

STANDARD AGREEMENT FOR THE SALE OF NEW CONSTRUCTION

ASNC

This form recommended and approved for, but not restricted to use by, the members of the Pennsylvania Association of REALTORS® (PAR).

PARTIES

BUYER(S): _____

SELLER(S): _____

BUYER'S MAILING ADDRESS:

SELLER'S MAILING ADDRESS:

PROPERTY

Subdivision, Phase, Model _____
Property Address _____ ZIP _____
in the municipality of _____, County of _____,
in the School District of _____, in the Commonwealth of Pennsylvania.
Identification (e.g., Tax ID #; Parcel #; Lot, Block; Deed Book, Page, Recording Date): _____

BUYER'S RELATIONSHIP WITH PA LICENSED BROKER

No Business Relationship (Buyer is not represented by a broker)

Broker (Company) _____

Licensee(s) (Name) _____

Company Address _____

Direct Phone(s) _____

Cell Phone(s) _____

Company Phone _____

Fax _____

Company Fax _____

Email _____

Broker is:

Licensee(s) is:

Buyer Agent (Broker represents Buyer only)

Buyer Agent with Designated Agency

Dual Agent (See Dual and/or Designated Agent box below)

Buyer Agent without Designated Agency

Dual Agent (See Dual and/or Designated Agent box below)

Transaction Licensee (Broker and Licensee(s) provide real estate services but do not represent Buyer)

SELLER'S RELATIONSHIP WITH PA LICENSED BROKER

No Business Relationship (Seller is not represented by a broker)

Broker (Company) _____

Licensee(s) (Name) _____

Company Address _____

Direct Phone(s) _____

Cell Phone(s) _____

Company Phone _____

Fax _____

Company Fax _____

Email _____

Broker is:

Licensee(s) is:

Seller Agent (Broker represents Seller only)

Seller Agent with Designated Agency

Dual Agent (See Dual and/or Designated Agent box below)

Seller Agent without Designated Agency

Dual Agent (See Dual and/or Designated Agent box below)

Transaction Licensee (Broker and Licensee(s) provide real estate services but do not represent Seller)

DUAL AND/OR DESIGNATED AGENCY

A Broker is a Dual Agent when a Broker represents both Buyer and Seller in the same transaction. A Licensee is a Dual Agent when a Licensee represents Buyer and Seller in the same transaction. All of Broker's licensees are also Dual Agents UNLESS there are separate Designated Agents for Buyer and Seller. If the same Licensee is designated for Buyer and Seller, the Licensee is a Dual Agent.

By signing this Agreement, Buyer and Seller each acknowledge having been previously informed of, and consented to, dual agency, if applicable.

Buyer Initials: _____/_____

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Seller Initials: _____/_____

Revised 2/12

1 **1. By this Agreement**, dated _____,
2 Seller hereby agrees to sell and convey to Buyer, who hereby agrees to purchase Property lot or piece of ground (check here if lot
3 is not being conveyed) with buildings and improvements to be erected thereon.

4 **2. PURCHASE PRICE AND DEPOSITS (2-12)**

5 (A) Purchase Price \$ _____
6 _____
7 _____ U.S. Dollars), to be accounted for as follows:

- 8 1. Base Price _____
9 2. Lot Premium, if any _____
10 3. Total Options/Extras/Alterations (see attached addendum) _____

11 (B) Purchase Price will be paid by Buyer to Seller as follows:

- 12 1. Deposit at signing of this Agreement: \$ _____
13 2. Deposit within _____ days of the Execution Date of this Agreement: \$ _____
14 3. **Non-refundable pre-paid extras/options/alterations on or before** _____ \$ _____
15 4. _____ \$ _____
16 5. _____ \$ _____
17 6. _____ \$ _____
18 7. Remaining balance will be paid at settlement.

19 (C) **All funds paid by Buyer, including deposits, will be paid by check, cashier's check or wired funds. All funds paid by Buyer**
20 **within 30 DAYS of settlement, including funds paid at settlement, will be by cashier's check or wired funds, but not by per-**
21 **sonal check.**

22 (D) Deposits, regardless of the form of payment and the person designated as payee, will be paid in U.S. Dollars to Broker for Seller
23 (unless otherwise stated here: _____),
24 who will retain deposits in an escrow account in conformity with all applicable laws and regulations until consummation or ter-
25 mination of this Agreement. Only real estate brokers are required to hold deposits in accordance with the rules and regulations of
26 the State Real Estate Commission. Checks tendered as deposit monies may be held uncashed pending the execution of this
27 Agreement.

28 **3. SELLER ASSIST (If Applicable) (2-12)**

29 Seller will pay \$ _____ or _____ % of Purchase Price (0 if not specified) toward
30 Buyer's costs, as permitted by the mortgage lender, if any. Seller is only obligated to pay up to the amount or percentage which is
31 approved by mortgage lender.

32 **4. SETTLEMENT AND POSSESSION (2-12)**

33 (A) Settlement Date is _____, or before if Buyer and Seller agree.

34 (B) Settlement will occur in the county where the Property is located or in an adjacent county, during normal business hours, unless
35 Buyer and Seller agree otherwise.

36 (C) At time of settlement, the following will be pro-rated on a daily basis between Buyer and Seller, reimbursing where applicable:
37 current taxes (see Notice Regarding Real Estate Taxes); condominium fees and homeowner association fees; water and/or sewer
38 fees, together with any other lienable municipal service fees. All charges will be pro-rated for the period(s) covered. Seller will
39 pay up to and including the date of settlement and Buyer will pay for all days following settlement, unless otherwise stated here:
40 _____

41 (D) Conveyance from Seller will be by fee simple deed of special warranty unless otherwise stated here: _____

42 (E) Payment of transfer taxes will be divided equally between Buyer and Seller unless otherwise stated here: _____

43 (F) Possession is to be delivered by deed, existing keys and physical possession to a vacant Property free of debris, with all structures
44 broom-clean, at day and time of settlement.

45 **5. DATES/TIME IS OF THE ESSENCE (2-12)**

46 (A) Written acceptance of all parties will be on or before: _____

47 (B) The Settlement Date and all other dates and times identified for the performance of any obligations of this Agreement are of the
48 essence and are binding.

49 (C) The Execution Date of this Agreement is the date when Buyer and Seller have indicated full acceptance of this Agreement by sign-
50 ing and/or initialing it. For purposes of this Agreement, the number of days will be counted from the Execution Date, excluding
51 the day this Agreement was executed and including the last day of the time period. **All changes to this Agreement should be ini-**
52 **tialed and dated.**

53 (D) The Settlement Date is not extended by any other provision of this Agreement and may only be extended by mutual written agree-
54 ment of the parties.

55 (E) Certain terms and time periods are pre-printed in this Agreement as a convenience to the Buyer and Seller. All pre-printed terms
56 and time periods are negotiable and may be changed by striking out the pre-printed text and inserting different terms acceptable
57 to all parties.

58 **6. ZONING (2-12)**

59 Failure of this Agreement to contain the zoning classification (except in cases where the property {and each parcel thereof, if subdi-
60 vidable} is zoned solely or primarily to permit single-family dwellings) will render this Agreement voidable at Buyer's option, and, if
61 voided, any deposits tendered by the Buyer will be returned to the Buyer without any requirement for court action.

62 **Zoning Classification:** _____

66 **7. SCHEDULE OF CONSTRUCTION (08-08)**

- 67 (A) **Commencement Date:** Seller estimates that Seller will commence construction on or about _____. Seller
 68 reserves the right to delay commencement of construction until Buyer has received and signed a valid mortgage commitment in
 69 accordance with Paragraph 8.
- 70 (B) **Completion Date:** Seller estimates completion of construction on or about _____. Buyer
 71 acknowledges that the estimated Completion Date is made by Seller as an accommodation to Buyer to assist Buyer in formu-
 72 lating future plans. If commencement, completion, and/or settlement are delayed due to inclement weather, strikes, delays in
 73 issuance of permits, unavailability of labor or materials, or any other reason beyond Seller's control, all times and dates (includ-
 74 ing settlement date) will be automatically extended accordingly **and time is not deemed to be of the essence.**
- 75 (C) **Anticipated Settlement:** Settlement will be held on a date which is within _____ days (10 if not specified) after Seller sup-
 76 plies Buyer with a written notice of settlement. However, at the time of settlement the house and premises will have been sub-
 77 stantially completed. If the municipality or governmental authority requires a Use & Occupancy permit, Seller will provide one
 78 at settlement.
- 79 (D) **Settlement Deadline:** The previous paragraph notwithstanding. Should Seller be unable to settle on the Property in substantially
 80 completed condition for which a Use & Occupancy permit has been issued (where required) on or before _____,
 81 Buyer may terminate this Agreement and all deposit monies including amounts identified in paragraph 2 (B) of this Agreement
 82 as non-refundable, will be returned to Buyer according to the terms of paragraph 24 of this Agreement.

83 **8. MORTGAGE CONTINGENCY (2-12)**

- 84 **WAIVED.** This sale is NOT contingent on mortgage financing, although Buyer may obtain mortgage financing and/or the par-
 85 ties may include an appraisal contingency.
- 86 **ELECTED.**
- 87 (A) This sale is contingent upon Buyer obtaining mortgage financing according to the following terms:

First Mortgage on the Property	Second Mortgage on the Property
Loan Amount \$ _____	Loan Amount \$ _____
Minimum Term _____ years	Minimum Term _____ years
Type of mortgage _____	Type of mortgage _____
Loan-To-Value (LTV) ratio:	Loan-To-Value (LTV) ratio:
For non-FHA/VA loans LTV ratio not to exceed _____%	For non-FHA/VA loans LTV ratio not to exceed _____%
Mortgage lender _____	Mortgage lender _____
Interest rate _____%; however, Buyer agrees to accept the	Interest rate _____%; however, Buyer agrees to accept the
interest rate as may be committed by the mortgage lender, not	interest rate as may be committed by the mortgage lender, not
to exceed a maximum interest rate of _____%.	to exceed a maximum interest rate of _____%.
Discount points, loan origination, loan placement and other fees	Discount points, loan origination, loan placement and other fees
charged by the lender as a percentage of the mortgage loan (exclud-	charged by the lender as a percentage of the mortgage loan (exclud-
ing any mortgage insurance premiums or VA funding fee) not to	ing any mortgage insurance premiums or VA funding fee) not to
exceed _____% (0% if not specified) of the mortgage loan.	exceed _____% (0% if not specified) of the mortgage loan.

- 103 (B) The interest rate(s) and fee(s) provisions in Paragraph 8(A) are satisfied if the mortgage lender(s) gives Buyer the right to guar-
 104 antee the interest rate(s) and fee(s) at or below the maximum levels stated. If lender(s) gives Buyer the right to lock in the inter-
 105 est rate(s), Buyer will do so at least 15 days before Settlement Date. Buyer gives Seller the right, at Seller's sole option and
 106 as permitted by law and the mortgage lender(s), to contribute financially, without promise of reimbursement, to the Buyer and/or
 107 the mortgage lender(s) to make the above mortgage term(s) available to Buyer.
- 108 (C) Within _____ days (7 if not specified) from the Execution Date of this Agreement, Buyer will make a completed, written mort-
 109 gage application (including payment for and ordering of appraisal and credit reports without delay, at the time required by
 110 lender(s)) for the mortgage terms and to the mortgage lender(s) identified in Paragraph 8(A), if any, otherwise to a responsible
 111 mortgage lender(s) of Buyer's choice. Broker for Buyer, if any, otherwise Broker for Seller, is authorized to communicate with
 112 the mortgage lender(s) to assist in the mortgage loan process.
- 113 (D) **Buyer will be in default of this Agreement if Buyer furnishes false information to anyone concerning Buyer's financial**
 114 **and/or employment status, fails to cooperate in good faith with processing the mortgage loan application (including delay**
 115 **of the appraisal), fails to lock in interest rate(s) as stated in Paragraph 8(B), or otherwise causes the lender to reject, refuse**
 116 **to approve or issue a mortgage loan commitment.**
- 117 (E) 1. **Mortgage Commitment Date:** _____. Upon receiving a mortgage commitment, Buyer will
 118 promptly deliver a copy of the commitment to Seller.
- 119 2. If Seller does not receive a copy of the mortgage commitment(s) by the Mortgage Commitment Date, Seller may terminate
 120 this Agreement by written notice to Buyer. Seller's right to terminate continues until Buyer delivers a mortgage commitment
 121 to Seller. Until Seller terminates this Agreement, Buyer is obligated to make a good-faith effort to obtain mortgage financing.
- 122 3. Seller may terminate this Agreement by written notice to Buyer after the Mortgage Commitment Date if the mortgage commitment:
 123 a. Does not satisfy the terms of Paragraph 8(A), OR
 124 b. Contains any condition not specified in this Agreement (e.g., the Buyer must settle on another property, an appraisal must
 125 be received by the lender, or the mortgage commitment is not valid through the Settlement Date) that is not satisfied and/or
 126 removed in writing by the mortgage lender(s) within 7 DAYS after the Mortgage Commitment Date in Paragraph
 127 8(E)(1), or any extension thereof, other than those conditions that are customarily satisfied at or near settlement (e.g.,
 128 obtaining insurance, confirming employment).

- 130 4. If this Agreement is terminated pursuant to Paragraphs 8(E)(2) or (3), or the mortgage loan(s) is not obtained for settlement,
 131 all deposit monies will be returned to Buyer according to the terms of Paragraph 24 and this Agreement will be VOID. Buyer
 132 will be responsible for any costs incurred by Buyer for any inspections or certifications obtained according to the terms of
 133 this Agreement, and any costs incurred by Buyer for: (1) Title search, title insurance and/or mechanics' lien insurance, or any
 134 fee for cancellation; (2) Flood insurance, fire insurance, hazard insurance, mine subsidence insurance, or any fee for cancel-
 135 lation; (3) Appraisal fees and charges paid in advance to mortgage lender(s).
- 136 (F) If the mortgage lender(s), or a property and casualty insurer providing insurance required by the mortgage lender(s), requires
 137 repairs to the Property, Buyer will, upon receiving the requirements, deliver a copy of the requirements to Seller. Within 5
 138 DAYS of receiving the copy of the requirements, Seller will notify Buyer whether Seller will make the required repairs at Seller's
 139 expense.
- 140 1. If Seller makes the required repairs to the satisfaction of the mortgage lender and/or insurer, Buyer accepts the Property and
 141 agrees to the RELEASE in Paragraph 26 of this Agreement.
- 142 2. If Seller will not make the required repairs, **or if Seller fails to respond within the stated time**, Buyer will, within 5
 143 DAYS, notify Seller of Buyer's choice to:
- 144 a. Make the repairs/improvements at Buyer's expense, with permission and access to the Property given by Seller, which
 145 will not be unreasonably withheld, OR
- 146 b. Terminate this Agreement by written notice to Seller, with all deposit monies returned to Buyer according to the terms of
 147 Paragraph 24 of this Agreement.
- 148 **If Buyer fails to respond within the time stated in Paragraph 8(F)(2) or fails to terminate this Agreement by written notice**
 149 **to Seller within that time, Buyer will accept the Property and agree to the RELEASE in Paragraph 26 of this Agreement.**

150 **FHA/VA, IF APPLICABLE**

151 (G) It is expressly agreed that notwithstanding any other provisions of this contract, Buyer will not be obligated to complete the pur-
 152 chase of the Property described herein or to incur any penalty by forfeiture of earnest money deposits or otherwise unless Buyer
 153 has been given, in accordance with HUD/FHA or VA requirements, a written statement by the Federal Housing Commissioner,
 154 Veterans Administration, or a Direct Endorsement Lender setting forth the appraised value of the Property of not less than
 155 \$ _____ (the Purchase Price as stated in this Agreement). Buyer will have the privilege and option of
 156 proceeding with consummation of the contract without regard to the amount of the appraised valuation. The appraised valuation
 157 is arrived at to determine the maximum mortgage the Department of Housing and Urban Development will insure. HUD does
 158 not warrant the value nor the condition of the Property. Buyer should satisfy himself/herself that the price and condition of the
 159 Property are acceptable.

160 **Warning:** Section 1010 of Title 18, U.S.C., Department of Housing and Urban Development and Federal Housing
 161 Administration Transactions, provides, "Whoever for the purpose of . . . influencing in any way the action of such Department,
 162 makes, passes, utters or publishes any statement, knowing the same to be false shall be fined under this title or imprisoned not
 163 more than two years, or both."

164 (H) **U.S. Department of Housing and Urban Development (HUD) NOTICE TO PURCHASERS: Buyer's Acknowledgement**

165 Buyer has received the HUD Notice "For Your Protection: Get a Home Inspection." Buyer understands the importance of
 166 getting an independent home inspection and has thought about this before signing this Agreement. Buyer understands that
 167 FHA will not perform a home inspection nor guarantee the price or condition of the Property.

168 (I) **Certification** We the undersigned, Seller(s) and Buyer(s) party to this transaction each certify that the terms of this contract
 169 for purchase are true to the best of our knowledge and belief, and that any other agreement entered into by any of these parties
 170 in connection with this transaction is attached to this Agreement.

171 **9. CHANGE IN BUYER'S FINANCIAL STATUS (3-11)**

172 In the event of a change in Buyer's financial status affecting Buyer's ability to purchase, Buyer shall promptly notify Seller and
 173 lender(s) to whom the Buyer submitted mortgage application, if any. A change in financial status includes, but is not limited to, loss
 174 or a change in employment; failure or loss of sale of Buyer's home; Buyer's having incurred a new financial obligation; entry of a
 175 judgment against Buyer. **Buyer understands that applying for and/or incurring an additional financial obligation may affect**
 176 **Buyer's ability to purchase.**

177 **10. SELLER REPRESENTATIONS (2-12)**

178 (A) **Radon Mitigation** (See Notice Regarding Radon)

- 179 Seller will not install preparatory work for a radon mitigation system.
 180 Seller will install preparatory work for a radon mitigation system.
 181 _____
 182 _____

183 (B) **Status of Water**

184 Seller represents that the Property is served by:

- 185 Public Water Community Water On-site Water None _____

186 (C) **Status of Sewer**

187 Seller represents that the Property is served by:

- 188 Public Sewer Community Sewage Disposal System Ten-Acre Permit Exemption (see Sewage Notice 2)
 189 Individual On-lot Sewage Disposal System (see Sewage Notice 1) Holding Tank (see Sewage Notice 3)
 190 Individual On-lot Sewage Disposal System in Proximity to Well (see Sewage Notice 1; see Sewage Notice 4, if applicable)
 191 None (see Sewage Notice 1) None Available/Permit Limitations in Effect (see Sewage Notice 5)
 192 _____

- 194 (D) **Historic Preservation**
 195 Seller is not aware of historic preservation restrictions regarding the Property unless otherwise stated here: _____
 196
 197 (E) Property, or a portion of it, is preferentially assessed for tax purposes under the following Act(s) (see Notices Regarding Land
 198 Use Restrictions):
 199 Farmland and Forest Land Assessment Act (Clean and Green Program; Act 319 of 1974; 72 P.S. § 5490.1 et seq.)
 200 Open Space Act (Act 442 of 1967; 32 P.S. § 5001 et seq.)
 201 Agricultural Area Security Law (Act 43 of 1981; 3 P.S. §901 et seq.)
 202 Other _____
 203 (F) Seller represents that, as of the date Seller signed this Agreement, no public improvement, condominium or homeowner associa-
 204 tion assessments have been made against the Property which remain unpaid, and that no notice by any government or public
 205 authority has been served upon Seller or anyone on Seller's behalf, including notices relating to violations of zoning, housing,
 206 building, safety or fire ordinances that remain uncorrected, and that Seller knows of no condition that would constitute a viola-
 207 tion of any such ordinances that remain uncorrected, unless otherwise specified here: _____
 208
 209 (G) Seller knows of no other potential notices (including violations) and/or assessments except as follows: _____
 210
 211 (H) Access to a public road may require issuance of a highway occupancy permit from the Department of Transportation.
 212

213 **11. WAIVER OF CONTINGENCIES (9-05)**
 214 **If this Agreement is contingent on Buyer's right to inspect and/or repair the Property, or to verify insurability, environmental**
 215 **conditions, boundaries, certifications, zoning classification or use, or any other information regarding the Property, Buyer's**
 216 **failure to exercise any of Buyer's options within the times set forth in this Agreement is a WAIVER of that contingency and**
 217 **Buyer accepts the Property and agrees to the RELEASE in Paragraph 26 of this Agreement.**

- 218 **12. INSPECTIONS (2-12)** (See Notices Regarding Property and Environmental Inspections)
 219 (A) Seller will provide access to insurers' representatives and, as may be required by this Agreement or by mortgage lender(s), to sur-
 220 veyors, municipal officials, appraisers and inspectors. All parties and their real estate licensee(s) may attend any inspections.
 221 (B) Buyer may make a pre-settlement walk-through inspection of the Property. Buyer's right to this inspection is not waived by any
 222 other provision of this Agreement.
 223 (C) Seller will have the following utilities turned on for pre-settlement walk-through inspection; Buyer may elect to activate any addi-
 224 tional utilities.
 225 Natural Gas Propane Oil Water
 226 Sewage Electricity _____
 227 (D) Buyer reserves the right to make a pre-settlement walk-through inspection of the Property when the Property is substantially com-
 228 plete. Seller will notify Buyer prior to settlement of the date and time of Buyer's pre-settlement walk-through inspection of the
 229 Property. Buyer's right to make this inspection is not waived by any other provision of this Agreement.
 230 (E) At the pre-settlement inspection, Buyer and Seller will complete and sign a list of items (punch list) to be completed, modified,
 231 or replaced within _____ DAYS (30 if not specified) after settlement. Items that cannot be completed, modified, or replaced with-
 232 in _____ DAYS (30 if not specified) of settlement due to events beyond Seller's reasonable control will be completed by Seller
 233 as soon as is reasonably possible, not to exceed _____ DAYS (365 if not specified) after settlement. This paragraph will survive
 234 settlement.
 235 (F) Buyer's failure to inspect the Property on the date of the scheduled pre-settlement inspection or Buyer's failure to complete and
 236 sign the pre-settlement inspection form constitutes a waiver of Buyer's right to inspect the Property, and Buyer will accept the
 237 Property at settlement in its then present condition without obligation of modification or replacement.
 238 (G) All inspectors, including home inspectors, are authorized by Buyer to provide a copy of any inspection Report to Broker for Buyer.
 239 (H) Seller has the right, upon request, to receive without charge a copy of any inspection report from the party for whom it was prepared.

240 **13. NOTICES, ASSESSMENTS AND MUNICIPAL REQUIREMENTS (2-12)**
 241 (A) Seller will be responsible for any notice of improvements or assessments received on or before the date of settlement.
 242 (B) Access to a public road may require issuance of a highway occupancy permit from the Department of Transportation.
 243 (C) All necessary permits will be obtained and paid for by Seller prior to settlement.
 244 (D) Seller will comply with all restrictions and requirements imposed by any governmental authorities.

245 **14. LANDSCAPING & DRIVEWAY (8-08)**
 246 (A) Seller will attempt to preserve as many of the existing trees or shrubs as reasonably possible during the construction of the
 247 improvements and house on the premises. It is expressly agreed that Seller does not guarantee or warrant the survival of any trees
 248 or shrubs existing on the premises prior to construction. Any existing trees or shrubs that may die after settlement are the sole
 249 responsibility of Buyer.
 250 (B) Seller will be responsible for top soil, rough grade, fine grade, seeding and stabilization unless otherwise stated here: _____

251 Except as modified by the rules of the Homeowners Association or Condominium Association, if any, any soil washouts from rain
 252 or melting snow or burnouts due to droughts after settlement are the sole responsibility of Buyer. Buyer is responsible for water-
 253 ing, fertilizing and reseeding the lawn as necessary after settlement.
 254 (C) Buyer acknowledges that due to adverse weather conditions and other events beyond Seller's reasonable control, items includ-
 255 ing the driveway surface, grading and seeding, exterior painting or staining, and exterior concrete surfaces may not be complet-
 256 ed at time of settlement. Unless otherwise agreed, no portion of the purchase price or option payments will be placed in an escrow
 257 account or withheld from Seller at settlement to compensate for incomplete items. Seller will complete the items within a rea-
 258 sonable time after settlement as weather conditions permit.
 259 (D) This paragraph will survive settlement.

261 **15. SUBSTITUTIONS (11-00)**
262 **BUYER AND SELLER ACKNOWLEDGE THAT THE BUILDINGS AND IMPROVEMENTS ON THE PREMISES WILL**
263 **BE SUBSTANTIALLY SIMILAR TO THE ESTABLISHED BUILDING SPECIFICATIONS. BUYER ALSO ACKNOWL-**
264 **EDGES THAT SELLER HAS THE RIGHT TO MAKE SUBSTITUTIONS OF MATERIALS OR PRODUCTS OF SUB-**
265 **STANTIALLY EQUAL OR BETTER QUALITY AT SELLER'S SOLE DISCRETION, WITH NOTICE TO BUYER, AND**
266 **THAT ACTUAL MATERIALS AND PRODUCTS MAY VARY FROM SAMPLE MATERIALS AND PRODUCTS.**

267 **16. CONDOMINIUM/PLANNED COMMUNITY (HOMEOWNER ASSOCIATION) PUBLIC OFFERING STATEMENT (1-00)**

268 NOT APPLICABLE.

269 APPLICABLE: CONDOMINIUM

270 (A) Buyer acknowledges that the Property is a unit of a condominium as defined by the Uniform Condominium Act. Seller is a
271 declarant of the condominium and is required to provide Buyer with a public offering statement. (See Condominium/Uniform
272 Planned Community Notice for definitions of declarant, public offering statement, and condominium.)

273 (B) The delivery of the public offering statement must be made no later than the date the Buyer executes this Agreement. Buyer
274 may cancel this Agreement within fifteen (15) days after receiving the public offering statement and within fifteen (15) days
275 of receipt of any amendment to the Statement that materially and adversely affects Buyer.

276 APPLICABLE: PLANNED COMMUNITY (HOMEOWNER ASSOCIATION)

277 (A) Buyer acknowledges that the Property is part of a planned community as defined by the Uniform Planned Community Act.
278 Seller is a declarant of the planned community and is required to provide Buyer with a public offering statement. (See
279 Condominium/Uniform Planned Community Notice for definitions of declarant, public offering statement, and planned
280 community.)

281 (B) The declarant must provide Buyer with a copy of the public offering statement and its amendments no later than the date
282 Buyer executes this Agreement. Buyer may cancel this Agreement within seven (7) days after receiving the public offering
283 statement and within seven (7) days after receiving any amendment to the contract that would materially and adversely affect
284 Buyer.

285 **17. TITLES, SURVEYS AND COSTS (2-12)**

286 (A) The Property will be conveyed with good and marketable title that is insurable by a reputable title insurance company at the reg-
287 ular rates, free and clear of all liens, encumbrances, and easements, **excepting however** the following: existing deed restrictions;
288 historic preservation restrictions or ordinances; building restrictions; ordinances; easements of roads; easements visible upon the
289 ground; easements of record; and privileges or rights of public service companies, if any.

290 (B) Buyer will pay for the following: (1) Title search, title insurance and/or mechanics' lien insurance, or any fee for cancellation;
291 (2) Flood insurance, fire insurance, hazard insurance, mine subsidence insurance, or any fee for cancellation; (3) Appraisal fees
292 and charges paid in advance to mortgage lender; (4) Buyer's customary settlement costs and accruals.

293 (C) Any survey or surveys required by the title insurance company or the abstracting company for preparing an adequate legal
294 description of the Property (or the correction thereof) will be obtained and paid for by Seller. Any survey or surveys desired by
295 Buyer or required by the mortgage lender will be obtained and paid for by Buyer.

296 (D) If Seller is unable to give good and marketable title that is insurable by a reputable title insurance company at the regular rates, as
297 specified in Paragraph 17(A), Buyer may terminate this Agreement by written notice to Seller, with all deposit monies returned to
298 Buyer according to the terms of Paragraph 24 of this Agreement. Upon termination, Seller will reimburse Buyer for any costs
299 incurred by Buyer for any inspections or certifications obtained according to the terms of this Agreement, and for those items spec-
300 ified in Paragraph 17(B) items (1), (2), (3) and in Paragraph 17(C).

301 (E) Oil, gas, mineral, or other rights of this Property may have been previously conveyed or leased, and Sellers make no representa-
302 tion about the status of those rights unless indicated elsewhere in this Agreement.

303 **Oil, Gas and Mineral Rights Addendum (PAR Form OGM) is attached.**

304 (F) **COAL NOTICE (Where Applicable)**

305 THIS DOCUMENT MAY NOT SELL, CONVEY, TRANSFER, INCLUDE OR INSURE THE TITLE TO THE COAL AND RIGHTS OF SUPPORT UNDERNEATH
306 THE SURFACE LAND DESCRIBED OR REFERRED TO HEREIN, AND THE OWNER OR OWNERS OF SUCH COAL MAY HAVE THE COMPLETE LEGAL
307 RIGHT TO REMOVE ALL SUCH COAL AND IN THAT CONNECTION, DAMAGE MAY RESULT TO THE SURFACE OF THE LAND AND ANY HOUSE,
308 BUILDING OR OTHER STRUCTURE ON OR IN SUCH LAND. (This notice is set forth in the manner provided in Section 1 of the Act of
309 July 17, 1957, P.L. 984.) "Buyer acknowledges that he may not be obtaining the right of protection against subsidence resulting
310 from coal mining operations, and that the property described herein may be protected from damage due to mine subsidence by a
311 private contract with the owners of the economic interests in the coal. This acknowledgement is made for the purpose of com-
312 plying with the provisions of Section 14 of the Bituminous Mine Subsidence and the Land Conservation Act of April 27, 1966."
313 Buyer agrees to sign the deed from Seller which deed will contain the aforesaid provision.

314 (G) The Property is not a "recreational cabin" as defined in the Pennsylvania Construction Code Act unless otherwise stated here (see
315 Notice Regarding Recreational Cabins): _____

316 (H) This property is not subject to a Private Transfer Fee Obligation unless otherwise stated here (see Notice Regarding Private Transfer
317 Fees): _____

318 **Private Transfer Fee Addendum (PAR Form PTF) is attached.**

319 **18. MAINTENANCE & RISK OF LOSS (11-00)**

320 Seller will bear risk of loss from fire or other casualties until time of settlement. In the event of damage by fire or other casualties to
321 any property included in the sale that is not repaired or replaced prior to settlement, Buyer will have the option of rescinding this
322 Agreement and promptly receiving all monies paid on account of purchase price or of extending settlement until such time as Seller
323 can deliver the property in completed condition. Buyer is hereby notified that Buyer may insure Buyer's equitable interest in this
324 Property as of the time of execution of this Agreement.

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327 **19. WARRANTIES (11-00)**

328 (A) **Assignment of Manufacturer’s Warranties:** Seller hereby assigns to Buyer the manufacturer’s warranties on all appliances,
329 equipment, and other consumer products to be installed in or on the Property. Copies of these warranties will be delivered to
330 Buyer. Seller makes no warranties, representations or guarantees with respect to the appliances, equipment and consumer prod-
331 ucts, and all such warranties, representations and guarantees are hereby disclaimed. The sole remedy of Buyer as to any such
332 items will be to make such claims as are appropriate under the manufacturer’s warranties.

333 (B) **Limited Warranty:** Except as set forth in any new construction warranty that may be provided herewith, **SELLER MAKES NO**
334 **OTHER REPRESENTATIONS OR WARRANTIES OF ANY NATURE, EXPRESS OR IMPLIED, INCLUDING BUT**
335 **NOT LIMITED TO THOSE OF WORKMANLIKE CONSTRUCTION, HABITABILITY, DESIGN, CONDITION,**
336 **QUALITY OR OTHERWISE AS TO THE PROPERTY AND THE RESIDENCE AND OTHER IMPROVEMENTS**
337 **CONSTRUCTED THEREON, AND SELLER HEREBY EXPRESSLY DISCLAIMS ANY SUCH REPRESENTATIONS**
338 **OR WARRANTIES.** Buyer hereby acknowledges and accepts such disclaimer and agrees to waive any and all rights Buyer may
339 have by virtue of such representations and warranties. Except for the warranties provided by Seller, Buyer assumes the risk of any
340 and all damage occurring in or appearing on the Property from the date of settlement, regardless of the cause thereof. Buyer’s
341 assumption of this risk is partially in consideration of the amount of the purchase price of the Property which is lower than it would
342 be if Seller was to be held responsible for any such risks by virtue of said expressed or implied representations or warranties.

343 **20. RECORDING (9-05)**

344 This Agreement will not be recorded in the Office of the Recorder of Deeds or in any other office or place of public record. If Buyer
345 causes or permits this Agreement to be recorded, Seller may elect to treat such act as a default of this Agreement.

346 **21. ASSIGNMENT (2-12)**

347 This Agreement is binding upon the parties, their heirs, personal representatives, guardians and successors, and to the extent assigna-
348 ble, on the assigns of the parties hereto. Buyer will not transfer or assign this Agreement without the written consent of Seller unless
349 otherwise stated in this Agreement. Assignment of this Agreement may result in additional transfer taxes.

350 **22. GOVERNING LAW, VENUE AND PERSONAL JURISDICTION (9-05)**

351 (A) The validity and construction of this Agreement, and the rights and duties of the parties, will be governed in accordance with the
352 laws of the Commonwealth of Pennsylvania.

353 (B) The parties agree that any dispute, controversy or claim arising under or in connection with this Agreement or its performance by
354 either party submitted to a court shall be filed exclusively by and in the state or federal courts sitting in the Commonwealth of
355 Pennsylvania.

356 **23. REPRESENTATIONS (2-12)**

357 (A) All representations, claims, advertising, promotional activities, brochures or plans of any kind made by Seller, Brokers, their
358 licensees, employees, officers or partners are not a part of this Agreement unless expressly incorporated or stated in this
359 Agreement. This Agreement contains the whole agreement between Seller and Buyer, and there are no other terms, obligations,
360 covenants, representations, statements or conditions, oral or otherwise, of any kind whatsoever concerning this sale. This
361 Agreement will not be altered, amended, changed or modified except in writing executed by the parties.

362 (B) Buyer acknowledges that Brokers, their licensees, employees, officers or partners have not made an assessment of the plan, draw-
363 ings, specifications, or such documents as have bearing on the nature and quality of the structures to be built by Seller. Furthermore,
364 Brokers, their licensees, employees, officers, and partners make no representation with respect to permits or such other evidence
365 of government approval for the construction of the structures to be built by Seller, or of the environmental conditions, the permit-
366 ted uses, the financial condition of Seller, or the conditions existing in the locale where the property is situated nor have they made
367 an inspection of the components, appliances, systems, or consumer products to be installed in or about the Property.

368 (C) Any repairs required by this Agreement will be completed in a workmanlike manner.

369 (D) Broker(s) have provided or may provide services to assist unrepresented parties in complying with this Agreement.

370 **24. DEFAULT, TERMINATION AND RETURN OF DEPOSITS (2-12)**

371 (A) Where Buyer terminates this Agreement pursuant to any right granted by this Agreement, Buyer will be entitled to a return of
372 all deposit monies paid on account of Purchase Price pursuant to the terms of Paragraph 24(B), and this Agreement will be
373 VOID. Termination of this Agreement may occur for other reasons giving rise to claims by Buyer and/or Seller for the deposit
374 monies.

375 (B) Regardless of the apparent entitlement to deposit monies, Pennsylvania law does not allow a Broker holding deposit monies to
376 determine who is entitled to the deposit monies when settlement does not occur. Broker can only release the deposit monies:

- 377 1. If this Agreement is terminated prior to settlement and there is no dispute over entitlement to the deposit monies. A written
378 agreement signed by both parties is evidence that there is no dispute regarding deposit monies.
- 379 2. If, after Broker has received deposit monies, Broker receives a written agreement that is signed by Buyer and Seller, direct-
380 ing Broker how to distribute some or all of the deposit monies.
- 381 3. According to the terms of a final order of court.
- 382 4. According to the terms of a prior written agreement between Buyer and Seller that directs the Broker how to distribute the
383 deposit monies if there is a dispute between the parties that is not resolved. (See Paragraph 24(C))

384 (C) Buyer and Seller agree that if there is a dispute over the entitlement to deposit monies that is unresolved 365 days after
385 the Settlement Date stated in Paragraph 4(A), or any written extensions thereof, the Broker holding the deposit monies will, with-
386 in 30 days of receipt of Buyer’s written request, distribute the deposit monies to Buyer unless the Broker is in receipt of verifi-
387 able written notice that the dispute is the subject of litigation. If Broker has received verifiable written notice of litigation prior
388 to the receipt of Buyer’s request for distribution, Broker will continue to hold the deposit monies until receipt of a written distri-
389 bution agreement between Buyer and Seller or a final court order. Buyer and Seller are advised to initiate litigation for any por-
390 tion of the deposit monies prior to any distribution made by Broker pursuant to this paragraph. Buyer and Seller agree that the
391 distribution of deposit monies based upon the passage of time does not legally determine entitlement to deposit monies, and that
392 the parties maintain their legal rights to pursue litigation even after a distribution is made.

- 394 (D) Buyer and Seller agree that Broker who holds or distributes deposit monies pursuant to the terms of Paragraph 24 or Pennsylvania
 395 law will not be liable. Buyer and Seller agree that if any Broker or affiliated licensee is named in litigation regarding deposit
 396 monies, the attorneys' fees and costs of the Broker(s) and licensee(s) will be paid by the party naming them in litigation.
 397 (E) Seller has the option of retaining all sums paid by Buyer, including the deposit monies, should Buyer:
 398 1. Fail to make any additional payments as specified in Paragraph 2, OR
 399 2. Furnish false or incomplete information to Seller, Broker(s), or any other party identified in this Agreement concerning
 400 Buyer's legal or financial status, OR
 401 3. Violate or fail to fulfill and perform any other terms or conditions of this Agreement.
 402 (F) **Unless otherwise checked in Paragraph 24(G)**, Seller may elect to retain those sums paid by Buyer, including deposit monies:
 403 1. On account of purchase price, OR
 404 2. As monies to be applied to Seller's damages, OR
 405 3. As liquidated damages for such default.
 406 (G) **SELLER IS LIMITED TO RETAINING SUMS PAID BY BUYER, INCLUDING DEPOSIT MONIES, AS LIQUIDATED**
 407 **DAMAGES.**
 408 (H) If Seller retains all sums paid by Buyer, including deposit monies, as liquidated damages pursuant to Paragraph 24(F) or (G),
 409 Buyer and Seller are released from further liability or obligation and this Agreement is VOID.
 410 (I) Brokers and licensees are not responsible for unpaid deposits.

411 **25. MEDIATION (2-12)**
 412 Buyer and Seller will submit all disputes or claims that arise from this Agreement, including disputes and claims over deposit monies,
 413 to mediation. Mediation will be conducted in accordance with the Rules and Procedures of the Home Sellers/Home Buyers Dispute
 414 Resolution System, unless it is not available, in which case Buyer and Seller will mediate according to the terms of the mediation sys-
 415 tem offered or endorsed by the local Association of REALTORS®. Mediation fees, contained in the mediator's fee schedule, will be
 416 divided equally among the parties and will be paid before the mediation conference. This mediation process must be concluded before
 417 any party to the dispute may initiate legal proceedings in any courtroom, with the exception of filing a summons if it is necessary to
 418 stop any statute of limitations from expiring. Any agreement reached through mediation and signed by the parties will be binding (see
 419 Notice Regarding Mediation). Any agreement to mediate disputes or claims arising from this Agreement will survive settlement.

420 **26. RELEASE (9-05)**
 421 **Buyer releases, quit claims and forever discharges SELLER, ALL BROKERS, their LICENSEES, EMPLOYEES and any**
 422 **OFFICER or PARTNER of any one of them and any other PERSON, FIRM or CORPORATION who may be liable by or**
 423 **through them, from any and all claims, losses or demands, including, but not limited to, personal injury and property dam-**
 424 **age and all of the consequences thereof, whether known or not, which may arise from the presence of termites or other wood-**
 425 **boring insects, radon, lead-based paint hazards, mold, fungi or indoor air quality, environmental hazards, any defects in the**
 426 **individual on-lot sewage disposal system or deficiencies in the on-site water service system, or any defects or conditions on the**
 427 **Property. Should Seller be in default under the terms of this Agreement or in violation of any Seller disclosure law or regula-**
 428 **tion, this release does not deprive Buyer of any right to pursue any remedies that may be available under law or equity. This**
 429 **release will survive settlement.**

430 **27. REAL ESTATE RECOVERY FUND (9-05)**
 431 A Real Estate Recovery Fund exists to reimburse any persons who have obtained a final civil judgment against a Pennsylvania real
 432 estate licensee (or a licensee's affiliates) owing to fraud, misrepresentation, or deceit in a real estate transaction and who have been
 433 unable to collect the judgment after exhausting all legal and equitable remedies. For complete details about the Fund, call (717) 783-
 434 3658 or (800) 822-2113 (within Pennsylvania) and (717) 783-4854 (outside Pennsylvania).

435 **28. COMMUNICATIONS WITH BUYER AND/OR SELLER (2-12)**
 436 Wherever this Agreement contains a provision that requires or allows communication/delivery to a Buyer, that provision shall be satis-
 437 fied by communication/delivery to the Broker for Buyer, if any, **except for documents required to be delivered pursuant to**
 438 **Paragraph 16.** If there is no Broker for Buyer, those provisions may be satisfied only by communication/delivery being made direct-
 439 ly to the Buyer, unless otherwise agreed to by the parties. Wherever this Agreement contains a provision that requires or allows com-
 440 munication/delivery to a Seller, that provision shall be satisfied by communication/delivery to the Broker for Seller, if any. If there is
 441 no Broker for Seller, those provisions may be satisfied only by communication/delivery being made directly to the Seller, unless other-
 442 wise agreed to by the parties.

443 **29. SPECIAL CLAUSES (11-00)**
 444 (A) Buyer has received the Seller's Property Disclosure Statement before signing this Agreement, if required by law. The Seller's
 445 Property Disclosure Law does not require a disclosure form when:
 446 1. A one-year written warranty covering the construction will be provided;
 447 2. The building will be inspected for compliance with the applicable building code or, if none, a nationally recognized model
 448 building code; AND
 449 3. A certificate of occupancy or a certificate of code compliance will be issued for the dwelling.
 450 (B) **The following are part of this Agreement if checked:**
 451 Sale & Settlement of Other Property Contingency Addendum (PAR Form SSP)
 452 Sale & Settlement of Other Property Contingency with Right to Continue Marketing Addendum (PAR Form SSP-CM)
 453 Settlement of Other Property Contingency Addendum (PAR Form SOP)
 454 Appraisal Contingency Addendum (PAR Form ACA)
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(C) The following exhibits are made part of this Agreement if checked:

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|--|--|
| <input type="checkbox"/> Plot Plan of Lot | <input type="checkbox"/> Options/Extras/Alterations |
| <input type="checkbox"/> House Plan/Floor Plan/Elevation | <input type="checkbox"/> New Construction Warranty |
| <input type="checkbox"/> Floor Plan Reversed | <input type="checkbox"/> Restrictive Covenants/Deed Restrictions |
| <input type="checkbox"/> Building Specifications | <input type="checkbox"/> Standard Features |
| <input type="checkbox"/> _____ | |
| <input type="checkbox"/> _____ | |
| <input type="checkbox"/> _____ | |

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(D) Additional Terms:

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483 **Buyer and Seller acknowledge receipt of a copy of this Agreement at the time of signing.**

484 **This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original and which counterparts together shall constitute one and the same Agreement of the Parties.**

485 **NOTICE TO PARTIES: WHEN SIGNED, THIS AGREEMENT IS A BINDING CONTRACT. Parties to this transaction are advised to consult a Pennsylvania real estate attorney before signing if they desire legal advice.**

486 **Return of this Agreement, and any addenda and amendments, including return by electronic transmission, bearing the signatures of all parties, constitutes acceptance by the parties.**

487 _____ / _____ **Buyer has received the Consumer Notice as adopted by the State Real Estate Commission at 49 Pa. Code §35.336.**

488 _____ / _____ **Buyer has received a statement of Buyer's estimated closing costs before signing this Agreement.**

489 _____ / _____ **Buyer has read and understands the notices and explanatory information in this Agreement.**

490 _____ / _____ **Buyer has received a Seller's Property Disclosure Statement before signing this Agreement, if required by law (see Information Regarding the Real Estate Seller Disclosure Law).**

491 _____ / _____ **Buyer has received the Deposit Money Notice (for cooperative sales when Broker for Seller is holding deposit money) before signing this Agreement.**

492 **BUYER** _____ **DATE** _____

493 **BUYER** _____ **DATE** _____

494 **BUYER** _____ **DATE** _____

495 **Seller has received the Consumer Notice as adopted by the State Real Estate Commission at 49 Pa. Code § 35.336.**

496 **Seller has received a statement of Seller's estimated closing costs before signing this Agreement.**

497 **Seller has read and understands the notices and explanatory information in this Agreement.**

498 **SELLER** _____ **DATE** _____

499 **SELLER** _____ **DATE** _____

500 **SELLER** _____ **DATE** _____

NOTICE REGARDING CONVICTED SEX OFFENDERS (MEGAN'S LAW)

The Pennsylvania General Assembly has passed legislation (often referred to as "Megan's Law," 42 Pa.C.S. § 9791 et seq.) providing for community notification of the presence of certain convicted sex offenders. **Buyers are encouraged to contact the municipal police department or the Pennsylvania State Police for information relating to the presence of sex offenders near a particular property, or to check the information on the Pennsylvania State Police Web site at www.pameganslaw.state.pa.us.**

FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT OF 1980 (FIRPTA)

The disposition of a U.S. real property interest by a foreign person (the transferor) is subject to the Foreign Investment in Real Property Tax Act of 1980 (FIRPTA) income tax withholding. FIRPTA authorized the United States to tax foreign persons on dispositions of U.S. real property interests. This includes but is not limited to a sale or exchange, liquidation, redemption, gift, transfers, etc. Persons purchasing U.S. real property interests (transferee) from foreign persons, certain purchasers' agents, and settlement officers are required to withhold 10 percent of the amount realized (special rules for foreign corporations). Withholding is intended to ensure U.S. taxation of gains realized on disposition of such interests. The transferee/Buyer is the withholding agent. If you are the transferee/Buyer you must find out if the transferor is a foreign person. If the transferor is a foreign person and you fail to withhold, you may be held liable for the tax.

NOTICE REGARDING REAL ESTATE TAXES (Paragraph 2: Purchase Price and Deposits)

Real Estate Tax Proration: For purposes of prorating real estate taxes, the "periods covered" by the tax bills are as follows:

Municipal Taxes: For all counties and municipalities in Pennsylvania, tax bills are for the period January 1 to December 31.

School Taxes: For all school districts, other than the Philadelphia, Pittsburgh and Scranton school districts, the period covered by the tax bill is July 1 to June 30. For the Philadelphia, Pittsburgh and Scranton school districts, tax bills are for the period January 1 to December 31.

Real Estate Assessment: In Pennsylvania, taxing authorities (school districts and municipalities) and property owners may appeal the assessed value of a property at the time of sale, or at any time thereafter. A successful appeal by a taxing authority may result in a higher assessed value for the property and an increase in property taxes. Also, periodic county-wide property reassessments may change the assessed value of the property and result in a change in property tax.

NOTICE TO BUYERS SEEKING MORTGAGE FINANCING (Paragraph 8: Mortgage Contingency)

The appraised value of the Property is used by lenders to determine the maximum amount of a mortgage loan. The appraised value is determined by an independent appraiser, subject to the mortgage lender's underwriter review, and may be higher or lower than the Purchase Price and/or market price of the property.

The Loan-To-Value Ratio (LTV) is used by lenders as one tool to help assess the potential risk of a mortgage loan. LTV is determined by dividing the requested loan amount by either the Purchase Price or the appraised value of the property, whichever is lower. A particular LTV may be necessary to qualify for certain loans, or Buyers might be required to pay additional fees if the LTV exceeds a specific level.

NOTICE REGARDING TRUTH IN LENDING (Paragraph 8: Mortgage Contingency)

The Mortgage Disclosure Improvement Act requires mortgage lenders to provide Buyer with a Truth in Lending (TIL) statement at the time of mortgage application (early disclosure) and anytime thereafter (re-disclosure) if the annual percentage rate (APR) changes by more than .125 percent. Settlement cannot occur within 7 days of the early disclosure or within 3 days of re-disclosure. If a re-disclosure of a TIL statement is made within 3 days of the Settlement Date in the Agreement, settlement for the Property would have to occur after the Settlement Date stated. Buyer and Seller are advised that the APR may change by more than .125 percent based on factors including, but not limited to, Seller credits, changes in loan amount or duration, and Settlement Date change. If the Buyer and Seller agree to modify the Settlement Date in response to the TIL statement waiting period, or for any other reason, it should be done by mutual written agreement of the parties.

**SEWAGE NOTICES (Paragraph 10: Seller Representations)
NOTICES PURSUANT TO THE PENNSYLVANIA SEWAGE FACILITIES ACT**

NOTICE 1: THERE IS NO CURRENTLY EXISTING COMMUNITY SEWAGE SYSTEM AVAILABLE FOR THE SUBJECT PROPERTY.

Section 7 of the Pennsylvania Sewage Facilities Act provides that no person shall install, construct, request bid proposals for construction, alter, repair or occupy any building or structure for which an individual sewage system is to be installed, without first obtaining a permit. Buyer is advised by this notice that, before signing this Agreement, Buyer should contact the local agency charged with administering the Act to determine the procedure and requirements for obtaining a permit for an individual sewage system. The local agency charged with administering the Act will be the municipality where the Property is located or that municipality working cooperatively with others.

NOTICE 2: THIS PROPERTY IS SERVICED BY AN INDIVIDUAL SEWAGE SYSTEM INSTALLED UNDER THE TEN-ACRE PERMIT EXEMPTION PROVISIONS OF SECTION 7 OF THE PENNSYLVANIA SEWAGE FACILITIES ACT.

(Section 7 provides that a permit may not be required before installing, constructing, awarding a contract for construction, altering, repairing or connecting to an individual sewage system where a ten-acre parcel or lot is subdivided from a parent tract after January 10, 1987). Buyer is advised that soils and site testing were not conducted and that, should the system malfunction, the owner of the Property or properties serviced by the system at the time of a malfunction may be held liable for any contamination, pollution, public health hazard or nuisance which occurs as a result.

NOTICE 3: THIS PROPERTY IS SERVICED BY A HOLDING TANK (PERMANENT OR TEMPORARY) TO WHICH SEWAGE IS CONVEYED BY A WATER CARRYING SYSTEM AND WHICH IS DESIGNED AND CONSTRUCTED TO FACILITATE ULTIMATE DISPOSAL OF THE SEWAGE AT ANOTHER SITE.

Pursuant to the Pennsylvania Sewage Facilities Act, **Seller must provide** a history of the annual cost of maintaining the tank from the date of its installation or December 14, 1995, whichever is later.

NOTICE 4: AN INDIVIDUAL SEWAGE SYSTEM HAS BEEN INSTALLED AT AN ISOLATION DISTANCE FROM A WELL THAT IS LESS THAN THE DISTANCE SPECIFIED BY REGULATION.

The regulations at 25 Pa. Code §73.13 pertaining to minimum horizontal isolation distances provide guidance. Subsection (b) of §73.13 states that the minimum horizontal isolation distance between an individual water supply or water supply system suction line and treatment tanks shall be 50 feet. Subsection (c) of §73.13 states that the horizontal isolation distance between the individual water supply or water supply system suction line and the perimeter of the absorption area shall be 100 feet.

NOTICE 5: THIS LOT IS WITHIN AN AREA IN WHICH PERMIT LIMITATIONS ARE IN EFFECT AND IS SUBJECT TO THOSE LIMITATIONS. SEWAGE FACILITIES ARE NOT AVAILABLE FOR THIS LOT AND CONSTRUCTION OF A STRUCTURE TO BE SERVED BY SEWAGE FACILITIES MAY NOT BEGIN UNTIL THE MUNICIPALITY COMPLETES A MAJOR PLANNING REQUIREMENT PURSUANT TO THE PENNSYLVANIA SEWAGE FACILITIES ACT AND REGULATIONS PROMULGATED THEREUNDER.

NOTICES REGARDING LAND USE RESTRICTIONS (Paragraph 10: Seller Representations)

NOTICE PURSUANT TO THE PENNSYLVANIA RIGHT-TO-FARM LAW (3. P.S. § 951-957)

The property you are buying may be located in an area where agricultural operations take place. Pennsylvania protects agricultural resources for the production of food and agricultural products. The law limits circumstances where normal agricultural operations may be subject to nuisance lawsuits or restrictive ordinances.

FARMLAND AND FOREST LAND ASSESSMENT ACT (CLEAN AND GREEN PROGRAM) (72 P.S. § 5490.1 et seq.)

Properties enrolled in the Clean and Green Program receive preferential tax assessment.

Notices Required by Seller: A Seller of Property enrolled in the Clean and Green Program must submit notice of the sale and any proposed changes in the use of Seller's remaining enrolled Property to the County Assessor 30 days before the transfer of title to Buyer.

Notices Required by Buyer: A Buyer of Property enrolled in the Clean and Green Program must submit notice of any proposed changes Buyer intends to make in the use of the Property being purchased to the County Assessor at least 30 days prior to undertaking any changes.

Loss of Preferential Tax Assessment: The sale of Property enrolled in the Clean and Green Program may result in the loss of program enrollment and the loss of preferential tax assessment for the Property and/or the land of which it is a part and from which it is being separated. Removal from enrollment in the Clean and Green Program may result in the charge of roll-back taxes and interest. A roll-back tax is the difference in the amount of taxes paid under the program and the taxes that would have been paid in the absence of Clean and Green enrollment. The roll-back taxes are charged for each year that the Property was enrolled in the program, limited to the past 7 years.

Buyer and Seller have been advised of the need to determine the tax implications that will or may result from the sale of the Property to Buyer or that may result in the future as a result in any change in use of the Property or the land from which it is being separated by contacting the County Tax Assessment Office before the execution of this Agreement of Sale.

Buyer Initials: _____ / _____

Seller Initials: _____ / _____

OPEN SPACE ACT 32 P.S. § 5001 et seq.

This Act enables counties to enter into covenants with owners of land designated as farm, forest, water supply, or open space land on an adopted municipal, county or regional plan for the purpose of preserving the land as open space. A covenant between the owner and county is binding upon any Buyer of the Property during the period of time that the covenant is in effect (5 or 10 years). Covenants automatically renew at the end of the covenant period unless specific termination notice procedures are followed.

Buyer acknowledges that the purchase of Property for which there is a covenant will not extinguish the covenant and that a change in the use of the land to any other use other than that designated in the covenant will constitute a breach. When a breach of the covenant occurs, the then-owner is required to pay roll-back taxes and interest. A roll-back tax is the difference in the amount of taxes paid and the taxes that would have been paid in the absence of the covenant. The roll-back taxes are charged for each year that the Property was subject to the covenant, limited to the past 5 years.

Buyer has been advised of the need to determine the restrictions that will apply from the sale of the Property to Buyer and the tax implications that will or may result from a change in use of the Property, or any portion of it. Buyer is further advised to determine the term of any covenant now in effect.

NOTICES REGARDING PROPERTY & ENVIRONMENTAL INSPECTIONS

(Paragraph 12: Inspections)

Exterior Insulation and Finish Systems (EIFS): Exterior Insulation and Finish Systems — sometimes referred to as synthetic stucco — are multi-layered wall systems applied to the exterior of some homes. Poor or improper installation of EIFS may result in moisture penetrating the surface of a structure where it may cause damage to the building's frame. Leakage most frequently occurs near doors and windows, gutters, the roof connection and at the lowermost edge of the exterior surface. Vulnerability to leakage depends on structure design as well as the expertise and application skills of the contractor. Damage caused by water intrusion may be both extensive and expensive to repair but may go undetected in the absence of an adequate inspection. Buyers purchasing homes with EIFS construction may seek to engage an inspector experienced in testing for EIFS-related problems who can determine the moisture content of the building's frame.

Asbestos: The heat-resistant and durable nature of asbestos makes it useful in construction. The physical properties that give asbestos its resistance to heat and decay are linked with several adverse health effects. Asbestos can easily break into microscopic fibers that remain suspended in the air for long periods of time. When inhaled, these fibers easily penetrate body tissue. Asbestos is known to cause Asbestosis and various forms of cancer. Inquiries or requests for more information about asbestos can be directed to the U.S. Environmental Protection Agency, Ariel Rios Building, 1200 Pennsylvania Ave., N.W., Washington, D.C. 20460, and/or the Department of Health, Commonwealth of Pennsylvania, Division of Environmental Health, Harrisburg, PA 17120.

Electromagnetic Fields: Electromagnetic Fields (EMFs) occur around all electrical appliances and power lines. Conclusive evidence that EMFs pose health risks does not exist at present, and Pennsylvania has no laws regarding this issue.

Environmental Hazards: The U.S. Environmental Protection Agency has a list of hazardous substances, the use and disposal of which are restricted by law. Generally, if hazardous substances are found on a property, it is the property owner's responsibility to dispose of them properly. For more information and a list of hazardous substances, contact the U.S. Environmental Protection Agency, Ariel Rios Building, 1200 Pennsylvania Ave., N.W., Washington, D.C. 20460, (202) 260-2090.

Wetlands: Wetlands are protected by the federal and state governments. Buyer may wish to hire an environmental engineer to investigate whether the Property is located in a wetlands area to determine if permits for plans to build, improve or develop the property would be affected or denied because of its location in a wetlands area.

Mold, Fungi and Indoor Air Quality: Indoor mold contamination and the inhalation of bioaerosols (bacteria, mold spores, pollen and viruses) have been associated with allergic responses including upper respiratory congestion, cough, mucous membrane irritation, fever, chills, muscle ache or other transient inflammation or allergy. Claims have been asserted that exposure to mold contamination and bioaerosols has led to serious infection, immunosuppression and illnesses of neuro or systemic toxicity. Sampling of indoor air quality and other methods exist to determine the presence and scope of indoor contamination. Because individuals may be affected differently, or not affected at all, by the presence of mold or other bioaerosols, Buyer may wish to engage the services of a qualified professional to undertake an assessment and/or sampling of the Property. Assessments and samplings for the presence of mold and bioaerosols can be performed by qualified industrial hygienists, engineers, laboratories and home inspection companies that offer these services. Information about indoor air quality issues is available through the U.S. Environmental Protection Agency and may be obtained by contacting IAQ INFO, P.O. Box 37133, Washington, D.C. 20013-7133, 1-800-438-4318.

Radon: Radon is a natural, radioactive gas that is produced in the ground by the normal decay of uranium and radium. Studies indicate that extended exposure to high levels of radon gas can increase the risk of lung cancer. Radon can find its way into any air-space and can permeate a structure. If a house has a radon problem, it usually can be cured by increased ventilation and/or by preventing radon entry. Any person who tests, mitigates or safeguards a building for radon in Pennsylvania must be certified by the Department of Environmental Protection. Information about radon and about certified testing or mitigation firms is available through Department of Environmental Protection, Bureau of Radiation Protection, 13th Floor, Rachel Carson State Office Building, P.O. Box 8469, Harrisburg, PA 17105-8469, (800) 23RADON or (717) 783-3594. www.epa.gov.

NOTICE REGARDING THE HOME INSPECTION LAW (68 Pa. C.S.A. §7501, et seq.)

(Paragraph 12: Inspections)

Applicability: The Home Inspection Law applies to “residential real estate transfers,” defined as a sale, exchange, installment sales contract, lease with an option to buy, grant or other transfer of an interest in real property where **NOT LESS THAN ONE AND NOT MORE THAN FOUR RESIDENTIAL DWELLING UNITS** are involved. (See Notice Regarding The Real Estate Seller Disclosure Law (exceptions 1-8) for a list of exceptions to this general rule.)

The following definitions are taken from the text of the Home Inspection Law

Home Inspection: A non-invasive, visual examination of some combination of the mechanical, electrical or plumbing systems or the structural and essential components of a residential dwelling designed to identify material defects in those systems and components, and performed for a fee in connection with or preparation for a proposed or possible residential real estate transfer. The term also includes any consultation regarding the property that is represented to be a home inspection or that is described by any confusingly similar term. The term does not include an examination of a single system or component of a residential dwelling such as, for example, its electrical or plumbing system or its roof. The term also does not include an examination that is limited to inspection for, or of, one or more of the following: wood-destroying insects, underground tanks and wells, septic systems, swimming pools and spas, alarm systems, air and water quality, tennis courts and playground equipment, pollutants, toxic chemicals and environmental hazards. The scope of a home inspection, the services to be performed and the systems and conditions to be inspected or excluded from inspection may be defined by a contract between the home inspector and the client.

Home inspection Report: A written report on the results of a home inspection.

A home inspection report shall include:

- (1) A description of the scope of the inspection, including without limitation an identification of the structural elements, systems and subsystems covered by the report.
- (2) A description of any material defects noted during the inspection, along with any recommendation that certain experts be retained to determine the extent of the defects and any corrective action that should be taken. A “material defect” that poses an unreasonable risk to people on the property shall be conspicuously identified as such.

A home inspector shall not express either orally or in writing an estimate of the cost to repair any defect found during a home inspection, except that such an estimate may be included in a home inspection report if:

- (1) the report identifies the source of the estimate;
- (2) the estimate is stated as a range of costs; and
- (3) the report states that the parties should consider obtaining an estimate from a contractor who performs the type of repair involved.

Seller shall have the right, upon request, to receive without charge a copy of any inspection report from the party for whom it was prepared.

Home inspector: An individual who performs a home inspection.

National home inspectors association: Any national association of home inspectors that:

- (1) Is operated on a not-for-profit basis and is not operated as a franchise.
- (2) Has members in more than ten states.
- (3) Requires that a person may not become a full member unless the person has performed or participated in more than 100 home inspections and has passed a recognized or accredited examination testing knowledge of the proper procedures for conducting a home inspection.
- (4) Requires that its members comply with a code of conduct and attend continuing professional education classes as an ongoing condition of membership.

A Buyer shall be entitled to rely in good faith, without independent investigation, on a written representation by a home inspector that the home inspector is a full member in good standing of a national home inspection association.

Material defect: A problem with a residential real property or any portion of it that would have a significant adverse impact on the value of the property or that involves an unreasonable risk to people on the property. The fact that a structural element, system or subsystem is near, at or beyond the end of the normal useful life of such a structural element, system or subsystem is not by itself a material defect.

NOTICES REGARDING CONDOMINIUMS AND PLANNED COMMUNITIES

(Paragraph 16: CONDOMINIUM/PLANNED COMMUNITY (HOMEOWNER ASSOCIATION) PUBLIC OFFERING STATEMENT)

The **Uniform Condominium Act** defines “condominium” as real estate, portions of which are designated for separate ownership and the remainder of which is designated for common ownerships solely by the owners of those portions. Real estate is not a condominium unless the undivided interests in the common elements are vested in the unit owners.

The **Uniform Planned Community Act** defines “planned community” as real estate with respect to which a person, by virtue of ownership of an interest in any portion of the real estate, is or may become obligated by covenant, easement or agreement imposed on the owner’s interest to pay any amount for real property taxes, insurance, maintenance, repair, improvement, management, administration or regulation of any part of the real estate other than the portion or interest owned solely by the person. The term excludes a cooperative and a condominium, but a cooperative or condominium may be part of a planned community. For the purposes of this definition, “ownership” includes holding a leasehold interest of more than 20 years, including renewal options, in real estate. The term includes non-residential campground communities.

Fees: Buyer may be responsible for capital contributions, initiation fees or similar one-time fees in addition to regular monthly maintenance fees.

A condominium or planned community may be created only by recording a **declaration** signed by all persons who have an ownership interest in the real estate that will ultimately be transferred to the individual unit owners. A person, persons, or entity that records the declaration is commonly referred as the **declarant**. The Acts require that a declarant that sells a unit in a condominium or planned community provide the purchaser with a **public offering statement**.

PUBLIC OFFERING STATEMENT

A public offering statement must be offered for the protection of purchasers. Public offering statements may vary depending upon the nature of the condominium or planned community but will generally contain a brief description of the condominium or planned community including types, numbers, and schedule of commencement/completion of buildings, units, and amenities; the number of additional units that may be included; a description of options reserved by the declarant to withdraw real estate and the effect that withdraw would have; a description of the significant features of the declaration, by-laws, rules and regulations; a balance sheet and projected budget; the initial or special fees that Buyer may owe at closing; the terms and significant limitations of any warranties provided by declarant; a notice of buyer’s right to cancel following receipt of the Public Offering Statement; a description of how votes are allocated among unit owners, and other information as required by the Acts. If the condominium or planned community declaration provides that ownership or occupancy of the units may be owned in time-shares, additional information is required to be in the Public Offering Statement, including a summary of the special risks inherent in time-sharing.

Exemptions from the Uniform Condominium Act and Uniform Planned Community Act When a Public Offering Statement is Not Required

A declarant is not required to provide the buyer of a condominium or planned community unit with a public offering statement under the following circumstances:

- The transfer of the unit is a gratuitous transfer.
- The transfer of the unit is required by court order.
- The transfer of the result of a disposition by a government or a governmental agency.
- The transfer of the unit is the result of a disposition by foreclosure or deed in lieu of foreclosure.

NOTICES REGARDING RECREATIONAL CABINS (Paragraph 17: Title, Surveys & Costs)

The following definitions and requirements are taken from the Pennsylvania Construction Code Act (35 P.S. §7210.101 et. seq.)

A Recreational Cabin is a structure which is:

- (1) Utilized principally for recreational activity;
- (2) Not utilized as a domicile or residence for any individual for any time period;
- (3) Not utilized for commercial purposes;
- (4) Not greater than two stories in height, excluding basement;
- (5) Not utilized by the owner or any other person as a place of employment;
- (6) Not a mailing address for bills and correspondence; and
- (7) Not listed as an individual’s place of residence on a tax return, driver’s license, car registration or voter registration.

A recreational cabin may be exempt from the provisions of the Pennsylvania Construction Code Act if:

- (1) The cabin is equipped with at least one smoke detector, one fire extinguisher and one carbon monoxide detector in both the kitchen and sleeping quarters; and
- (2) The owner of the cabin files with the municipality either:
 - (a) An affidavit on a form prescribed by the Pennsylvania Department of Labor and Industry attesting to the fact that the cabin meets the definition of a “recreational cabin” in Section 103 of the Act; or
 - (b) A valid proof of insurance for the recreational cabin, written and issued by an insurer authorized to do business in this Commonwealth, stating that the structure meets the definition of a “recreational cabin” as defined in Section 103 of the Act.

If a recreational cabin is subject to exclusion from the Pennsylvania Construction Code Act, upon transfer of ownership of the recreational cabin, written notice must be provided in the sales agreement and the deed that the recreational cabin:

- (1) Is exempt from this Act;
- (2) May not be in conformance with the uniform construction code; and
- (3) Is not subject to municipal regulation.

Failure to comply with this notice requirement shall render the sale void at the option of the purchaser.

NOTICES REGARDING PRIVATE TRANSFER FEES (Paragraph 17: Title, Surveys & Costs)

In Pennsylvania, Private Transfer Fees are defined and regulated in the Private Transfer Fee Obligation Act (Act 1 of 2011; 68 Pa.C.S. §§ 8101, et. seq.), which defines a Private Transfer Fee as “a fee that is payable upon the transfer of an interest in real property, or payable for the right to make or accept the transfer, if the obligation to pay the fee or charge runs with title to the property or otherwise binds subsequent owners of property, regardless of whether the fee or charge is a fixed amount or is determined as a percentage of the value of the property, the purchase price or other consideration given for the transfer.” A Private Transfer Fee must be properly recorded to be binding, and sellers must disclose the existence of the fees to prospective buyers. Where a Private Transfer Fee is not properly recorded or disclosed, the Act gives certain rights and protections to buyers.

NOTICES REGARDING MEDIATION (Paragraph 25: Mediation) HOME SELLERS/HOME BUYERS DISPUTE RESOLUTION SYSTEM RULES AND PROCEDURES

1. **Agreement of Parties:** The Rules and Procedures of the Dispute Resolution System (DRS) apply when the parties have agreed in writing to mediate under DRS. The written agreement can be achieved by a standard clause in an agreement of sale, an addendum to an agreement of sale, or through a separate written agreement.
2. **Initiation of Mediation:** If a dispute exists, any party may start the mediation process by submitting a completed Request to Initiate Mediation DRS Transmittal Form (Transmittal Form) to the local Association of REALTORS® (hereafter “Administrator”). The Transmittal Form should be available through the Administrator’s office. The initiating party should try to include the following information when sending the completed Transmittal Form to the Administrator:
 - a. A copy of the written agreement to mediate if there is one, OR a request by the initiating party to have the Administrator contact the other parties to the dispute to invite them to join the mediation process.
 - b. The names, addresses and telephone numbers of the parties involved in the dispute, including the name of every insurance company known to have received notice of the dispute or claim and the corresponding file or claim number.
 - c. A brief statement of the facts of the dispute and the damages or relief sought.
3. **Selection of Mediator:** Within five days of receiving the completed Transmittal Form, the Administrator will send each party to the dispute a copy of the Transmittal Form and a list of qualified mediators and their fee schedules. Each party then has ten days to review the list of mediators, cross off the name of any mediator to whom the party objects, and return the list to the Administrator. The Administrator will appoint the first available mediator who is acceptable to all parties involved. A mediator who has any financial or personal interest in the dispute or the results of the mediation cannot serve as mediator to that dispute, unless all parties are informed and give their written consent.
4. **Mediation Fees:** Mediation fees will be divided equally among the parties and will be paid *before* the mediation conference. The parties will follow the payment terms contained in the mediator’s fee schedule.
5. **Time and Place of Mediation Conference:** Within ten days of being appointed to the dispute, the mediator will contact the parties and set the date, time and place of the mediation conference. The mediator must give at least twenty days’ advance notice to all parties. The mediation conference should not be more than sixty days from the mediator’s appointment to the dispute.
6. **Conduct of Mediation Conference:** The parties attending the mediation conference will be expected to:
 - a. Have the authority to enter into and sign a binding settlement to the dispute.
 - b. Produce all information required for the mediator to understand the issues of the dispute. The information may include relevant written materials, descriptions of witnesses and the content of their testimony. The mediator can require the parties to deliver written materials and information before the date of the mediation conference.The mediator presiding over the conference:
 - a. Will impartially conduct an orderly settlement negotiation.
 - b. Will help the parties define the matters in dispute and reach a mutually agreeable solution.
 - c. Will have no authority to render an opinion, to bind the parties to his or her decision, or to force the parties to reach a settlement.

Formal rules of evidence will not apply to the mediation conference.
7. **Representation by Counsel:** Any party who intends to be accompanied to the mediation conference by legal counsel will notify the mediator and the other parties of the intent at least ten days before the conference.
8. **Confidentiality:** No aspect of the mediation can be relied upon or introduced as evidence in any arbitration, judicial or other proceeding. This includes, but is not limited to, any opinions or suggestions made by any party regarding a possible settlement; any admissions made during the course of the mediation; any proposals or opinions expressed by the mediator; and any responses given by any party to opinions, suggestions, or proposals. No privilege will be affected by disclosures made in the course of the mediation. Transcripts or recordings of the mediation will not be allowed without the prior, written consent of all parties and the mediator. Records, reports, and other documents received or prepared by the mediator or Administrator cannot be compelled by an arbitration, judicial, or other proceeding, with the exception of an agreement that was reached in the course of mediation and signed by all the parties. Neither the mediator nor the Administrator can be compelled to testify in any proceeding regarding information given or representations made either in the course of the mediation or in any confidential communication.
9. **Mediated Settlement:** When a dispute is resolved through mediation, the mediator will put the complete agreement in writing and all parties will sign the written agreement within ten days of the conclusion of the mediation conference. Every reasonable effort will be made to sign the written agreement at the end of the conference.
10. **Judicial Proceedings and Immunity:** NEITHER THE ADMINISTRATOR, THE MEDIATOR, THE NATIONAL ASSOCIATION OF REALTORS®, THE PENNSYLVANIA ASSOCIATION OF REALTORS®, NOR ANY OF ITS MEMBER BOARDS, WILL BE DEEMED NECESSARY OR INDISPENSABLE PARTIES IN ANY JUDICIAL PROCEEDINGS RELATING TO MEDIATION UNDER THESE RULES AND PROCEDURES, NOR WILL ANY OF THEM SERVING UNDER THESE PROCEDURES BE LIABLE TO ANY PARTY FOR ANY ACT, ERROR OR OMISSION IN CONNECTION WITH ANY SERVICE OR THE OPERATION OF THE HOME SELLERS/HOME BUYERS DISPUTE RESOLUTION SYSTEM.