCLOSURE:** Purchaser acknowledges that he/she intends ____ to occupy ____ not to occupy the property as a principal residence.

4) **PROPERTY OWNERS' ASSOCIATION DISCLOSURE:** Seller represents that the Property () is OR () is not located within a development which is subject to the Virginia Property Owner's Association Act (Sections 55-508 et. seq. of the Code of Virginia) (the "Act"). If the property is within such a development, the Act requires the Seller to obtain from the property owners' association an association disclosure packet and provide it to the Purchaser or to notify Purchaser that the packet is unavailable. The information contained in the association disclosure packet shall be current as of the date specified on the association disclosure packet. The Purchaser may submit a copy of the contract to the association with a request for assurance that the information required by the Act previously furnished remains materially unchanged, or, if there have been material changes, a statement specifying such changes. The Purchaser shall be provided with such assurance or such statement within ten days of the receipt of such request by the association. The Purchaser may be required to pay a fee for the preparation and issuance of the requested assurances. The Purchaser may cancel this Contract (a) within 3 days after the Date of the fully executed Contract, if on or before the Date of the fully executed Contract, the Purchaser receives the association disclosure packet or is notified that the association disclosure packet is not available; (b) within 3 days after hand-delivered receipt of the association disclosure packet or notice; or (c) within 6 days after the post mark date if the association disclosure packet or notice is mailed to the Purchaser. The Purchaser may also cancel this Contract at any time prior to settlement if the Purchaser has not been notified that the association disclosure packet will not be available from the association or the association disclosure packet is not delivered to the Purchaser. Written notice of cancellation shall be hand-delivered or mailed, return receipt requested, within the cancellation period to the Seller. If this Contract is cancelled pursuant to this paragraph, such cancellation shall be without penalty, this Contract shall terminate and the Deposit shall be refunded in full to the Purchaser in accordance with the procedure of the Act. The right to receive the association disclosure packet and to cancel this Contract terminates at settlement.

The Purchaser acknowledges with his/her signature that he/she is aware there is a fee to be paid [check one] () annually () monthly to the Homeowners Association for the Community.

5) **PURCHASE PRICE:** The Purchase Price of the Property is _____ Dollars (\$ _____), which shall be paid to Seller at settlement, subject to the prorations described herein and/or from the following sources:

\$ _____ (A) **DEPOSIT:** The Purchaser has made a deposit (the deposit, which is made payable to **Fralin & Waldron, Inc.**, shall be seller's standard deposit, plus any options or upgrades added by Purchaser (\$ _____) check in hand, paid to Seller upon execution of this Contract, the receipt of which is hereby acknowledged. The deposit will be credited towards the purchase price at settlement.

\$ _____ (B) **LENDER'S FIRST TRUST:** This sale is subject to Purchaser obtaining () Conventional or () Other (describe here) _____ loan secured by a first deed of trust lien on the Property in the principal amount of approximately \$ _____, amortized monthly for a _____ year term with interest at the prevailing rate at the time of closing.

\$ _____ (C) **BALANCE OF THE PURCHASE PRICE:** To be paid by Purchaser in cash, cashier's check, certified check or wire transfer funds at settlement.

\$ _____ (D) **TOTAL PURCHASE PRICE**

6) **CASH CONTRACT:** If this is a cash contract and the balance is to be paid in cash, the Purchaser shall give Seller's Agent written verification from his/her bank or other source within **five (5) business days** from date of execution of the contract by all Parties that the Purchaser has the assets or ability to have the balance of the Purchase Price on or before the closing date of the contract. Failure to have written verification from bank or other sources to Seller's Agent within the stated time period will give the Seller the right to terminate this contract, and thereupon Purchaser's Deposit shall be refunded in full, in accordance with procedures defined in Paragraph 7. After the bank or other sources provide written verification, if the Purchaser fails to close for any reason other than the Seller's default or a condition of this Contract, the Purchaser will be in default.

7) **LOAN APPLICATION:** Purchaser shall make written application for any loan to which this Contract is subject within **5 business days** of date of execution of this Contract by all parties and will make every effort to secure said loan and will accept the loan once approved. In the event Purchaser does not make timely application as specified in this Contract, the deposit herewith made and any sums paid for optional extras shall be forfeited by the Purchaser and retained by the Seller as partial liquidated damages. In addition, this Contract is further subject to the Purchaser being approved for the loan aforesaid within thirty (30) calendar days of the date of this Contract, which said approval means the written commitment of the lender to make the loan without the fulfillment of conditions dependent upon the action of third parties, such as, but not limited to, the sale of other real estate or increase in salary. Notwithstanding any other provision herein to the contrary, the period of loan approval will be automatically extended unless Seller terminates this Contract in writing. Seller shall have the sole option at any time, after period of loan approval, to terminate this Contract making it null and void if Purchaser has not obtained loan approval prior to Seller's cancellation notice. The Purchaser grants permission for the Selling Agent and the lender to disclose to Seller or the Seller's agent general information available about the progress of the loan application and loan approval process and authorizes Lender to send a copy of Purchaser's loan commitment letter to Seller at such time as Purchaser's lender sends such loan commitment letter to Purchaser.

The Purchaser shall be in default if settlement does not occur because the Purchaser:

- (a) Fails to lock-in the interest rate(s) and the rate(s) increase so that the Purchaser no longer qualifies for such financing.
 - (b) Fails to comply with the lender's requirements in a timely manner.
 - (c) Fails to notify lender, Seller or Listing Firm promptly of any material adverse change in Purchaser's financial situation that affects Purchaser's ability to obtain the financing.
 - (d) Does not have the funds to settle as provided in this contract at the time of settlement; or
 - (e) Does any act following the date of full execution of this contract that prevents the Purchaser from obtaining the financing.
- TIME IS OF THE ESSENCE FOR THE PROVISIONS OF THIS PARAGRAPH.

In the event Purchaser fails to settle for any reason (provided such failure is not caused by an act of default as defined above and in Paragraph 19 of this agreement) other than the refusal of a Lender (The term "Lender" shall include Seller, should Seller extend a loan to Purchaser) to lend the necessary purchase money to Purchaser on grounds of inability to qualify for financial reasons, provided a condition of this contract is Purchaser's ability to secure financing, then at Seller's option, Purchaser's Deposit and all other sums paid by Purchaser to date shall be forfeited to Seller as partial liquidated damages. Purchaser further agrees that if he defaults, he will be liable for all reasonable expenses incurred by Seller in preserving the Property and attempting to resell it, including, but not limited to, changing options and colors selected by purchaser, interest paid on loans securing the Property which Seller is responsible for paying, loss of use of equity, and the difference between the net sales proceeds of this Agreement and the new sales proceeds when the Property is resold. Purchaser agrees to pay all of Seller's court costs and attorney's fees incurred in the enforcement of this Agreement.

Should this contract be contingent on Purchaser securing financing and Purchaser does not close on this sale due to the Purchaser's inability to secure financing, (provided Purchaser's inability to secure financing is not caused by a default action of Purchaser), then Purchaser and Seller agree that Purchaser's deposit shall be returned to Purchaser less any expenses incurred by Seller making changes and/or alterations or additions to Seller's standard base house and standard finishes that were requested by Purchaser. Expenses incurred by Seller would also include the expense of returning Purchaser's changes to Seller's standard plan and/or finishes.

8) OTHER FINANCING TERMS: Should the Purchaser be unable to qualify for a loan where the original base price thereof is increased by options selected by the Purchaser, the Purchaser shall be obligated to apply for and attempt to qualify for a loan based upon the original base price of the Property exclusive of options.

Purchaser acknowledges that as part of the condition of his loan commitment, Purchaser may be required by Lender to occupy the Property as his primary residence and if so required, Purchaser agrees to do so. Purchaser further acknowledges that Seller may offer certain loan programs and that Purchaser, if unable to qualify for financing elsewhere, shall work with Seller and Seller's agents in attempting to qualify for financing under a loan program Seller may offer.

9) HOMEOWNERS INSURANCE: This Contract is further subject to the Purchaser obtaining, in writing, from his/her homeowners insurance company within **five (5) business days** from the date of the full execution of this Contract, that the Purchaser qualifies for and will be able to purchase homeowners insurance on the Property. The Seller reserves the right to terminate this Contract if the Purchaser does not provide written evidence from the homeowner's insurance company within the above time period that the Purchaser qualifies and the company will issue a homeowners insurance policy. The earnest money deposit will be returned if the Purchaser is unable to obtain said homeowners insurance.

10) CLOSING COSTS: Seller agrees to pay \$ _____ toward Purchaser's closing cost, prepaid expenses, points and miscellaneous fees in connection with the above described loan.

11) TITLE INSURANCE; DISCLOSURE:

() WHEN THE SELLER PAYS CLOSING COST: In the event owner's and lender's title insurance is issued as a part of the transaction herein contemplated, Purchaser directs the settlement agent to secure title insurance from Magic City Title Associates, LLC /dba Professional Title Services. Purchaser acknowledges that Fralin & Waldron, Inc./dba Waldron Homes has an ownership interest in Magic City Title Associates, LLC /dba Professional Title Services. Because of this relationship, this referral may provide Fralin & Waldron, Inc. a financial or other benefit. If title insurance is secured from another source, then the Seller will pay no closing costs. Please Initial here: _____/_____

() WHEN THE PURCHASER PAYS THE CLOSING COST: In the event owner's and lender's title insurance is issued as a part of the transaction herein contemplated, Purchaser directs the settlement agent to secure title insurance from _____ Purchaser acknowledges that the Purchaser's agent and/or the Purchaser's real estate firm, () does or () does not have a business relationship with the title insurance company selected. In the event there is a business relationship, the Purchaser's agent and/or the Purchaser's real estate firm because of this relationship, this referral may provide the Purchaser's agent and/or the Purchaser's real estate firm a financial benefit.

12) SETTLEMENT; POSSESSION: Possession is to be given Purchaser at settlement, unless otherwise agreed, and settlement will be held on or about _____, or as soon thereafter as the title can be examined and all necessary papers prepared, allowing a reasonable time for the correction of any defects reported by the title examiner. Items such as real estate taxes, rents and interest shall be prorated as of the date settlement takes place.

The settlement will be held at the offices of _____.

Choice of Settlement Agent: You have the right to select a settlement agent to handle the closing of this transaction. The settlement agent's role in closing your transaction involves the coordination of numerous administrative and clerical functions relating to the collection of documents and the collection and disbursement of funds required to carry out the terms of the contract between parties. If part of the purchase price is financed, your lender will instruct the settlement agent as to the signing and recording of loan documents and the disbursement of loan proceeds. No settlement agent can provide legal advice to any party to the transaction except a settlement agent who is engaged in the private practice of law in Virginia and who has been retained or engaged by a party to the transaction for the purpose of providing legal services to that party.

Escrow, closing and settlement service guidelines: The Virginia State Bar issues guidelines to help settlement agents avoid and prevent the unauthorized practice of law in connection with furnishing escrow, settlement or closing services. As a party to a real estate transaction, you are entitled to receive a copy of these guidelines from your settlement agent, upon request, in accordance with the provision of the Consumer Real Estate Protection Act.

12) SELLER'S RECITALS:

- (a) The Seller agrees to convey said property by deed with General Warranty and Modern English Covenants of Title, said deed to be prepared at Seller's expense; and the Seller agrees to pay the Seller's Deed Tax. The property above-described is to be free and clear of all liens of any kind at the time of closing, except for any liens herein mentioned.
- (b) The risk of loss or damage to the Property by fire or other casualty shall remain with Seller until possession is given to Purchaser.
- (c) The residence is to be substantially completed at closing. The residence will be "substantially completed" when a certificate of occupancy is issued.
- (d) Seller shall have the unlimited right to extend the closing date for a period not to exceed 30 days.
- (e) All parties acknowledge that Stephen M. Claytor is an officer of Fralin and Waldron, Inc. and is a licensed real estate broker in the State of Virginia.

13) PURCHASER'S ACKNOWLEDGEMENTS:

- (a) If this is a custom home or if the home is not in the final stages of construction ("final stages" is defined as complete except for installation of appliances, HVAC and air conditioning equipment, cabinets and counters, light fixtures and floor coverings), this contract is subject to review and acceptance of the plans, specifications and price for this home within ten (10) business days from date of execution of this agreement by all parties. (However, if this Contract is contingent upon the sale of another property, said plans specifications and prices shall be reviewed and accepted upon deletion of the "Subject to Sale" contingency and the ten (10) day period shall begin upon the deletion of said contingency. Seller at Seller's sole option may schedule this appointment prior to deletion of the contingency.) This time may be extended when mutually agreed in writing by all parties to the agreement. If the home is in the final stages of construction, no such review of plans and specs shall be necessary.
- (b) The Purchaser reserves the right to select, from materials/selections made available by Seller, all interior and exterior colors and materials not already installed or ordered. Purchaser agrees to make interior selections within thirty (30) business days of the date of a fully ratified contract or as directed by Seller. If Purchaser does not make any selections within time allotted by Seller, Seller shall have the option to make selections on behalf of Purchaser. However, if this contract is contingent upon the sale of another property, such selections shall be made after deletion of the "Subject to Sale" contingency.
- (c) Any changes made to the original plans and specifications after the initial meeting with Fralin & Waldron, Inc. may require additional time for delivery and involve possible cost increases. All changes to original plans shall be agreed upon by written change orders signed by both Seller and Purchaser; no changes shall be undertaken until change orders have been duly signed and non-refundable payment for same has been made. Changes made after the fully ratified Contract may result in a later closing date.
- (d) Any and all upgrades to Seller standards must be approved by Seller, priced by Seller to purchasers, and the amount of same paid to Fralin & Waldron, Inc. prior to work commencing; any payment for upgrades or changes is non-refundable. Plans and specifications that exceed Seller's normal plans and specifications will require additional non-refundable deposits paid to Fralin & Waldron, Inc.
- (e) All exterior grading, landscaping, rock walls, and foundation finish may vary from house to house at the sole discretion of the Seller. Walks, stoops, patios, and decks may also vary.
- (f) Only contractors employed by Seller shall perform work on this property.
- (g) Purchaser and Purchaser's agent may visit the site during non-construction time only; however, purchaser agrees that all communication about the property and construction MUST BE WITH SELLER'S OFFICE PERSONNEL ONLY, not the superintendent or other workers at the site. Purchaser acknowledges that construction sites can be dangerous; Purchaser agrees to release Seller from any liability for injuries which may be sustained as a result of any site visit(s) prior to transfer of title to the Purchaser.
- (h) Seller reserves the option until day of closing to use the property as a Model Home, without compensation to Purchaser. However, Seller shall continue to maintain the property and shall deliver the property at settlement in "new home" condition and appearance.
- (i) The keys to the property and possession thereof shall remain with the Builder until the full Purchase Price is paid and all closing documents have been signed by the Purchaser. Seller and Purchaser agree that Purchaser shall not occupy the property nor shall there be any storage of personal property in or on any part of the premises prior to settlement.
- (j) The Purchaser shall be bound by the Declaration of Covenants, Conditions and Restrictions of the Community and the By-Laws of The Community's Homeowners' Association, copies of which the Purchaser, by the signature affixed hereto acknowledges having received. This provision shall survive the execution, delivery and recordation of deed.

(k) Seller will construct the residence in a workmanlike manner and will grade, seed and/or landscape disturbed areas of the property. Seller reserves the right to make such additions, changes, substitutions, deletions or amendments to any plans and specifications as Seller may deem desirable due to material shortages, governmental regulations, lender requirements, or other circumstances beyond its control. Seller reserves the right to modify slightly and/or alter plans set forth in brochures or model displays. Any Model Home, including landscaping, furnishings and sales materials are for marketing and display purposes and may vary from standard finishes in this community.

(l) The Purchaser shall be entitled to a final walk-through prior to settlement. If Purchaser fails to complete a final walk-thru prior to closing, Purchaser nevertheless is obligated to close as outlined above and may cause certain warranty items to become void or otherwise limited in scope.

(m) For an unlimited time after closing, the undersigned specifically authorizes Seller or any affiliate of Seller including Seller's Listing REALTOR® to use the herein described property for general real estate advertising purposes including taking or placing pictures in color and black and white advertisements. Neither the names of the owners nor street addresses will be divulged in advertisements. The provisions of this paragraph shall survive the execution, delivery and recordation of the deed of bargain and sale to the Purchasers.

14) INSULATION: Insulation will be blown in the attic, having a R Value of 38 and a thickness of 10 inches. Exterior walls of heated finished rooms will have batt insulation with a R Value of 13 and a thickness of 3½ inches and where applicable, ceilings of unfinished areas of the basement will be insulated with batt insulation with a thickness of 6 inches and having a R Value of 19.

15) SOIL TREATMENT CERTIFICATE: At closing, the Seller will furnish a soil treatment certificate to Purchaser from a recognized termite exterminator.

16) MECHANICS' LIEN DISCLOSURE: Virginia law (§43-1 et. seq.) permits persons who have performed labor or furnished materials for the construction, removal, repair or improvement of any building or structure to file a lien against the Property. This lien may be filed at any time after the work is commenced or the material is furnished, but not later than the earlier of (i) 90 days from the last day of the month in which the lien or last performed work or furnished materials or (ii) 90 days from the time the construction, removal, repair or improvement is terminated. AN EFFECTIVE LIEN FOR WORK PERFORMED PRIOR TO THE DATE OF SETTLEMENT MAY BE FILED AFTER SETTLEMENT. LEGAL COUNSEL SHOULD BE CONSULTED.

17) FAIR HOUSING DISCLOSURE: All offers shall be presented and considered without regard to race, color, religion, sex, handicap, familial status, elderly age, or national origin as well as all classes protected by the laws of the United States, the Commonwealth of Virginia and applicable local jurisdiction.

18) MEGAN'S LAW DISCLOSURE: The Seller makes no representations with respect to any matters, which may pertain to the parcels adjacent to this property. The Purchaser should exercise whatever due diligence Purchaser deems necessary with respect to information on any sexual offenders registered under Chapter 28 (§19.2-387 et seq.) of Title 19.2, whether the Seller proceeds under subdivision 1 or 2 of subsection A of §55-519. Such information may be obtained by contacting your local police department or the Department of State Police, Central Criminal Records Exchange, at 804-674-2000 or www.vsp.state.va.us.

19) DEFAULT: If either Seller or Purchaser defaults under this contract, the defaulting party, in addition to all other remedies available at law or in equity, shall be liable for the brokerage fee set forth in this contract as if this contract had been performed and for any damages and all expenses incurred by the non-defaulting party, the Listing firm and the Selling firm in connection with this transaction and the enforcement of any provisions of this contract, including, without limitation, attorney's fees and costs, if any. Payment of a real estate broker's fee as the result of a transaction relating to the Property which occurs subsequent to a default under this contract, shall not relieve the defaulting party of liability for any other fees due in connection with this transaction. Purchaser further agrees, should Purchaser fail to settle for any reason other than the refusal of lender to loan the necessary purchase money to Purchaser on grounds of inability to qualify for financial reasons, Purchaser will, in addition to standard contract remedies and damages, be responsible for all reasonable expenses incurred by Seller in preserving the property and attempting to resell it, including but not limited to interest paid on loans in existence on the property at the time of breach to the time of resale, loss of use of equity and the difference between the net sales proceeds of this contract and the final net sales proceeds of the resale.

20) BROKERAGE FEE: Seller shall pay at settlement to the Selling Firm a total Brokerage Fee for services of two and one-half percent (2.5%) of the contract purchase price. Seller hereby authorizes and directs settlement agent to remit to the Selling Firm from Seller's proceeds the two and one-half percent (2.5%) of contract purchase price at settlement. Should Purchaser default in the performance of this contract, Purchaser agrees to pay full two and one-half percent (2.5 %) brokerage fee to Selling Agent, along with reasonable attorney's fees.

21) ASSIGNABILITY: This contract may not be assigned without the prior written consent of the Seller.

22) FACSIMILE: This contract may be signed in one or more counterparts, each of which is deemed to be an original, and all of which shall together constitute one of the same instrument. Documents obtained via facsimile machines shall also be considered as originals.

23) ATTORNEY'S FEES: In any action or proceeding involving a dispute between the Purchaser, the Seller, the Listing and/or Selling Firm arising out of the contract, or to collect the Brokerage Fee, the prevailing party shall be entitled to receive from the other party reasonable attorney's fees to be determined by the court or arbitrator(s).

24) BUILDER'S LICENSE DISCLOSURE:

The Board of Contractors for the Commonwealth of Virginia requires that the Seller/Builder disclose the following information that appears on the contractor's license:

Contractor's Name:	Fralin & Waldron, Inc. / dba Waldron Homes	License Number:	2701-007851A
Address:	2917 Penn Forest Blvd, SW	Expiration Date:	09-30-2010
	P.O. Box 20069	Classifications:	BLD
	Roanoke, Virginia 24018-0503		

25) ADDITIONAL TERMS:

(a) Purchaser agrees to notify all appropriate utility companies to place those utilities in Purchaser's name as of the date of closing. Failure to do so may result in an interruption of services from the utility companies.

(b) Purchaser agrees to close when the property is substantially complete as defined in Paragraph 11(c) even though certain items such as lighting fixtures, landscaping, driveway or other items may not be completed.

(c) The obligations of Seller hereunder are subject to unavoidable delays due to labor disputes, acts of God or public enemy, governmental regulations and controls, fire or other casualties beyond the reasonable control of the Seller.

(d) After settlement Purchaser shall give Seller written notice of any defects in construction of the Property for which Purchaser believes Seller to be responsible under Seller's warranty of the Property, as set forth in Seller's Performance Standards. PURCHASER AGREES THAT PURCHASER'S FAILURE TO PROVIDE SUCH REQUIRED WRITTEN NOTICE OF SUCH DEFECT(S) TO SELLER OR TO ALLOW SELLER TO CORRECT ANY DEFECTS UNDER SELLER'S WARRANTY IDENTIFIED IN WRITING BY PURCHASER SHALL CONSTITUTE A WAIVER OF ANY AND ALL CLAIMS PURCHASER HAS OR MAY HAVE UNDER SELLER'S WARRANTY RELATING TO OR ARISING FROM SUCH DEFECT. BOTH PARTIES AGREE THAT THIS PROVISION SHALL SURVIVE EXECUTION AND DELIVERY OF THE DEED.

(e) _____

26) MISCELLANEOUS: This contract represents the entire agreement between Seller and Purchaser and may not be modified or changed except by written instrument executed by all parties. This contract shall be construed, interpreted and applied according to the laws of the Commonwealth of Virginia and the Seller and Purchaser hereby bind themselves, their heirs, successors, assigns, executors and/or administrators for the faithful performance of the contract. To the extent any handwritten or typewritten terms herein conflict with, or are inconsistent with the printed terms hereof, the handwritten or typewritten terms shall control. UNLESS OTHERWISE PROVIDED HEREIN, THE REPRESENTATIONS AND WARRANTIES MADE BY SELLER HEREIN AND ALL OTHER PROVISIONS OF THIS CONTRACT SHALL BE DEEMED MERGED INTO THE DEED DELIVERED AT SETTLEMENT AND SHALL NOT SURVIVE SETTLEMENT.

WITNESS the following duly authorized signatures and seals:

PLAN (Build Job or Speculation Home)_____

FRALIN & WALDRON, INC.

By _____ (SEAL)
Seller/Date

Purchaser Sign/Date

Selling Firm /Phone/Fax

Purchaser Sign/Date

Selling REALTOR®/Phone

Purchaser Sign/Date

Selling REALTOR® Email Address

Purchaser's Email Address

Listing Firm/Agent: _____

Inspection Addendum to Contract

The undersigned, in consideration of the premises and of the following mutual promises and agreements, hereby agree to add to that certain contract dated _____, by and between the undersigned relating to the purchase of real property known as _____, and more commonly known as _____.

HOME INSPECTION: This Contract is subject to a home inspection, to be paid for by the Purchaser and done by an inspector agreeable to both Purchaser and Seller. The purpose of the inspection is RESTRICTED TO DETERMINING ONLY that the plumbing (including well, well pump and septic system, if any) heating, air conditioning (if any), electrical systems and appliances are in safe working order, there are no structural defects, and the roof is free of leaks. If this is a newly constructed home, the inspection may also include the conformity of these systems to the current building code. The inspection shall be completed:

- IF SPEC HOME, complete**, within _____ business days from the date of full execution of this Agreement by all parties.
- IF SPEC HOME, not complete**, within _____ business days prior to closing.
- IF BUILD JOB**, within _____ business days prior to closing.

Failure to complete the inspection within the specified time period shall forfeit the Purchaser's right to a home inspection.

Purchaser acknowledges that all mechanical equipment in this new home is warranted by manufacturer(s) and that the home is warranted for one year according to state statute (§55-70.1) from date of settlement. Purchaser further acknowledges and agrees that numerous items noted by the inspector may be of the sort which would be corrected before Purchaser's pre-closing walk-through.

RADON INSPECTION: This Contract is subject to a Radon Test which meets standards of the Environmental Protection Agency (EPA). The Inspector shall be certified by the National Environmental Health Association (NEHA) and/or the National Radon Safety Board (NRSB). The choice of Inspector must be agreeable to all parties, and inspection shall be paid for by Purchaser. If radon is found to be present at levels which exceed the action level established by the EPA, Seller shall take corrective action to obtain a test which meets EPA standards. Such work shall be performed by a mitigator certified by NEHA and/or NRSB so that a test may be obtained which meets EPA standards. Seller shall pay for the verification test(s) after the remediation has been completed. A list of certified inspectors and mitigators may be found at the following websites: www.NEHA.org and www.NRSB.org.

In order to facilitate a timely closing, Purchaser agrees to schedule radon inspection to begin on a Friday afternoon after 4:00 p.m. so as not to impede any work in progress on this home. Purchaser shall give at least 48 hours notice to Seller as to the scheduled time for the inspection to begin. Purchaser acknowledges that if radon testing cannot be done on a weekend, or if mitigation is required, the closing may necessarily be delayed by the number of days required to complete testing and receive the results and mitigate if necessary.

RESULTS OF INSPECTIONS: A copy of the written Home, Radon and any additional inspection report(s) shall be given to all parties to the Contract, including F&W/Waldron Homes Customer Service Representative, within _____ business days from date of the inspection(s). If the report(s) reveals problems requiring correction, the Purchaser shall provide Seller, within _____ business days from receiving inspection report(s), a written amendment specifying which problems Purchaser would like Seller to correct. Upon Seller's receipt of the inspection reports, the reports will be turned over to the Site Superintendent for correction in a manner which conforms to industry standards. All repairs made on behalf of Seller shall be performed by the Seller, a licensed contractor in the state of Virginia. At the Final Walk-Through, any items not yet corrected will be added as requested by Purchaser and agreed upon by all parties to the Final Walk-Through Report, a legal document signed by all parties which survives closing. Or Seller may reserve the right to give Purchaser credit for repair work at closing, and in such an event, Purchaser shall be responsible for repairs.

Purchaser shall be deemed to waive any inspection, the results of which are not delivered within the time specified above. Notwithstanding any other provisions of this Contract, Purchaser shall have the option to waive inspection(s).
TIME IS OF THE ESSENCE FOR THE PROVISIONS OF THE HOME, RADON AND ANY OTHER INSPECTIONS CLAUSES.

The original contract between the undersigned, in addition to this addendum and all other addenda, remains in full force and effect.

WITNESS the following duly authorized signatures and seals this _____ day of _____ 20_____.

Selling Agent/Date: _____
(Sign)

List Agent/Date: _____
(Sign)

(Sign)

(Sign)