SIGNATURES PAGE

SUMMARY

Buyer: _____
Address: _____
Is Contingent? _____
Special Stipulations: _____

_____

_____

_____

Floor Plan: _____ **Completion Date:** _____ **Community:** _____
Purchase Price: $ _____ **Closing Date:** _____ **Lot #:** _____
Earnest Money: $_____ **Lot Premium:** $_____

SIGNATURES

Buyer Acknowledges Receipt and Agreement to the Following: (initial each)

_____	Confirmation of Agency Status & Commission Compensation	_____	TN Residential Property Condition Exemption
_____	Affiliated Business Disclosure Statement	_____	Wire Fraud Warning
_____	Construction Policy	_____	New Subdivision Disclosure
_____	Site Visit and Inspection Policy	_____	Southland Home Loans Addendum

BUYER SIGNATURE	BUYER SIGNATURE	SELLING AGENT SIGNATURE
PRINT NAME	PRINT NAME	PRINT NAME
DATE	DATE	DATE
SELLER SIGNATURE	LISTING AGENT SIGNATURE	EXECUTOR SIGNATURE
Robert Fehr, President PRINT NAME	PRINT NAME	PRINT NAME
DATE	DATE	DATE

NEW CONSTRUCTION PURCHASE AND SALE AGREEMENT

1. **Purchase and Sale.** For and in consideration of the mutual covenants herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned buyer(s), _____ ("Buyer"), agrees to buy, and the undersigned seller, Smithbilt LLC ("Seller"), agrees to sell the land described below, with such improvements as are located thereon:

   Lot #_____ of _____ subdivision, _____

   together with _____ ("Floor Plan"), all fixtures, landscaping, improvements, and appurtenances, all being hereinafter collectively referred to as the "Property."

2. **Purchase Price, Method of Payment and Closing Expenses.** Buyer warrants that, except as may be otherwise provided herein, Buyer will at Closing have sufficient cash to complete the purchase of the Property under the terms of this New Construction Purchase and Sale Agreement (hereinafter "Purchase and Sale Agreement" or "Agreement"). The purchase price to be paid is: $ _____, _____ U.S. Dollars ("Purchase Price"), which shall be disbursed at Buyer's expense and paid to Seller or Seller's Closing Agency by: (i) wire transfer (see Wire Fraud Warning Addendum); (ii) cashier's check; OR (iii) such other form as is approved by the Seller in writing.

   The Purchase Price includes a Lot Premium of $_____.

   A. **Appraisal:** This Agreement IS CONTINGENT upon the appraised value either equaling or exceeding the agreed upon Purchase Price. If the appraised value of the Property does not equal or exceed the Purchase Price, Buyer may terminate this Agreement by providing written notice to Seller and providing written proof of the same (for example, this written proof could include, but is not limited to, a copy of appraisal or a signed letter from Lender). Upon Termination, Buyer is entitled to refund of the Earnest Money unless the failure of the appraised value to equal or exceed the Purchase Price may be attributed to Change Orders and/or Upgrades and/or Closing Costs requested by the Buyer. The Buyer is not entitled to a refund of any money deposited for Change Orders and/or Upgrades and/or Closing Costs. In the event the Property does not appraise due to Change Orders and/or Upgrades and/or Closing Costs, Buyer shall either assume responsibility for producing the additional funds necessary to Close or may either terminate the Agreement and forfeit all Earnest Money.

   B. **Closing Costs and Discount Points.**

      1. **Seller Expenses.** Seller shall pay all existing loans and/or liens affecting the Property, including all penalties, release preparation costs, and applicable recording costs; any accrued and/or outstanding association dues or fees; fees (if any) to obtain lien payoff/estoppel letters/statement of accounts from any and all associations, property management companies, mortgage holders or other liens affecting the Property; Seller's closing fee, document preparation fee and/or attorney's fees; fee for preparation of deed; and notary fee on deed.
      Seller is not a foreign person subject to tax withholding under the Foreign Investment and Real Property Tax Act and shall sign, as a condition of Closing, appropriate affidavits certifying that Seller is not subject to the same.

      2. **Buyer Expenses.** Unless otherwise noted in this contract, Buyer shall pay all other expenses in excess of the amount paid by Seller to include transfer taxes and recording fees on deed of conveyance and deed of trust; document preparation fee and/or attorney's fees; preparation of note, deed of trust, and other loan documents; mortgage loan inspection or boundary line survey; credit report; required premiums for private mortgage, hazard and flood insurance; required reserved deposits for insurance premiums and taxes; prepaid interest; re-inspection fees pursuant to appraisal; and any costs incident to obtaining and closing a loan, including but not limited to: appraisal, origination, discount points, application, commitment, underwriting, document review, courier, assignment, photo, tax service and notary fees.

      3. **Title Expenses.** Cost of title search of abstract, mortgagee's policy and owner's policy shall be paid by Buyer.
      Title Company for Buyer: _____
      Contact Info: _____

Closing Agency/Title Company for Seller: Southland Residential Title
Contact Info: orders@southlandrestitle.com; 244 N Peters Rd, Knoxville, TN; 865-689-2406

4. **Closing Costs Defined.**
For purposes of this Agreement, including any amendment, counter offer, or special stipulation, the terms "closing costs," "prepaids," or similar language shall not include any compensation, commission, fee, or other payment to a buyer's real estate licensee. Seller shall have no obligation to pay, credit, or contribute toward any such compensation unless expressly stated elsewhere in this Agreement.

C. **Financial Contingency — Loan to Be Obtained:** This Agreement is conditioned upon Buyer's ability to obtain a loan(s) in the principal amount up to _____% of the Purchase Price listed above to be secured by a deed of trust on the Property. "Ability to obtain" as used herein means that Buyer is qualified to receive the loan based upon Lender's customary and standard underwriting criteria. In the event Buyer, having acted in good faith, is unable to obtain financing by the Closing Date, Buyer may terminate this Agreement by providing written notice and a copy of Lender's loan denial letter. Upon termination, Buyer is entitled to a refund of the Earnest Money less the cost of any unfunded Change Orders or Upgrades already performed, installed, or in the process of being performed or installed by the Seller on or for the Property.
Buyer shall be obligated to Close this transaction if Buyer has the ability to obtain a loan for which Buyer has applied and been approved. _0_ is the declared mortgage company for Buyer.

Type of Loan (select box):
☐ FHA: Addendum attached ☐ USDA ☐ VA: Addendum attached ☐ Conventional ☐ Other: _____

Loan Obligations: The Buyer agrees and/or certifies as follows:

(1) Prior to executing this agreement, Buyer has applied for a loan with Seller's Preferred Lender and has instructed Lender to order a credit report.

(2) Within 15 (fifteen) days from the Agreement Date, Buyer shall provide Seller with a pre-approval letter from the Seller's Preferred Lender for an amount not less than the Purchase Price. In the event Buyer fails to timely provide the pre-approval letter to Seller, Buyer acknowledges and agrees that the Earnest Money shall be nonrefundable should Buyer ultimately be unable to obtain financing by the Closing Date.

(3) No later than 45 (forty-five) days before the Closing Date, Buyer shall warrant and represent to Seller in writing that:
a. Buyer has secured evidence of hazard insurance which will be effective at Closing and Buyer shall notify Seller of the name of the hazard insurance company;
b. Buyer has notified Lender of an Intent to Proceed with Lender and has available funds to Close per the signed Loan Estimate; and
c. Buyer has requested that the appraisal be ordered and affirms that the appraisal fee has been paid.

(4) Buyer shall pursue qualification for and approval of the loan diligently and in good faith;

(5) Buyer shall continually and immediately provide requested documentation to Lender;

(6) Unless otherwise stated in this Agreement, Buyer represents that this loan is not contingent upon the lease or sale of any other real property and the same shall not be used as the basis for loan denial; and

(7) Buyer shall not intentionally make any material changes in Buyer's financial condition which would adversely affect Buyer's ability to obtain the loan referenced herein.

(8) Buyer must notify Seller, and Seller must approve any change of Lender after execution of contract. Seller may elect to terminate contract if Buyer fails to receive Seller approval.

Buyer's failure to timely comply with Sections 2.C.(1) or 2.C.(3) above and to provide required notices to Seller shall be considered a default by the Buyer and Seller's obligation to sell shall terminate.

THE BELOW FINANCING CONTINGENCY WAIVER SHALL ONLY BE A PART OF THIS AGREEMENT IF THE BOX IS CHECKED.

☐ Financing Contingency Waived (e.g. "All Cash", etc.): Buyer's obligation to close shall not be subject to any financial contingency. Buyer reserves the right to obtain a loan. Buyer will furnish proof of available funds to close by either bank statement or Lender's commitment letter within five (5) days after Agreement Date. Should Buyer fail to do so, Buyer shall be considered in default and Seller's obligation to sell shall be terminated. Failure to Close due to lack of funds shall be considered default by Buyer.

D. **Pre-Approval (Not Applicable to Cash Sale):** A letter of pre-approval from Southland Home Loans is required within 15 calendar days of the binding agreement date. Failure to provide a letter of pre-approval within the specified time frame may be considered grounds to terminate Agreement at Seller's discretion. The pre-approval shall reflect

Buyer's ability to qualify for at least the amount of the total contract price at the time of contract acceptance. The purpose of this pre-approval is to provide a picture of Buyer's ability to qualify to purchase the selected home, and to assist Buyer with financial planning during the selection and design process. For this reason, it is recommended that Buyer obtain a range of loan amounts for which he or she is pre-approved to assist in making purchasing decisions during the selection and design process. **This pre-approval is for planning purposes, and Buyer is not obligated to obtain financing through Southland Home Loans.**

E. **Financing Disclaimer:** Buyer understands that Southland Home Loans, an affiliate of Smithbilt Homes, is not a party to this contract and is not bound by the terms of the contract. Also, the Realtors involved in this sale make no representation that the financing described in this contract will be approved by the chosen lender or that the interest rate described in this contract will be available.

3. **Earnest Money.** Buyer has paid or will pay within 3 days after the Agreement Date to _____ (name of Holder) ("Holder") located at _____ (address of Holder) a deposit of $ _____ by check ("Earnest Money").

   A. **Failure to Receive Earnest Money.** In the event Earnest Money is not timely received by Holder or Earnest Money check or other instrument is not honored for any reason by the bank upon which it is drawn, Holder shall promptly notify Buyer and Seller of Buyer's failure to deposit the agreed upon Earnest Money. Buyer shall then have one (1) day to deliver Earnest Money in immediately available funds to Holder. In the event Buyer does not deliver such funds, Buyer is in default and Seller shall have the right to terminate this Agreement by notifying Buyer in writing. In the event Buyer delivers the Earnest Money in immediately available funds to Holder before Seller elects to terminate, Seller shall be deemed to have waived his right to terminate, and the Agreement shall remain in full force and effect.

   B. **Handling of Earnest Money upon Receipt by Holder.**
      (a) at Closing to be applied as a credit toward Buyer's Purchase Price;
      (b) upon a written agreement signed by all parties having an interest in the funds;
      (c) upon a reasonable interpretation of the Agreement; or
      (d) upon order of a court having jurisdiction over the matter or to the clerk upon the filing of an interpleader action.

      In the event of an interpleader action, Holder shall be reimbursed for, and may deduct from any funds interpleaded, its costs and expenses, including reasonable attorney's fees. Earnest Money shall not be disbursed prior to fourteen (14) days after deposit unless written evidence of clearance by bank is provided.

4. **Closing, Prorations, Special Assessments, and Warranties Transfer.**

   A. **Closing Date.** Unless otherwise provided herein, the consummation of the purchase and sale of the Property shall occur upon "Completion" of the improvements as provided herein, which is to be on _____, (the "Closing" or "Closing Date", which shall be evidenced by delivery of warranty deed and payment of Purchase Price).

   B. **Third Party Delays.** Buyer has the right to choose any mortgage company or title company for this transaction; however, if Buyer chooses a title company other than Southland Residential Title or a mortgage company other than a Seller Preferred Lender and the chosen title company causes a delay or the mortgage company cannot fund the loan and complete the transaction on Closing Date, at Seller's discretion, Seller has the option to terminate this Agreement and the Property shall be re-listed on the market.

   C. **Possession.** Possession of the Property is to be given with delivery of warranty deed and payment of Purchase Price. If the parties agree to permit early occupancy by stipulation in Section 21 below, such occupancy shall be conditioned upon Buyer having obtained appropriate hazard insurance and transferring all utilities into the name of Buyer prior to such occupancy.

   D. **Household Goods.** The movement of any household goods or other materials by Buyer into the Property will not be permitted until the Property has been completed and Seller gives written permission for Buyer to move household goods prior to closing date.

   E. **Prorations** Real estate taxes, rents, dues, maintenance fees, and association fees on said Property for the calendar year in which the sale is Closed shall be prorated as of the Closing Date. In the event of a change or reassessment of taxes for the calendar year after Closing, the parties agree to pay their recalculated share. Real estate taxes, rents, dues, maintenance fees, and association fees for prior years and roll back taxes, if any, will be paid by Seller.

F. **Impact Fees or Adequate Facilities Taxes.** Seller has paid or will pay $_0_ in adequate facility taxes or impact fees on the property.

G. **Special Assessments.** Special assessments approved or levied prior to the Closing Date shall be paid by the Seller at or prior to Closing.

H. **Closing Certifications.** Buyer and Seller shall execute and deliver such certifications, affidavits, and statements as are required at Closing to meet the requirements of the Lender and of federal and state law.

I. **Warranties Transfer.** Seller, at the option of Buyer and at Buyer's cost, agrees to transfer Seller's interest in any manufacturer's warranties, service contracts, termite bond or treatment guarantee and/or similar warranties which by their terms may be transferable to Buyer.

5. **Title and Conveyance.**

   A. Seller warrants that at the time of Closing, Seller will convey or cause to be conveyed to Buyer good and marketable title to the Property by general warranty deed, subject only to:
      (1) Zoning
      (2) Setback requirements and general utility, sewer, and drainage easements of record on the Agreement Date upon which the improvements do not encroach; and
      (3) Subdivision declarations, covenants, restrictions, and easements of record on the Closing Date.

      If title examination, closing or loan survey, boundary line survey, or other information discloses material defects, Buyer may, at Buyer's discretion:
      (1) accept the Property with the defects OR
      (2) require Seller to remedy such defects prior to the Closing Date. Buyer shall provide Seller with written notice of such defects. If defects are not remedied by the Closing Date or any mutually agreed upon extension thereof, this Agreement shall terminate, and Buyer shall be entitled to refund of the Earnest Money.

      Good and marketable title as used herein means title which a title insurance company licensed to do business in Tennessee will insure at its regular rates, subject only to standard exceptions. Seller agrees to execute such appropriate affidavits and instruments as may be required by the issuing title insurance company.

   B. Deed is to be made in the name(s) of _____.

6. **Limitations.** The home shall be constructed in accordance with good building practices and substantial accordance with the plans and specifications selected and approved by the Buyer. Seller expressly reserves the right to make such changes or substitutions in the construction of the home:
   (a) as may be required, authorized, or approved by governmental agencies having jurisdiction therefore, without the Buyer's consent;
   (b) as Seller may deem appropriate so long as materials of equal or better quality are used, without the Buyer's consent; and/or
   (c) as may be otherwise reasonably required as long as changes which affect the aesthetics or livability of the home shall be subject to Buyer's written approval.

7. **Contractors and/or Suppliers.** All work and materials to be performed or supplied under this Agreement shall be performed and supplied by Seller's own contractors, subcontractors, employees, agents, materialmen 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 without written approval and consent of Seller.

8. **Decorative Selections.** If there are decorative selections yet to be selected in the completion of the residence, Buyer shall have the opportunity to make those selections from available stock at Seller's normal sources of supply at a design meeting ("Design Meeting"), which shall be the sole forum for facilitating decorative selections by Buyer. Design Meeting refers to an appointment scheduled between Buyer and Seller's decorator ("Design Center"), specifically organized for the purpose of reviewing available options and making decorative selections for the residence. Buyer acknowledges that there is limited time and availability for Design Meeting and that it is Buyer's responsibility to select and attend one of the available appointment times provided by Design Center. If Buyer fails to promptly select an available Design Meeting time, is unable or unwilling to attend any of the available Design Meeting times, fails to be present at a scheduled Design Meeting, or for any other reason, Seller may, at their sole discretion, determine that there is insufficient time or availability to schedule or reschedule Design Meeting. In such cases, Seller shall have the right to make the selections on behalf of the Buyer, and Buyer hereby agrees to accept Seller's selections, which shall be deemed agreed to and acceptable to Buyer.

9. **Nonrefundable Deposits.** Buyer agrees that any request for changes or alterations ("Change Orders") to the residence will be set forth in writing and delivered to Seller. Any requested Change Order must be in writing and signed by Buyer and Seller in order to be binding. No subcontractor, workman or materialman has authority to agree on behalf of Seller to any Change Order. Buyer agrees that all Change Order requests must be presented to Seller so as to allow Seller adequate lead time to schedule the Change Orders into the normal building sequence. Seller has the right to refuse to make requested changes or alterations. Buyer agrees to pay Seller in advance of the performance of work necessitated by agreed Change Orders which will include the cost for both labor and materials and further understands that there will be no refunds, under any circumstances, of payments made by Buyer for Change Orders. Buyer further acknowledges that any work done on the home pursuant to Change Orders or additions may not increase the appraised value of the Property. Seller shall not be responsible if increases in the price of the Property due to Change Orders or additions are not reflected in the appraised value of (and resulting available loan for) the Property. In the event the Property does not appraise due to Change Orders and upgrade items, Buyer shall be responsible for producing the additional funds needed to Close.

10. **Delays.** Seller shall have no liability for any delays in construction caused by labor disruptions, war, terrorism, fire, disease, acts of God or nature including earthquakes and flooding, measures of any governmental authority, or delays caused by Buyer's Change Orders and/or selection of materials. In the event of any such delays, whether or not such delays were foreseeable, the Closing Date may be extended by the number of days resulting from such delays, not to exceed 30 calendar days. Seller shall notify Buyer of any such delays.

11. **Homeowner Association.** Seller represents that there is a required association fee in the approximate amount of $_____ per month to prorated at Closing. Buyer acknowledges that the Property is subject to the restrictive covenants and homeowner association bylaws (the "CCRs"). Buyer acknowledges being informed that all updated CCR's for every Smithbilt community can be found on Smithbilt's website.

12. **Completion.** The construction shall be completed in accordance with all applicable governmental regulations, ordinances and codes, and shall be in compliance with all applicable restrictions, covenants and conditions, including, without limitation, any public or private architectural controls and restrictions. "Substantial Completion" shall mean that all matters of substance except minor touch-up matters have been completed. The Substantial Completion Date for Property is _____. If unforeseen delays have caused Seller to not meet the Substantial Completion Date, and Seller cannot complete the home within 30 days after the Substantial Completion Date (or longer if permitted under section 10), then either party may terminate the contract, at which point all earnest money and upgrade money will be returned to Buyer, and neither party will have any further obligations to one another and the provisions of Section 18 shall not apply.

13. **Insurability.** It is the right and responsibility of Buyer to determine the insurability, coverage and the cost of insuring the Property. It is also the responsibility of Buyer to determine whether any exclusions will apply to the insurability of said Property.

14. **Rental. Buyer hereby represents and warrants to Seller that, except as provided below, Buyer is not purchasing the Property to use as a rental property and that Buyer will personally occupy the home from the Closing Date. A breach of this Section 14 shall void Seller's limited warranty described in Section 15 below.**

☐ Buyer will use Property as a rental. ☐ Buyer will personally occupy Property from Closing Date.

Buyer's Initials: _____

15. **Limited Builder Warranty.** Seller warrants the Property and Improvements against defective workmanship or materials (normal wear and tear excepted) for a period of one (1) year from Closing Date. Seller agrees to correct any covered defects identified by Buyer. Buyer is to list all covered defects via Seller's website portal, MY HOME, prior to one of two allotted warranty periods. The first warranty period shall be ninety (90) days following Closing (90 Day List). The second callback period shall be 365 days following Closing (Year End List). After receiving Buyer's 90 Day List or Year End List strictly by My Home Portal submittal, Seller will contact Buyer to schedule repairs. If Buyer fails to submit 90 Day List or Year End List within 30 days after warranty period, then that warranty period expires and no items will be addressed. No warranties are transferable to the second home buyer. If Buyer is a non-occupant owner, then Buyer waives the initial 90 day warranty period and the only callback shall be for the Year End List. Seller shall communicate solely with Buyer and not with any non-owner resident for coordinating the repairs, including, but not limited to, the repair date. Seller shall only reschedule the repair date twice upon the request of Buyer. If Seller, through no fault of its own, cannot complete the repairs at the time of the second rescheduled repair date, then this warranty shall be void and of no further effect. Buyer shall indemnify and hold harmless Seller, its successors, agents, and assigns, from and against, and shall pay to Seller the amount of, and reimburse Seller for, any and all losses, liabilities, claims, actions, damages, and expenses, including reasonable attorneys' fees and

disbursements, arising out of and in connection with any claims made by any tenant of Buyer against Seller; provided, that such claims, actions, or damages do not arise from Seller's gross negligence or willful misconduct. Any and all liability of Seller under this limited warranty shall be solely to Buyer and not any tenant of Buyer. SELLER HEREBY EXPRESSLY DISCLAIMS ANY AND ALL WARRANTIES NOT SPECIFICALLY PROVIDED FOR IN THIS CONTRACT AND ITS ADDENDUMS, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF HABITABILITY, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE.

16. **Brokers Disclaimer.** It is understood and agreed that the real estate firms and real estate licensee(s) representing or assisting Seller and/or Buyer, their brokers, and the real estate firms (collectively referred to as "Brokers") do not have or assume liability for the performance or nonperformance of Seller or Buyer.

17. **Irreconcilable Differences.** Notwithstanding anything herein to the contrary, if, after entering into this Agreement, the parties are unable to negotiate the improvements, including, but not limited to the decorative selections, or otherwise, in Seller's opinion, develop irreconcilable differences, Seller shall have the right to terminate this Agreement. In such event, subject to Seller's right to retain the Earnest Money under the terms of this Agreement, the Earnest Money shall be returned in full to Buyer. Effective upon any such termination and, if applicable, Buyer's receipt of the Earnest Money, the parties shall have no further obligations under this Agreement.

18. **Default.** Should Buyer default hereunder, the Earnest Money shall be forfeited as damages to Seller and shall be applied as a credit against Seller's damages. Seller may elect to sue, in contract or tort, for additional damages or specific performance of the Agreement, or both. Should Seller default, the Earnest Money shall be refunded to Buyer. In addition, Buyer may elect to sue, in contract or tort, for damages or specific performance of this Agreement, or both. In the event that any party hereto shall file suit for breach or enforcement of this Agreement (including suits filed after Closing which are based on or related to the Agreement), the prevailing party shall be entitled to recover all costs of such enforcement, including reasonable attorney's fees. In the event that any party exercises its right to terminate due to the default of the other pursuant to the terms of this Agreement, the terminating party retains the right to pursue any and all legal rights and remedies against the defaulting party following termination.

19. **Other Provisions.**

    A. **Binding Effect, Entire Agreement, Modification, Assignment, and Agreement Date.** This Agreement shall be for the benefit of, and be binding upon, the parties hereto, their heirs, successors, legal representatives and assigns. This Agreement constitutes the sole and entire agreement between the parties hereto and no modification of this Agreement shall be binding unless signed by all parties or assigns to this Agreement. No representation, promise, or inducement not included in this Agreement shall be binding upon any party hereto. Any assignee shall fulfill all the terms and conditions of this Agreement. The Agreement Date shall be the date upon which this Agreement is signed by the last party thereto.

    B. **Survival Clause.** Any provision contained herein, which by its nature and effect is required to be performed after Closing shall survive the Closing and delivery of the deed, and shall remain binding upon the parties to this Agreement and shall be fully enforceable thereafter.

    C. **Governing Law and Venue.** This Agreement is intended as a contract for the purchase and sale of real property and shall be interpreted in accordance with the laws and in the courts of the State of Tennessee.

    D. **Time of Essence.** Time is of the essence in this Agreement.

    E. **Terminology.** As the context may require in this Agreement: (1) the singular shall mean the plural and vice versa; (2) all pronouns shall mean and include the person, entity, firm or corporation to which they relate; (3) the masculine shall mean the feminine and vice versa; and (4) the term day(s) used throughout this Agreement shall be deemed to be calendar day(s) ending at 11:59 p.m. local time unless otherwise specified in this Agreement. Local time shall be the current time applicable to Knoxville, Tennessee. In the event a performance deadline, other than the Closing Date (as defined in Section 4 herein) or Date of Possession (as defined in Section 4 herein), occurs on a Saturday, Sunday or legal holiday, the performance deadline shall extend to the next following business day. Holidays as used herein are those days deemed federal holidays. In calculating any time period under this Agreement, the commencement day shall be the day following the initial date (e.g. Agreement Date).

    F. **Responsibility to Cooperate.** Buyer and Seller agree to timely take such actions and produce, execute, and/or deliver such information and documentation as is reasonably necessary to carry out the responsibilities and obligations of this Agreement. Except as to matters which are occasioned by clerical errors or omissions or erroneous information, the approval of the Closing documents by the parties shall constitute their approval of any differences

between this Agreement and the Closing. Buyer and Seller agree that if requested after Closing, they will correct any documents and pay any amounts due where such corrections or payments are appropriate by reason of mistake, clerical errors or omissions, or the result of erroneous information.

G. **Notices.** Except as otherwise provided herein, all notices and demands required or permitted hereunder shall be in writing and delivered either (1) in person, (2) by a prepaid overnight delivery service, (3) by facsimile transmission (FAX), (4) by the United States Postal Service, postage prepaid, registered or certified, return receipt requested or (5) Email. NOTICE shall be deemed to have been given as of the date and time it is actually received. Receipt of notice by the real estate licensee or their Broker assisting a party as a client or customer shall be deemed to be notice to that party for all purposes under this Agreement as may be amended, unless otherwise provided in writing.

H. **Risk of Loss.** The risk of hazard or casualty loss or damage to Property shall be borne by Seller until transfer of title. If casualty loss prior to Closing exceeds 10% of the Purchase Price, Seller or Buyer may elect to terminate this Agreement with a refund of the Earnest Money to Buyer.

I. **Equal Housing.** This Property is being sold without regard to race, color, sex, religion, handicap, familial status, or national origin.

J. **Severability.** If any portion or provision of this Agreement is held or adjudicated to be invalid or unenforceable for any reason, each such portion or provision shall be severed from the remaining portions or provisions of this Agreement, and the remaining portions or provisions shall be unaffected and remain in full force and effect. In the event that the contract fails due to the severed provisions, then the offending language shall be amended to be in conformity with state and federal law.

K. **Contract Construction.** This Agreement or any uncertainty or ambiguity herein shall not be construed against any party but shall be construed as if all parties to this Agreement jointly prepared this Agreement.

L. **Other.** A party seeking to invoke his/her right to terminate this Agreement pursuant to a contingency stated herein shall, upon request of the other party, provide copies of documentation supporting the invoking party's right to exercise said contingency. Such supporting documents shall be for the use of the requesting party to determine if the conditions of the contingency have been met and shall not be disseminated to third parties.

20. **Exhibits and Addenda.**
All exhibits and/or addenda attached hereto, listed below, or referenced herein are made a part of this Agreement:

Addendum 1:	Confirmation of Agency Status & Commission Compensation
Addendum 2:	TN Residential Property Condition Exemption
Addendum 3:	Affiliated Business Disclosure Statement
Addendum 4:	Wire Fraud Warning
Addendum 5:	Construction Policy
Addendum 6:	New Subdivision Disclosure
Addendum 7:	Site Visit and Inspection Policy
Addendum 8:	Southland Home Loans Addendum

21. **Special Stipulations.** The following Special Stipulations, if conflicting with any preceding paragraph, shall control:

22. **Contingency Contract.** If the parties stipulate to an additional contingency making the Buyer's obligation to finalize the purchase of Property contingent upon the sale of Buyer's current home, Seller shall have the right to terminate this Agreement and sell the Property to another buyer if Buyer fails to waive this contingency within twenty-four (24) hours of receiving notification via email or text that Seller has received a competing offer on Property. In the event of Seller's termination, Buyer shall receive a full refund of Earnest Money. It is acknowledged that payments to Seller for "Change Orders" which include any upgraded items shall be non-refundable and retained by Seller.

☐ This offer IS Contingent ☐ This offer is NOT contingent

If contingent; List, the address of the buyer's contingent property and choose one of the following options:
Address of Buyer's Contingent Property: _____

☐ Buyer's Contingent Property is NOT currently listed on local MLS.
☐ Buyer's Contingent Property is currently listed on local MLS but not under contract.
☐ Buyer's Contingent Property is currently listed on the local MLS and/or is under contract with a closing date of _____.

23. **Method of Execution.** The parties agree that signatures and initials transmitted by facsimile, other photocopy transmittal, or by transmittal of digital signature as defined by the applicable State or Federal law will be acceptable and may be treated as originals and that the final Purchase and Sale Agreement containing all signatures and initials may be executed partially by original signature and partially on facsimile, other photocopy documents, or by digital signature as defined by the applicable State or Federal law.

24. **Time Limit of Offer.** This offer may be withdrawn at any time before the acceptance with Notice. Offer terminates if not countered or accepted by _____o'clock_____ on _____.

THIS IS A LEGAL CONTRACT AND THE BUYER HERETO SHALL BE ADVISED TO SEEK LEGAL COUNSEL FOR SPECIFIC ADVICE BEFORE SIGNING THIS CONTRACT. THE BUYER AGREES THAT IT HAS NOT RELIED UPON ANY REPRESENTATION MADE BY A BROKER OR AGENT IN DESCRIBING THE PROPERTY OR INTERPRETING THE TERMS OF THIS CONTRACT.

NOTE: Any provisions of this Agreement which are preceded by a box "☐" must be marked to be a part of this Agreement. By affixing your signature below, you also acknowledge that you have reviewed each page and have received a copy of this Agreement.

Buyer hereby makes this offer.

Seller hereby:

☐ Accepts ☐ Counters ☐ Rejects

(Signatures to appear on "Signatures Page")

ADDENDUM 1: CONFIRMATION OF AGENCY & FACILITATOR AGREEMENT

Every real estate licensee ("Licensee") is required to disclose his or her agency status in a real estate transaction to any buyer who is not represented by an agent and with whom the Licensee is working directly in the transaction. The purpose of this Confirmation of Agency Status is to acknowledge that this disclosure occurred. Copies of this confirmation shall be provided to any signatory thereof. Notice is hereby given that the agency status of this Licensee (or Licensee's company) is as follows in this transaction:
The real estate transaction involving the property located at: _____

SELLER NAME: Smithbilt LLC
SELLER LICENSEE NAME: _____

In this consumer's current or prospective transaction is serving as:

☒ **Transaction Broker or Facilitator.**

BUYER NAME: _____
BUYER LICENSEE NAME: _____
BUYER LICENSEE #: _____
BUYER LICENSEE BROKERAGE: _____

In this consumer's current or prospective transaction is serving as:

☐ **Transaction Broker or Facilitator.** (not an agent for either party)
☐ **Buyer is Unrepresented.**
☐ **Designated Agent for Buyer.**

Concession Fee: All Smithbilt homes are listed by Southland Realtors. The concession fee for ALL Smithbilt homes is a flat fee listed on MLS. If the home is not currently listed on MLS, then the facilitation fee will be paid according to the schedule found at https://smithbilthomes.com/commission/.

Sales Incentive: In addition to the flat fee, Buyer Agents/Facilitators that CLOSE multiple Smithbilt homes between January 1 and December 31 will be paid an additional bonus according to the Bonus Schedule. In order to collect additional bonus, Buyer Facilitator must submit Closing Form with contract. Additional terms, the Bonus Schedule and the Closing Form can all be found at https://smithbilthomes.com/commission/.

Agent/Facilitator Duties: The Agent/Facilitator shall coordinate with Buyer and Seller to ensure timely completion of all necessary documentation, facilitate communication between Buyer, Seller, and any other involved entities such as real estate agents, attorneys, and lenders, assist with the arrangement of property inspections, appraisals, and other necessary evaluations, ensure compliance with all legal and regulatory requirements related to the transaction, and facilitate the closing process to ensure that all necessary documents are properly executed.

This form was delivered in writing, as prescribed by law, to any unrepresented buyer prior to the preparation of any offer to purchase. This document also serves as confirmation that the Licensee's Agency or Transaction Broker status was communicated orally before any real estate services were provided and serves as a statement acknowledging that the buyer was informed that any complaints alleging violation(s) of Tenn. Code Ann. § 62-13-312 must be filed within the applicable statute of limitations set out in Tenn. Code Ann. § 62-13-313(e) with the Tennessee Real Estate Commission, 710 James Robertson Parkway, 3rd Floor, Nashville, TN 37232, PH: (615) 741-2273. This notice by itself, however, does not constitute an agency agreement or establish any agency relationship.

By signing, parties acknowledge receipt of Confirmation of Agency relationship disclosure by Licensee acting as Agent/Broker OR pursuant to the National Association of Realtors® Code of Ethics and Standards of Practice.

(Signatures to appear on "Signatures Page")

ADDENDUM 2: TENNESSEE RESIDENTIAL PROPERTY CONDITION EXEMPTION DISCLOSURE

Property Address: _____

Buyer(s): _____

Seller: Smithbilt LLC

Unless a property transfer is specifically excluded, the Tennessee Residential Property Disclosure Act requires sellers of residential real property with one to four dwelling units to furnish to a buyer one of the following: (1) a residential property disclosure statement (the "Disclosure"), or (2) a residential property disclaimer statement (permitted only where the buyer waives the required Disclosure). The undersigned Seller does hereby notify Buyer that said property is being offered without Residential Property Condition Disclosure Statement as provided by the Tennessee Residential Property Disclosure Act. This transfer is excluded under Tenn. Code Ann. § 66-5-209 for the following reason:

☒ This is a transfer involving the first sale of a dwelling provided that the builder offers a written warranty.

A complete copy of the Act may be found at http://www.tn.gov/regboards/trec/law.shtml. (See Tenn. Code Ann. § 66- 5-201, et seq.)

The party(ies) have signed and acknowledge receipt of a copy of this notice.

(Signatures to appear on "Signatures Page")

ADDENDUM 3: AFFILIATED BUSINESS DISCLOSURE STATEMENT

To: Client or Customer from Southland Realtors Inc.

Office Address: 244 N Peters Rd, Knoxville, TN 37923

Office Phone Number: (865) 693-6961

Property Address: _____

Agent: _____

Personal Interest Disclosure: Southland Residential Title LLC

This is to give you notice that Southland Realtors Inc. owners have an ownership interest in Southland Residential Title LLC. Because of this relationship, this referral may provide Southland Realtors Inc. and/or its owners a financial or other benefit. You are NOT required to use the listed provider(s) as a condition for the purchase of the subject property. THERE ARE OTHER SETTLEMENT SERVICE PROVIDERS AVAILABLE WITH SIMILAR SERVICES. YOU ARE FREE TO SHOP AROUND TO DETERMINE YOU ARE RECEIVING THE BEST SERVICE AND THE BEST RATE FOR THESE SERVICES.

Personal Interest Disclosure: Southland Home Loans LLC

The owners of Southland Realtors Inc. have a financial interest in Southland Home Loans LLC. Because of this relationship, Southland Realtors Inc. and/or its owners receive a financial benefit from mortgage loans originated at Southland Home Loans LLC. Southland Home Loans LLC is a preferred service provider for Southland Realtors Inc. and Smithbilt LLC. You are NOT required to use Southland Home Loans LLC as a condition of the purchase or sale of the subject property. THERE ARE SEVERAL COMPANIES THAT PROVIDE SIMILAR MORTGAGE SERVICES. YOU ARE FREE TO SHOP AROUND TO DETERMINE YOU ARE RECEIVING THE BEST SERVICES AND THE BEST RATES FOR THESE SERVICES.

Personal Interest Disclosure: Smithbilt LLC

The owners of Southland Realtors Inc. have a financial interest in Smithbilt LLC. Because of this relationship Southland Realtors Inc. and/or its owners receive a financial benefit from the sale of Real Estate owned by Smithbilt LLC.

I/WE have read this disclosure form and understand that Southland Realtors Inc. is referring me/us to the listed above service providers and may receive a financial or other benefit.

(Signatures to appear on “Signatures Page”)

ADDENDUM 4: WIRE FRAUD WARNING

Criminals use many methods to steal our money, even when we are buying or selling a home — particularly involving wire fund transfers. Scammers typically will send an email that APPEARS to be from your agent, broker, lender, or the closing attorney/ closing agency. Be on the lookout for:

- Phony email addresses (e.g., a slight change in the domain name), authentic-looking fake websites, phony fax numbers, texts, calls or social media messages from scammers.
- Any communication requesting information or directing you to a fake website, a criminal's email address or a criminal's bank account.

In preparation for closing, Buyers will often need to wire transfer funds from their personal bank to the closing attorney/closing agency. NEVER ACCEPT WIRING INSTRUCTIONS FROM YOUR AGENT OR BROKER. Rather, you should receive wiring instructions prior to closing from the closing attorney/closing agency or your lender. If the instructions are sent by email they should be in a secured manner. DO NOT TRANSFER FUNDS UNTIL you have verified the authenticity of the wiring instructions by at least one other independent means, including but not limited to the following:

- Call the phone number you used on all your prior calls (if the number came from a personally recognized or known source), or
- Call the closing attorney/ closing agency or lender after verifying their phone number from a known third party source, such as the entity's official website and/or public directory assistance (do not take the phone number directly from the wiring instruction form you received), or
- Make a personal visit to their office at the address you previously met with them.

If you send wiring instructions by email or any electronic means to anyone at your bank or other financial institution in preparation for closing, DO NOT TRANSFER ANY FUNDS until after you verify that the correct instructions were received by a known representative at your financial institution. Also, it is important to confirm with the financial institution that the wire instructions ARE NOT TO BE SUBSTITUTED WITHOUT YOUR PRIOR CONSENT. Any wiring instructions sent should be sent in a secured manner. Be especially aware of any request to change any of the original wiring/money transfer information, change in the person you have been working with on the transaction, or a subtle difference in their behavior, speech, or grammar. These are some signs of a potential scam. Wiring instructions for closing attorneys, title companies and lenders rarely if ever change, so any request to change this information should be handled with caution. If you suspect you may be a victim of wire fraud or that you may have received suspicious phone calls, emails, text messages, faxes, social media messages, emails from a fake address, a change in contact person at your bank or mortgage company, or changes to wire transfer or financing institutions:

- IMMEDIATELY call your bank and/or mortgage company at the phone number you used in all prior calls.
- Then, call your agent at the phone number you used in all prior calls.

(Signatures to appear on "Signatures Page")

ADDENDUM 5: CONSTRUCTION POLICY

Plans
Smithbilt's decisions and drawings take precedent in guiding the construction of each home. All construction plans are the property of Smithbilt and are not available for distribution. Installation of materials and all construction procedures must be furnished and installed by Smithbilt. At no point during construction can any job site superintendents nor field employees discuss or negotiate construction procedures with buyers. Floor plan renderings are for marketing purposes only and cannot be relied on to reflect the actual building plans.

Design Center
Smithbilt's Design Center is located at 244 N. Peters Road, Knoxville, TN 37923. The Design Center is open Monday-Friday, 8am-4pm by APPOINTMENT ONLY. Smithbilt's Design Coordinator will contact you to schedule an appointment once we have received your Executed Contract. All interior and exterior design selections have been pre-selected for all homes. There comes a time in the construction process when design selections cannot be changed, therefore, appointments must be scheduled in a timely manner.

Upgrades
SMITHBILT REQUIRES PREPAYMENT ON ALL SELECTED UPGRADES. Selection and prepayment of upgrades must be received prior to ordering. If you delay in making your selections and/or your prepayment, your closing date may need to be extended or the pre-selected items will be installed. Voiding the sales contract does not release the buyer from the responsibility of payment for upgraded selections. Smithbilt reserves the right to deny any upgrade requests.

SMITHBILT OFFERS TWO OPTIONS OF PAYMENT FOR UPGRADES:

ADDENDUM — Cost of upgraded options to be added to your loan amount. You must immediately contact your mortgage company and obtain approval for the amount of the upgraded options. If the overage is approved, a check for the full amount must be received before the items will be ordered. This check will be returned to you same day as closing. **If you void the sales contract, the check will be cashed for payment of the overages.** If the overage is not approved and you still want to include the options in your home, you can choose the invoice option.

INVOICE — A check for the full amount must be received and deposited prior to upgrade items being ordered.

The payment for any overages, whether by invoice or addendum, is not a deposit and will never be construed as such. The cost of upgraded items does not amend the sales contract in relation to real estate commission based on the sales price.

Limited One-Year Builder's Warranty
Smithbilt is providing a copy of the Limited One-Year Builder's Warranty at closing. In addition to quality craftsmanship and materials, we provide two callbacks during the one-year warranty period for construction and material defects. **Only items listed in the warranty booklet will be covered.** The first callback should be scheduled 90 days after closing (90 Day List). The second callback should be scheduled one year after closing (Year End List). Please submit your 90 Day List and Year End List via Smithbilt MY HOME Portal. Once the either list is received, you will be contacted to schedule repairs. No warranties are transferable to the second home buyer. Please note also that for any homeowner that leases the home purchased pursuant to this agreement, Smithbilt will provide only one callback one year after closing. Smithbilt will not communicate with any tenant regarding repairs to the home, and the homeowner is responsible for coordinating all repairs with Smithbilt, including, but not limited to, scheduling the repair date and ensuring access to the home to complete repairs. Smithbilt will only reschedule the repair date twice. If Smithbilt is unable to make the repairs due to no fault of Smithbilt at the time of the second rescheduled repair date, Smithbilt shall have no further obligations to repair the home pursuant to this limited warranty.

Access
You must contact the listing agent for access to the home. Keys will not be given out during construction. You will receive your keys at closing. Prior to closing, buyer may not install and/or store any items in the home, unless given written consent from Smithbilt. Accessing the home without permission or without being accompanied by a Smithbilt Representative is grounds for Seller to terminate contract.

Walkthrough

When your home is under construction, there are many different stages until we reach the final finished project. Many items may appear to go unnoticed. A specialized crew will touch up and fine-tune your home before the walkthrough is scheduled. A Southland Realtors representative will provide access to the home for your scheduled walkthrough. The earliest date the "walkthrough" can occur is one calendar day after the Substantial Completion Date. Any and all items needing to be addressed must be listed on the Smithbilt walkthrough form that will be provided, or you can find a copy of the walkthrough form on our MY HOME portal. Items listed on any other forms will not precede Smithbilt's form and will not alter the original contract.

My Home Portal

As soon as Smithbilt executes the contract, Buyer will receive an email and text explaining how to login to My Home. (Check you spam/junk folder) Once under contract, please direct all communication through the MY HOME portal where you can do the following:

- Ask the builder a question
- Submit and view warranty requests
- Contact Homeowner's Association
- View construction photos
- Review Builder's Warranty
- Request change orders
- View transaction documents
- View Buyer's Guide

You will receive your username and password as a text message or email to your "Primary" contact methods.

For construction communication purposes ONLY, please provide the following information:

Buyer's Primary Email:	_____	**Mortgage Company:**	_____
Buyer's Primary Phone:	_____	**Lender Phone:**	_____
Buyer's Secondary Email:	_____	**Lender Name:**	_____
Buyer's Secondary Phone:	_____	**Lender Email:**	_____

Buyer hereby acknowledges having read and agrees to the Construction Policy.

(Signatures to appear on "Signatures Page")

ADDENDUM 6: NEW SUBDIVISION DISCLOSURE

Smithbilt hereby discloses and Buyer hereby acknowledges the Property (lot and improvements collectively) is part of a NEW SUBDIVISION of which one, multiple or all the following may apply.

1. **Communication Infrastructure Disclosure:** Communication infrastructure/services including but not limited to Cable, Internet, Phone are not guaranteed to be installed and/or active in New Subdivision. Buyer is encouraged to contact the communication service provider of the area to verify the current and future status of communication infrastructure.

2. **Utilities Disclosure:** All Properties (Lots and Homes) of New Subdivision will have working sewer, water, gas (if applicable) and electric services. All services have been designed by qualified engineers, and approved by the utility providers relevant to New Subdivision. All services are installed, inspected and functional prior to closing of the home. It is the buyer's responsibility to transfer the service of all related utilities into Buyer's name same day as closing. Furthermore, Seller discloses to Buyer that all utility districts/service providers operate and bill differently. Prior to closing, Buyer is encouraged to contact the service provider of each applicable utility to verify the current and future operations of the utility district; including but not limited to Initial Deposit, Rates, Future Increases, Minimum Use Fees, Billing Cycles, Grinder/E1 Pump Fees, Irrigation/Pool Use Fees, Peak Seasonal Fees. You can find a utility provider contact list on our website by clicking on the specific subdivision of which your contracted property is located.

3. **Mailbox Disclosure:** The United States Postal Service (USPS) no longer delivers mail to individual mailboxes of homes in New Subdivisions. The USPS requires the developer of New Subdivisions to install a Cluster Box Unit (CBU) in a central area of the New Subdivision accessible to all Lot/Home owner. If required CBU not already installed by developer, Buyer is encouraged to contact the USPS or the Listing Agent of New Subdivision to verify the planned location of the CBU.

4. **Developer Bond(s):** New Subdivision is comprised of newly installed infrastructure including but not limited to road(s), sidewalk(s) (if applicable), utilities, drainage. All infrastructure is bonded individually by the developer at a price determined by the governing municipality. It is the sole discretion of the governing municipality to determine if each infrastructure installed by developer is 100% complete and satisfies all municipal requirements. If deemed satisfactory by the governing municipality then the bond in place for each infrastructure will be released back to the developer. Once bond is released to developer, the governing municipality will be responsible to maintaining the roads, road signs, curbs, catch basins, and sidewalks, and the Homeowner Association (HOA) is responsible to maintain the drainage infrastructure and common areas, which are listed in the New Subdivision Covenant and Restrictions (CCRs), the governing documents of the HOA. Prior to closing, Buyer is encouraged to review the CCRs of New Subdivision. Furthermore, the developer may at any time relinquish control of the HOA and require all homeowners elect a board to enforce the CCRs (refer to By Laws in CCRs for more information). The control of HOA is not subject to any bond being released back to developer, nor is the HOA responsible for the bond or installation of any infrastructure of New Subdivision. The developer works diligently to release all bonds in a timely manner but is not restricted to a certain timeframe or completion date.

(Signatures to appear on "Signatures Page")

ADDENDUM 7: SITE VISIT AND INSPECTION POLICY

1. **Site Visits.** Buyer understands that unauthorized site visits to Property create unnecessary delays in the construction process and can constitute a safety issue due to ongoing construction. Absent written consent by Seller, which may be withheld at Seller's sole discretion, neither Buyer nor any associated party, such as a family member, designated representative, or third-party contractor hired by Buyer, shall have the right to visit the Property prior to closing. Should Buyer or any such associated party make any visit to the Property without the consent of Seller, Seller shall have the right to terminate this Agreement. In such event, subject to Seller's right to retain the Earnest Money under the terms of this Agreement, the Earnest Money shall be returned in full to Buyer. Effective upon any such termination and, if applicable, Buyer's receipt of the Earnest Money, the parties shall have no further obligations under this Agreement.

2. **Walkthrough and Inspection.** After Substantial Completion Date, Buyer, while accompanied by a representative of Seller, may completely inspect the improvements ("Improvements") at a mutually agreed upon date and time ("Walkthrough"), subject to the following requirements and restrictions:

    A. **Scheduling.** Walkthrough must be scheduled through the sales representative of Seller and must be scheduled to occur in accordance with Seller's production schedule. Walkthrough shall occur, at the earliest, one (1) day following the Substantial Completion Date, at the latest, seven (7) days prior to Closing Date, and shall be scheduled no fewer than three (3) days in advance.

    B. **Punch List.** Within 24 hours of Walkthrough, Buyer shall submit a written list of matters which Buyer reasonably deems to be incomplete or defective, hereinafter referred to as the "Punch List." Punch List is to be given to Seller's sales representative to be uploaded to the My Home Portal. Punch List shall serve as the sole medium for communicating concerns to Seller and shall not be superseded or supplemented by any additional documents including, but not limited to home inspection reports or Tennessee Association of Realtors forms. No changes shall be permitted to Punch List once it has been submitted to Seller. Punch List shall be signed by Buyer prior to closing acknowledging Punch List items have been addressed. Should Buyer proceed with closing without signing Punch List, completion of Punch List shall thereby be deemed agreed to and acceptable to Buyer. If Buyer subsequently discovers any matter believed to be incomplete or defective, Buyer may identify such defects to Seller for repair under the Builder's Limited Warranty.

    C. **Remediation.** Subject to Seller's acceptance, Seller shall diligently attempt to complete or repair items identified on Punch List prior to Closing Date. If the reasonable cost of completion of Punch List items exceeds $5,000.00, the job shall not be deemed to be substantially complete. In the event Seller does not agree with any item on Punch List, both parties agree to negotiate in good faith to resolve such disagreement.

    D. **Professional Home Inspectors.** In the event Buyer opts to hire an independent professional home inspector ('Inspector'), Inspector may conduct an inspection during Walkthrough, which shall be the sole opportunity to conduct such an inspection, and Buyer must be present at Walkthrough to accompany Inspector. SELLER WILL NOT DELAY CONSTRUCTION OR CLOSING TO ACCOMMODATE INSPECTOR. Inspector must maintain all licenses required by state and local law and must either be a licensed professional engineer or a full-time home inspector and a member of either the International Association of Certified Home Inspectors (InterNACHI) or the American Society of Home Inspectors, Inc (ASHI). Upon request, Inspector must furnish Seller with proof of worker's compensation insurance in accordance with applicable law, errors and omissions insurance with coverage of no less than $300,000.00 per occurrence, and general liability insurance with coverage of no less than $300,000.00 per occurrence.

(Signatures to appear on "Signatures Page")

ADDENDUM 8: SOUTHLAND HOME LOANS ADDENDUM

Property Address: _____

Seller agrees to pay a sum equal to **TWO percent (2%)**, for first time home buyers, or **ONE percent (1%)**, for all others, of Buyer's primary loan amount at closing to be applied to Buyer's allowable closing costs, pre-paids, and/or discount points, subject to the following:

- Buyer will personally occupy Property as their primary residence from Closing Date.
- Buyer chooses, and qualifies, to obtain mortgage financing for the purchase of Property from Southland Home Loans.
- Should Buyer choose to obtain said mortgage financing from another lender, this Addendum shall not apply to the transaction, and Seller shall not pay any of Buyer's closing costs, pre-paids, and/or discount points.
- Should Buyer's closing costs, pre-paids, and/or discount points be less than said ONE percent (1%) or TWO percent (2%) they are otherwise eligible to receive, Buyer shall not receive that difference.
- Should Buyer obtain more than one loan for the purchase of Property, this addendum shall apply only to the primary loan, as obtained from Southland Home Loans.
- Should Buyer choose to use Southland Home Loans, Southland Residential Title will be the closing and title agency used at closing. In the event Southland Residential Title is unable to serve as the closing and title agency for the closing, Southland Home Loans will select another provider to serve as the closing and title agency for the closing.
- Buyer gives permission for a representative from Southland Home Loans to contact buyer concerning financing options.
- For the purposes of this incentive, a first time home buyer is someone who purchases a home as their primary residence and has never owned a home previously. This definition excludes buyers who might be classified as first time home buyers under any other criteria, such as those used by government agencies to determine eligibility for tax benefits or other purposes.

Signing this addendum does not obligate Buyer to obtain a loan through Southland Home Loans. Buyer may obtain mortgage financing through a lender of his or her choice.

(Signatures to appear on "Signatures Page")