

PURCHASE AGREEMENT CHECKLIST

- _____ Completed Purchase Agreement
- _____ Standards and Options Addendum (for all communities except SteepleHunt; purchaser signs this addendum even if selecting no options as it acknowledges the Standard finishes for the home)
- _____ Deposit check, made payable to Boone Homes, Inc. of Roanoke (see note below for standard deposit in each community) NO NOTES ACCEPTED
- _____ Contractor's Licensing Addendum (attached)
- _____ Agreement to Delete Financing Contingency (attached)
- _____ Acknowledgment of Receipt of Homeowners' Association documents
- _____ Acknowledgment of Receipt of the Home Purchaser's Handbook Warranty Information

NOTE: There is a special Subject to Sale addendum and a special Home and Radon Inspection addendum attached, to be used only if you need one or both of them.

STANDARD DEPOSITS

<u>Community</u>	<u>Speculative Home*</u>	<u>Build Job**</u>
The Groves	\$ 2,500.00	10% of contract price
Stone Manor	\$ 5,000.00	10% of contract price
SteepleHunt	5% of purchase price	15% of contract price
Coach Homes Of Southwood	\$15,000.00	15% of contract price
Devoncroft	5% of purchase price	15% of contract price

* Speculative home—any home currently under construction

** Build job—any home that it to be constructed, in which the Purchaser chooses the lot and plan to be built, even if the plan is one of Seller's standard plans. If contract calls for substantial changes, Seller reserves the right to require additional deposit.

Regarding 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.

Coach Homes Of Southwood:	\$500.00 initial contribution; \$150.00 per month
The Groves:	\$120.00 initial contribution; \$ 90.00 per year
SteepleHunt:	\$100.00 initial contribution; \$140.00 per year
Stone Manor:	\$100.00 initial contribution; \$135.00 per year
Devoncroft:	\$100.00 initial contribution; \$100.00 per year

ADJUSTMENT OF POSSESSION/CLOSING DATE

Use the correct number of days listed below to fill in the blank in Paragraph 8 of the Purchase Agreement if this contract pertains to a building permit for a home that has not been issued or needs re-issuance. The following number of days:

Coach Homes Of Southwood	210 Days
Devoncroft	210 Days
The Groves	150 Days
Stone Manor	150 Days

STANDARD PURCHASE AGREEMENT

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

Listing Agent: _____
is the agent of (check one)
_____ the Seller
_____ both the Purchaser and Seller

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

Listing Firm: Long & Foster REALTORS®
Principal and/or Supervising Broker
is the agent of (check one)
_____ the Seller
_____ both the Seller and the Purchaser

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

The Seller and the Purchaser each confirm that the disclosure of the agency relationships described above has been in writing prior to presentation and execution of this contract. 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 Contract or the Designated Agency Consent and Confirmation Contract, which appropriate Contract has been reviewed and signed prior to signing the Purchase Contract.

PURCHASER DATE
BOONE HOMES, INC. OF ROANOKE

PURCHASER DATE

SELLER DATE

SELLER DATE

THIS PURCHASE AGREEMENT made as of this _____ day of _____, 20____, by and between Boone Homes, Inc. of Roanoke, a Virginia corporation, Seller; 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 _____ (hereinafter referred to as the "Property"), 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; () Standards & Options Addendum for The Community; () Builder's License Addendum; () Addendum-Agreement to Delete Financing Contingency 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 ct. 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 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 three (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 three (3) days after hand-delivered receipt of the association disclosure packet or notice; or (c) within six (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 Closing 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 Closing.

The Purchaser acknowledges with his/her signature that he/she is aware there is an initial \$ _____ contribution paid at closing to the Homeowners Association, and the fee is \$ _____ per [check one] () year () month.

5) PURCHASE PRICE: The Purchase Price of the Property is _____ Dollars (\$ _____), which shall be paid to Seller at Closing, 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 Boone Homes, Inc. of Roanoke, shall be seller's standard deposit plus any options or upgrades added by Purchaser) of _____, (\$ _____) 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 Closing.

\$ _____ **(B) LENDER'S FIRST TRUST:** This sale is subject to the Purchaser obtaining () Conventional or () Other (described 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 Closing.

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

6) 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 Closing 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) Does not have the funds to settle as provided in this Contract at the time of Closing; or
- (d) 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.

7) 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 further acknowledges that Seller may offer certain loan programs, and the Purchaser, if unable to qualify for financing elsewhere, agrees to work with Seller and/or Seller's agents in attempting to qualify for financing for and/or to accept any loan program Seller may offer even if such loan program is for a lesser time period than that outlined above.

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.

8) CLOSING; POSSESSION: Possession is to be given Purchaser at Closing, unless otherwise agreed, and Closing is to be held on or before _____, 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 Closing takes place. In the event the building permit for the home to be constructed on this lot has not been issued as of the date of this Contract or if changes made by Purchaser require the resubmission of plans and the reissuance of a building permit then the possession and Closing shown in this paragraph 8 shall be adjusted to _____ days from the date the building permit is issued (or reissued, if applicable) or the date Purchaser and Seller sign the construction plans for the home to be constructed, whichever is the later date. Construction shall commence on the home to be constructed on the Property within ___ days from the date the building permit is issued by the jurisdiction in which the Property is situated.

Choice of Closing Agent: You have the right to select a Closing agent to handle the closing of this transaction. The Closing 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 Closing agent as to the signing and recording of loan documents and the disbursement of loan proceeds. No Closing agent can provide legal advice to any party to the transaction except a Closing 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 Closing Service Guidelines: The Virginia State Bar issues guidelines to help Closing agents avoid and prevent the unauthorized practice of law in connection with furnishing escrow, Closing or closing services. As a party to a real estate transaction, you are entitled to receive a copy of these guidelines from your Closing agent, upon request, in accordance with the provision of the Consumer Real Estate Protection Act.

9) PURCHASER'S ACKNOWLEDGMENTS:

(a) The Purchaser shall be bound by the Declaration of Covenants, Conditions and Restrictions of the Community and the Bylaws of The Homeowners' Association for the community in which the Property is located, copies of which the Purchaser, by the signature affixed hereto, acknowledges having received. This provision shall survive the execution, delivery and recordation of the deed conveying title from Seller to Purchaser.

(b) The Purchaser reserves the right to select from materials/selections made available by Seller, all interior colors and materials not already installed or ordered by the Seller. Any colors and/or materials selected by Purchaser exceeding Seller's standard allowances and/or specifications will be charged to Purchaser as an "extra" to be paid in cash directly to the supplier at the time of selection. Purchaser agrees to make all interior color selections within thirty (30) days of the date of this Contract. However, Seller reserves the right to require these selections sooner, based on the Closing date of this Contract. If Purchaser does not choose colors within the prescribed time, Seller, at its sole option, may declare this Contract null and void, in which event Purchaser's deposit shall be forfeited by Purchaser and retained by Seller as partial liquidated damages, or the Seller, at its sole option, in addition to any other rights afforded in this Contract, shall have the right to make selections on behalf of Purchaser.

(c) All exterior colors, materials, light fixtures and landscaping will be selected, designed and/or installed by the Seller. All exterior grading, landscaping, rock walls (if any) and foundation finish may vary from house to house at the sole discretion of the Seller. Only one mailbox design is allowed in this Community; mailbox is provided and installed by Seller.

(d) Purchaser agrees to accept property regardless of the condition of trees located on the Property. The removal of dead or dying trees shall be the sole responsibility and expense of the Purchaser. This provision shall survive the acceptance and recordation of the deed of conveyance.

(e) Seller reserves the right until day of closing to use the property as a Model Home, without notice or compensation to Purchaser.

(f) The keys to the dwelling on the Property and possession thereof shall remain with the Seller until the Purchase Price, as adjusted as of Closing, if necessary, is paid in full and all closing documents have been signed by 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 Property prior to Closing.

(g) For an unlimited time after closing, the undersigned specifically authorizes Seller or any affiliate of Seller, including, but not limited to, Long & Foster, REALTORS® 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.

(h) Purchaser agrees to accept the home as constructed on the Property as of the date of this Contract even if the manner in which it is constructed is different from the construction plans and/or any marketing plans of the home.

(i) Seller's obligation to complete the Home by the Target Closing Date is expressly conditioned upon Seller's obtaining all necessary governmental permits and approvals to construct the Home.

(j) Seller, the developer of the subdivision if different, or a utility company, may locate utility boxes or streetlights on the Property prior to Closing, and Purchaser acknowledges that Seller may have no control over the location of the utility boxes on the Property. An easement for the presence, use and maintenance of such boxes will be deemed to exist until a formal easement agreement is executed. If an easement for such boxes has not been recorded prior to Closing, Purchaser shall execute an easement agreement on or after Closing. This Section shall survive Closing and the recordation of the Deed conveying the Property from Seller to Purchaser.

(k) If any part of the new home being constructed on the Property is damaged or destroyed by any casualty prior to Closing, Seller will have the option to restore the New Home to its previous condition as soon as reasonably possible. In the event Seller elects to restore the New Home, then the Closing Date and any other applicable date or deadline will be extended. Seller agrees to notify Purchasers of its decision within ten (10) business days of the date of any such casualty. In the event Seller elects not to restore the New Home, then this Contract will terminate and Purchasers will receive a full refund of all Earnest Money Deposits and Options Deposits paid.

10) 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 Grantor's Tax. The Property is to be free and clear of all encumbrances, tenancies and liens (except for taxes not yet due and payable), but subject to such restrictive covenants and easements of record.

(b) The risk of loss or damage to the Property by fire or other casualty shall remain with Seller until the deed conveying the Property from Seller to Purchaser is delivered to Purchaser at Closing.

(c) The home on the Property shall be substantially completed at Closing and shall be deemed to be "Substantially Completed" when a certificate of occupancy is issued. At closing, Seller shall deposit in escrow with the settlement agent or other third party sums determined by Seller to be sufficient to finish any items not completed. The escrow shall be released to Seller upon affidavit by Seller that the items to be completed in the Escrow Agreement have been completed. If the Purchaser fails to settle within seven (7) days of issuance of a certificate of occupancy or the date of Closing as outlined in paragraph 8 above, whichever occurs later, the Purchaser shall pay to the Seller at Closing the sum of \$120.00 per day from the end of said seven (7) day period to the actual date of closing.

(d) Seller shall have the right to extend the closing date for a period not to exceed 60 days.

(e) All parties acknowledge that G. L. Boone is a licensed Real Estate Broker, Jo Anne B. Boone is a licensed Real Estate Salesperson, and, in addition, both are stockholders and/or Officers and Directors of Seller. The parties acknowledge that J. Alexander Boone is an Officer and Director of Seller, Boone Homes, Inc. of Roanoke, and a licensed Real Estate Salesperson, and that C. Timothy Garrison, Listing Agent, is an Officer of Seller and a licensed Real Estate Broker.

11) CONSTRUCTION:

(a) The Purchaser reserves the right to select, from materials/selections made available by Seller, all interior colors and materials not already installed or ordered. Purchaser agrees to make interior selections as soon as directed by Seller.

(b) Any changes made to the original plans and specifications may require additional time for delivery and involve possible cost increases. Changes and/or options chosen by Purchaser that exceed Seller's standard allowance must be paid for by Purchaser prior to work for changes and/or options commencing. The cost of such changes and/or options shall be paid for at time of signing a change order with Seller or paid directly to supplier designated by Seller at time of selection and will be non-refundable for any reason except default by Seller.

(c) Only Contractors employed by Seller shall perform work on the Property.

(d) Should Purchaser have included as an additional cost in this Contract (or by change order at a date yet to be determined) that the lower level (if any) of the Property be finished, Purchaser acknowledges that Seller will not start construction on finishing the lower level until Purchaser has removed any loan contingency from this Contract. Purchaser further acknowledges that completion of lower level construction will require 30 days from the date of Purchaser's removal of any loan contingency and that Closing shall be extended by this 30 day time period even if this 30 day period should exceed any prior extensions authorized by this Contract.

(e) 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 or as may be due to material shortages, governmental regulations, lender requirements, or other circumstances beyond its control.

NOTE: THE SELLER RESERVES THE RIGHT TO MODIFY SLIGHTLY AND/OR ALTER PLANS SET FORTH IN BROCHURES OR MODEL DISPLAYS. THE MODEL UNIT, INCLUDING LANDSCAPING, FURNISHINGS AND SALES MATERIALS ARE FOR MARKETING AND DISPLAY PURPOSES ONLY.

(f) The Purchaser shall be entitled to a final walk-through prior to Closing. 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.

(g) Purchaser and Purchaser's agent may visit the site during construction; 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 and that Seller has requested Purchaser not make site visits. Should Purchaser choose to visit the site during construction, Purchaser agrees to release Seller from liability for injuries, which may be sustained as a result of any site visit(s) while the home is under construction.

(12) INSULATION (R Values): Insulation in the attic, having an R Value of 38 to be either 15 ¾" blown fiberglass or 10" blown cellulose – Seller's option (however, above some Cathedral ceiling areas, insulation may be fiberglass batt-type with an R Value of 19 and a thickness of 6.25 inches). The exterior walls of heated rooms, basement ceiling (should this home have a basement) of unfinished areas and any framed exterior basement walls will be fiberglass, batt type with an R Value of 13 and a thickness of 3 5/8" inches.

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

14) 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 lienor 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 CLOSING MAY BE FILED AFTER CLOSING. LEGAL COUNSEL SHOULD BE CONSULTED.**

15) FAIR HOUSING DISCLOSURE: All Contracts 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.

16) NOTE TO PURCHASERS: The Seller makes no representations with respect to any matters, which may pertain to the parcels adjacent to the Property. The Purchaser, prior to Closing, should exercise whatever due diligence Purchaser deems necessary with respect to adjacent parcels in accordance with the terms and conditions as may be contained in this Contract. 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.

(17) NOTICE AND AGREEMENT REGARDING RADON GAS: The United States Environmental Protection Agency (EPA) has indicated that radon gas may escape from some types of soils at elevated levels and become trapped in a home, regardless of the type of home or who builds it. The EPA has stated that prolonged exposure to elevated levels of radon gas for a sufficient period of time may increase the risk of certain types of health hazards. Purchaser may wish to contact the EPA to obtain a copy of publication EPA-402-K92-003 "Consumer's Guide to Radon Reduction," at the United States Environmental Protection Agency, Office of Air & Radiation, EPA Region 3, Mid-Atlantic Region, Mail Code (3AP23), 1650 Arch Street, Philadelphia, PA, 19103-2029, www.epa.gov/iaq, Toll Free: 1-800-438-2474, Phone (215) 814-2086. In addition, Purchaser may want to contact the EPA or state or local environmental authorities regarding the risk associated with elevated radon gas levels, methods of detection and measurement, and what, if any, remedial measures may be advisable in particular circumstances to reduce the risk of radon gas exposure.

Seller has performed no tests for the presence of radon gas on or around the Property and makes no representations, of any kind, regarding the present or future existence of radon gas or about acceptable levels of radon gas in or around the Property. Further, without limiting any other limitation of warranties provided or to be provided by Seller herein, **SELLER DISCLAIMS ANY WARRANTY, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF GOOD WORKMANSHIP, HABITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, REGARDING RADON GAS AS IT RELATES TO THE PROPERTY.** Purchaser releases Seller from any present or future claims or liability of any kind that Purchaser may ever have against Seller which in any way relate to the existence of radon gas in or around the Property, including, but not limited to, any expenses Purchaser may incur in any radon reduction methods that Purchaser may pursue if elevated levels of radon gas ever occur. This Section shall survive execution and delivery of the Deed conveying title to the Property from Seller to Purchaser.

(18) NOTICE AND AGREEMENT REGARDING MOLD: Mold is a type of fungus that occurs naturally in the environment. Not all mold is necessarily harmful, but certain strains of mold have been shown to have adverse health effects in susceptible persons. Purchaser may wish to contact the EPA to obtain a copy of Publication EPA-402-K-02-003 "A Brief Guide to Mold Moisture and Your Home," at the United States Environmental Protection Agency, National Center for Environmental Publications, P. O. Box 42419, Cincinnati, Ohio 42419, www.epa.gov/iaq, Phone: (800) 490-9198. For more information on mold related issues, including mold clean up and moisture control, condensation and humidity issues, you can call the EPA Indoor Air Quality Information Clearinghouse IAQ INFO at (800) 438-4318. Purchaser may also want to contact the Air and Respiratory Health Branch of the National Center for Environmental Health at the Center for Disease Control and Prevention for more information on possible adverse effects on health that may be caused by mold. According to the U.S. Environmental Protection Agency's on-line Mold Resource Guide, "there is no practical way to eliminate all mold and mold spores in the indoor environment". Growth of mold requires moisture, and control of moisture within a home is generally recommended as the best way to control the growth of mold within a home. Purchaser should diligently inspect its home from time to time for excessive moisture and abate unnecessary moisture in a timely manner in an effort to prevent the growth of mold within the home.

Seller and its employees are not experts on mold. Seller has performed no air or surface tests for mold on or around the Property. Seller makes no representations, of any kind, regarding the present or future existence of mold or about acceptable levels of or types of mold in or around the Property. Further, without limiting any other limitation of warranties provided or to be provided by Seller herein, **SELLER DISCLAIMS ANY WARRANTY, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF GOOD WORKMANSHIP, HABITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, REGARDING MOLD AS IT RELATES TO THE PROPERTY.** Purchaser releases Seller from any present or future claims or liability of any kind that Purchaser may ever have against Seller, which in any way relate to the existence of mold in or around the Property, including, but not limited to, any expenses Purchaser may incur in any mold abatement methods that Purchaser may pursue if mold occurs on the Property. This Section shall survive execution and delivery of the Deed conveying title to the Property from Seller to Purchaser.

(19) SELLER MAKES NO WARRANTIES, EXPRESS OR IMPLIED, ABOUT THE EXISTING OR FUTURE ENVIRONMENTAL CONDITIONS OF THE PROPERTY, SUCH AS POSSIBLE PRESENT OR FUTURE POLLUTION OF AIR, WATER OR SOIL FROM UNDERGROUND MIGRATION OR SEEPAGE (INCLUDING RADON GAS) OR ANY OTHER SOURCE, AND DISCLAIMS ANY LIABILITY FOR DAMAGES ARISING OUT OF ANY EXISTING OR FUTURE ENVIRONMENTAL CONDITIONS OF THE PROPERTY.

20) BROKERAGE FEE: Seller shall pay at Closing to the Selling firm a total Brokerage Fee for services of three percent (3.0%) of the Purchase Price. Seller hereby authorizes and directs the Closing agent to remit such sum to the Selling Firm the amount of the Selling Firm's Fee from Seller's proceeds at Closing. The parties acknowledge that Seller shall pay listing broker, Long & Foster, REALTORS®, the listing commission outside of closing in accordance with the listing agreement between the parties. Should Purchaser default in the performance of this Contract, Purchaser shall pay the full brokerage fee stated in this Contract, as well as the listing fee due Listing Broker, together with Seller's reasonable attorney's fees and all other damages as set forth in this Contract. Both parties to this Contract agree that the amount of the brokerage fee provided for in the Contract is a reasonable fee based on the efforts of the Agents.

21) ASSIGNABILITY: This Contract may not be assigned without the prior written consent of the Seller. Purchaser expressly agrees not to offer for sale, list with a real estate agent or broker for sale, market, or otherwise attempt to sell, market, or convey the Property or any Contract rights to purchase the Property, prior to the recordation of the deed of conveyance of the Property to Purchaser.

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) 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 10(c)), even though the interior of the Property is not fully completed or any portion of the exterior is not fully completed.

(c) In the event Purchaser fails to settle on the purchase of the Property or otherwise breaches this Agreement for any reason other than the Lender's denial of the loan for the purchase of the Property (the term "Lender" shall include Seller should Seller extend a loan to Purchaser) provided that at the time of such failure to close, this Agreement is contingent on Purchaser securing financing, and provided such loan denial is not caused by an act of default by Purchaser as defined in Paragraph 6, then at Seller's option, and in addition to all other rights and remedies provided Seller at law and/or equity, Purchaser's Deposit and all other sums paid by Purchaser to date, including, but not limited to, change orders, shall be forfeited to Seller as partial liquidated damages. Purchaser further agrees that in the event of a default, he shall 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 to those Seller, in its discretion, deems to be more marketable, interest paid on loans securing the Property which Seller is responsible for paying, loss of use of equity from the sale of the Property, and the difference between the net sales proceeds received by the sale of the Property in accordance with the terms of this Agreement and the sales proceeds received by the subsequent contract for the sale of the Property. Purchaser additionally shall pay all of Seller's costs, including, but not limited to, attorney's fees and court costs incurred by Seller in the enforcement of this Purchase Agreement arising out of Purchaser's default or otherwise arising out of a default of this Agreement reasonably anticipated by Seller. The parties further agree that Purchaser shall not record any document against the Property, including, but not limited to, lis pendens.

(d) 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.

(e) Seller shall have the right to change the grades of the Property before or after closing to accommodate the grading of any lot adjacent to the Property so long as such lot is owned by Seller to allow for driveways and/or turn-arounds (or portions thereof) on adjacent lots and/or proper drainage. This provision shall survive acceptance and recordation of Deed conveying title to the Property from Seller to Purchaser.

(f) 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 and any delays resulting from such events shall not constitute abandonment by Seller.

(g) After closing, Purchaser shall give Seller written notice of any defects in the 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 Warranty Manual, the terms of which Manual are incorporated into the terms of this Contract. Purchaser's sole remedy for a defect in the construction of the Property shall be the repair of the claimed defect, and Seller shall not be liable for any special, indirect or consequential damages, including, but not limited to, any damages based on claimed decrease in the value of the Property. Any claim arising from or relating to the Property or its construction shall be brought within two (2) years from the Closing date; provided, however, that the warranty on the foundation set forth in Section 55-70.1 of the Code of Virginia shall be five (5) years from the date of Closing or the date of Purchaser's possession of the Property, whichever earlier occurs. Purchaser further acknowledges that all non-emergency defects, e.g. plumbing leaks, roof leaks, HVAC, are to be addressed in the time frames outlined in Seller's warranty manual. 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. THE PARTIES ACKNOWLEDGE AND AGREE THAT ANY CLAIM FILED IN A COURT OF COMPETENT JURISDICTION BY EITHER OF THEM SHALL BE HEARD BY A JUDGE AND THE PARTIES HEREBY WAIVE THE RIGHT TO A TRIAL BY JURY. The provisions of this Section shall survive Closing and execution and delivery of the deed conveying title to the Property from Seller to Purchaser.

24) MISCELLANEOUS: All understandings and agreements heretofore made between the parties hereto are merged into this Contract, which expresses the parties' entire agreement, and no representations, oral or written, not contained herein shall be considered a part hereof. This Contract may not be altered, enlarged, modified or changed except by an instrument in writing executed by all of the parties hereto. Except as expressly provided to the contrary herein, the terms of this Contract shall merge into and not survive the acceptance and recordation of the deed of conveyance.

The laws of the Commonwealth of Virginia shall govern the interpretation, validity and construction of the terms and conditions of this Contract. The parties to this Purchase Agreement mutually agree that it shall be binding upon them and each of their respective heirs, personal representatives, successors and assigns. The invalidity of any provision of this Contract shall not affect the validity or enforceability of any other provisions hereof. The captions of this Contract are for the convenience of the parties and shall not be considered as material part hereof. This Contract may be executed in counterparts; each of which, when so executed, may be considered an original.

25) ADDITIONAL PROVISIONS: _____

WITNESS the following duly authorized signatures and seals:

BOONE HOMES, INC. OF ROANOKE

By _____ (SEAL) _____ (SEAL)
Seller/Date Purchaser/Date

Selling Firm /Phone Social Security Number

Selling REALTOR®/Phone Purchaser/Date (SEAL)

Selling REALTOR® Email Address Social Security Number

Listing Firm/: _____
New Homes Division 540-772-9249 Purchaser's Email Address



ADDENDUM TO CONTRACT

Agreement to Delete Financing Contingency

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 Lot _____, Block _____, Section _____, map of _____ Subdivision, County/City of _____, Virginia.

The undersigned hereby agree(s) that should this Contract be contingent upon the Purchaser securing financing, then Purchaser shall notify Seller within thirty (30) days of this Contract date that Purchaser has made arrangements for financing to complete this Contract and that this Contract is no longer contingent upon Purchaser securing financing. In the event Seller has not received this notification within the thirty (30) day period, Seller, at Seller's sole option, shall have the right anytime thereafter to declare this Contract null and void and upon doing so return the deposit to Purchaser. Purchaser acknowledges that construction or further completion of this residence may not be started until such time as Seller receives this written notification. All parties agree that any inconsistency between the time frame and/or language of this Addendum and the Contract is to be construed in accordance with the time frame and or language of this Addendum.

WITNESS the following SIGNATURES and SEALS this _____ day of _____, 20____.

BOONE HOMES, INC. OF ROANOKE.

Sale Agent: _____

By: _____

List Agent: _____

(SEAL)

(SEAL)



BUILDER'S LICENSE ADDENDUM TO CONTRACT

This is an addendum to the Purchase Agreement dated _____ for the sale of Lot _____, Block _____, Section _____ of _____ (add name of community) located in _____, Virginia. The undersigned acknowledge disclosure of the following information:

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

Contractor's Name: Boone Homes, Inc. of Roanoke
Address: 3922 Electric Road, SW
P.O. Box 8156
Roanoke, VA 24014
License Number: 2701- 026913A
Expiration Date: 10-31-2007
Class of License: Class A Contractors License
Classifications: BLD

Witness our SEALS and SIGNATURES this _____ day of _____.

BOONE HOMES, INC. OF ROANOKE

By: _____
Seller

_____(SEAL)
Purchaser

_____(SEAL)
Purchaser



SUBJECT TO SALE, KICK-OUT AND SUBJECT TO CONSUMMATION CLAUSES
(Blanks in all clauses are to be filled out completely.)

This is an addendum the Purchase Agreement dated _____, between _____, Seller, and _____, Purchaser, on the sale of _____, Roanoke, Virginia. The following clauses are made part of the Contract.

SUBJECT TO SALE CLAUSE:

This Contract is subject to the Purchaser having Purchaser's property at _____ under Contract of sale THAT IS NOT SUBJECT TO THE SALE OF ANOTHER PROPERTY within 30 days of the above Contract date. It is also subject to that sale being consummated within 60 days of the removal of the Subject to the Sale Clause. It is agreed that the Purchaser will list this property exclusively with Long & Foster, REALTORS® or the sale agent for this Contract. If the Purchaser does not list Purchaser's property within 24 hours or have Purchaser's property under contract within the time period described above, Seller reserves the right to terminate this Contract by written notice to the Selling Agent. If this Contract is terminated, Purchaser will be entitled to a refund of the Deposit, in accordance with procedures defined elsewhere in this Contract, and thereupon none of the parties will have further obligation hereunder to the others.

The above 30 day period shall automatically extend itself if Purchaser's present home is not under contract of sale (that is not subject to sale of another property) within said 30 day period, except that Seller shall have the sole option anytime after 30 days to give Purchaser written notice that Seller is declaring this contract null and void and returning Purchaser's deposit, provided such written notice is given Purchaser prior to Purchasers' having their present home under contract of sale that is not subject to the sale of another property.

KICK-OUT CLAUSE:

If the Seller receives and accepts another Contract on the Seller's property THAT IS NOT SUBJECT TO THE SALE OF ANOTHER PROPERTY, it is agreed that this Purchaser shall within 24 hours from written or verbal notification of the Selling Agent and/or the Purchaser:

EITHER: Remove the above Subject to Sale and Kick-Out Clauses. If the Purchaser removes the Subject to Sale and Kick-Out Clauses, the Purchaser MUST, at the same time, provide a letter from a lender and/or financial institution stating that the Purchaser will qualify for the loan described in the Purchase Agreement based upon: (1) information provided at loan application, (2) a written credit report obtained by lender, and (3) verification of necessary funds to close without the sale of Purchaser's present property referenced in the Purchase Agreement. This qualification letter does not constitute loan approval.

OR: Terminate the Contract—The Purchaser may terminate the Contract. If this Contract is terminated, Purchaser will be entitled to a refund of the Deposit, in accordance with procedures defined elsewhere in this Contract, and thereupon none of the parties will have further obligation hereunder to the others.

SUBJECT TO THE CONSUMMATION CLAUSE:

If the Purchaser removes the above Subject to Sale and Kick-Out Clauses because Purchaser's property goes under contract, this Contract shall become Subject to the consummation of the existing Contract of Sale of the Purchaser's property, and the closing date reflected in the contract shall be adjusted to _____ days from date of deletion of the "subject to sale" contingency.

This Contract is further subject to the Seller receiving a copy of all contracts affecting the consummation of this sale within five (5) business days from date of removal of the Subject to Sale and Kick-Out Clauses. After the Seller receives and reviews the contract(s), and if the Seller does not approve the terms affecting the consummation of this transaction, the Seller, at Seller's sole option, will have the right, within five (5) business days from receiving said contracts, to terminate this Contract.

This Contract is further subject to the Purchaser's loan and all other loans being approved and Seller receiving a copy of the loan approval letters no later than 30 days from the removal of the Subject to Sale and Kick-Out Clauses. If the Seller does not receive the loan approval letters, the Seller, at Seller's sole option, will have the right to terminate this Contract upon notice to Purchaser.

The Contract is further subject to the Closing of Purchaser's property no later than 60 days from the removal of the Subject to Sale and Kick-Out Clauses. If the Closing of the Purchaser's property does not take place within the 60 days, the Seller, at Seller's sole option, will have the right to terminate the Contract upon written notice to Purchaser.

If the Seller terminates this Contract, Purchaser will be entitled to a refund of the Deposit, in accordance with procedures defined elsewhere in this Contract, and thereupon none of the parties will have further obligation hereunder to the others.

TIME IS OF THE ESSENCE FOR THE PROVISIONS OF THIS ADDENDUM.

Sale Agent/Date: _____ (SEAL)

List Agent/Date: _____ (SEAL)

(SEAL)

(SEAL)

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 _____.

1. **HOME INSPECTION:** This Agreement is subject to a home inspection at Purchaser's expense and performed by an inspector agreeable in advance 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, electrical systems and appliances are in safe working order, there are no structural defects, and the roof is free of leaks. As this is a newly constructed home, the inspection may also include the conformity of these systems to the current building code applicable to the Property. The inspection shall be completed within _____ business days prior to the date of 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 (1) year according to Virginia law (Va. Code §55-70.1) from date of Closing. Purchaser further acknowledges and agrees that numerous items noted by the inspector, whether or not such items are covered under this clause, may be of the sort which would be corrected before Purchaser's pre-closing walk-through.

RESULTS OF HOME INSPECTION: A copy of the written Home Inspection report shall be given to all parties to the Contract, including the Selling Agent and Seller's Agent, within _____ business days from date of the inspection. If the report reveals defects covered under the Home Inspection provision, the Purchaser shall provide Seller, within _____ business days from receiving inspection report, a written amendment specifying which covered problems Purchaser would like Seller to correct. Seller shall notify Purchaser in writing within _____ business days after receiving the written amendment whether: (a) Seller shall correct specified problems 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 Commonwealth of Virginia, or (b) 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, or (c) if Seller is unwilling to correct specified problems over and above the required amount set forth in paragraph 4 below, "Seller's and Purchaser's Options", Seller, in writing, shall notify Purchaser. Upon receipt by Purchaser of Seller's notice described in part (c) above, Purchaser will have five (5) business days within which to notify Seller in writing regarding which option under paragraph 4 below Purchaser elects, and in the absence of any written notice from Purchaser to Seller within that time, Purchaser will be deemed to have waived correction of the specified problems over and above the amount specified in paragraph 4 below.

2. **RADON INSPECTION:** Purchaser shall have the right to have a Radon Test conducted for the residence constructed on the property. 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 Environmental Protection Agency (EPA), Purchaser, at Purchaser's expense, shall have the right to direct Seller to take corrective action recommended by the Inspector in order to obtain a test which meets EPA standards, e.g. properly install a radon mitigation system. 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. Purchaser 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. A copy of the written radon inspection report shall be given to all parties to the Contract, including the Selling Agent and the Seller's Agent, within _____ business days from date of the inspection(s).

In order to facilitate a timely closing, Purchaser agrees to schedule any 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.

TIME IS OF THE ESSENCE FOR THE PROVISIONS OF THE HOME AND RADON INSPECTION CLAUSES.

3. **INSPECTION RESULTS:** Purchaser shall be deemed to waive any inspection if the results of such inspection are not delivered within the time specified above. Notwithstanding any other provisions of this Contract, Purchaser shall have the option to waive any inspection(s) hereunder.

4. **SELLER'S AND PURCHASER'S OPTIONS UNDER HOME INSPECTION:** If the total cost of fulfilling Seller's obligations under the home inspection clause exceeds \$500.00, Seller shall have the option to (a) pay the total costs, or (b) pay \$500.00 to Purchaser at Closing and refuse to pay any excess over that amount. If Seller chooses (b), Purchaser shall have the option to (1) accept the Property in its present condition, in which case Seller shall pay \$500.00 to Purchaser at Closing, or (y) terminate this Contract and receive a refund of the Deposit, in accordance with the procedures as required by The Virginia Real Estate Board and/or, if this is a V.A. contract, as required by Section 1806, Title 38 of the U.S. Code. PLEASE NOTE THAT ANY RADON REMEDIATION ELECTED BY PURCHASER SHALL BE PAID FOR BY PURCHASER AND ANY SUCH COST SHALL NOT APPLY TO ANY AMOUNTS IN THIS SECTION 4.

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

WITNESS the following SIGNATURES and SEALS this _____ day of _____, 20____.

Sale Agent/Date: _____ (SEAL)

List Agent/Date: _____ (SEAL)

_____ (SEAL)

_____ (SEAL)



DELETION OF FINANCING CONTINGENCY AMENDMENT

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

The undersigned hereby gives the Seller notification that the above-mentioned Contract is no longer contingent upon Purchaser's securing any type of financing, and any reference to the Purchaser's securing financing is hereby removed from said Contract.

WITNESS the following SIGNATURES this _____ day of _____, 20____.

BOONE HOMES, INC. OF ROANOKE

Sale Agent: _____

By: _____

List Agent: _____

Purchaser

Purchaser