



## NEW CONSTRUCTION PURCHASE AND SALE AGREEMENT

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

Lot # \_\_\_\_\_ of \_\_\_\_\_ subdivision

\_\_\_\_\_ (Street Address)  
\_\_\_\_\_ (City), Tennessee, \_\_\_\_\_ (Zip Code)

together with all fixtures, landscaping, improvements, and appurtenances, all being hereinafter collectively referred to as the "Property."

2. **Purchase Price, Method of Payment and Closing Expenses.** Buyer warrants that, except as may be otherwise provided herein, Buyer will at Closing have sufficient cash to complete the purchase of the Property under the terms of this New Construction Purchase and Sale Agreement (hereinafter "Purchase and Sale Agreement" or "Agreement"). The purchase price to be paid is:

\$ \_\_\_\_\_, \_\_\_\_\_ U.S.  
Dollars, ("Purchase Price")

which shall be disbursed at Buyer's expense and paid to Seller or Seller's Closing Agency by: (i) wire transfer; (ii) cashier's check; OR (iii) such other form as is approved by the Seller in writing.

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

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

1. **Seller Expenses.** Seller shall pay all existing loans and/or liens affecting the Property, including all penalties, release preparation costs, and applicable recording costs; any accrued and/or outstanding association dues or fees; fees (if any) to obtain lien payoff/estoppel letters/statement of accounts from any and all associations, property management companies, mortgage holders or other liens affecting the Property; Seller's closing fee, document preparation fee and/or attorney's fees; fee for preparation of deed; and notary fee on deed.

Seller is not a foreign person subject to tax withholding under the Foreign Investment and Real Property Tax Act and shall sign, as a condition of Closing, appropriate affidavits certifying that Seller is not subject to the same.

2. **Buyer Expenses.** Seller shall pay up to \$ \_\_\_\_\_ of Buyer's closing cost expenses including pre-pays. If these expenses are less than the amount provided for by the preceding sentence, Buyer cannot apply any surplus funds to any other fee not considered a closing cost (i.e., origination fee, discount points, rate points,

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

3. **Title Expenses.** Cost of title search of abstract, mortgagee's policy and owner's policy shall be paid by Buyer.

Title Company for Buyer: \_\_\_\_\_

Closing Agency/Title Company for Seller: Southland Title

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

Buyer shall be obligated to Close this transaction if Buyer has the ability to obtain a loan for which Buyer has applied and been approved.

**Type of loan (select box)**

☐ FHA: Addendum attached   ☐ USDA   ☐ Conventional   ☐ VA: Addendum attached   ☐ OTHER: \_\_\_\_\_

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

- (1) Within \_\_\_\_ days after the Agreement Date, Buyer shall make application for the loan and shall instruct Lender to order a credit report. Buyer shall immediately notify Seller or Seller's representative, in writing, of having applied for the loan, provide Lender's name and contact information, and verify that Buyer has instructed Lender to order a credit report;
- (2) Within \_\_\_\_ days after the Agreement Date, Buyer shall provide Seller with a pre-approval letter from the Lender for an amount not less than the Purchase Price. In the event Buyer fails to timely provide the pre-approval letter to Seller, Buyer acknowledges and agrees that the Earnest Money shall be nonrefundable should Buyer ultimately be unable to obtain financing by the Closing Date.
- (3) Within 15 (fifteen) days before Closing Date, Buyer shall warrant and represent to Seller in writing that:
  - a. Buyer has secured evidence of hazard insurance which will be effective at Closing and Buyer shall notify Seller of the name of the hazard insurance company;
  - b. Buyer has notified Lender of an Intent to Proceed with Lender and has available funds to Close per the signed Loan Estimate; and
  - c. Buyer has requested that the appraisal be ordered and affirms that the appraisal fee has been paid.
- (4) Buyer shall pursue qualification for and approval of the loan diligently and in good faith;
- (5) Buyer shall continually and immediately provide requested documentation to Lender;
- (6) Unless otherwise stated in this Agreement, Buyer represents that this loan is not contingent upon the lease or sale of any other real property and the same shall not be used as the basis for loan denial; and
- (7) Buyer shall not intentionally make any material changes in Buyer's financial condition which would adversely affect Buyer's ability to obtain the loan referenced herein.

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

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

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

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

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

B. **Handling of Earnest Money upon Receipt by Holder.** Earnest Money is to be deposited promptly after the Agreement Date or as specified in the Special Stipulations paragraph contained at paragraph 21 herein. Holder shall disburse Earnest Money only as follows:

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

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

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

- A. **Closing Date; Third Party Delays.** Unless otherwise provided herein, the consummation of the purchase and sale of the Property shall occur upon "Completion" of the Improvements as provided herein, which is to be on \_\_\_\_\_, (the "Closing" or "Closing Date", which shall be evidenced by delivery of warranty deed and payment of Purchase Price). Buyer has the right to choose any mortgage company or title company for this transaction; however, if Buyer chooses a title company other than Southland Title or a mortgage company other than Movement Mortgage and the chosen title company causes a delay or the mortgage company cannot fund the loan and complete the transaction on Closing Date, at Seller's discretion, Seller has the option to not extend this Agreement and Property shall be re-listed on the market.
- B. **Possession.** Possession of the Property is to be given with delivery of warranty deed and payment of Purchase Price. If the parties agree to permit early occupancy by stipulation in Paragraph 21 below, such occupancy shall be conditioned upon Buyer having obtained appropriate hazard insurance and transferring all utilities into the name of Buyer prior to such occupancy.
- C. **Household Goods.** The movement of any household goods or other materials by Buyer into the Property will not be permitted until the Property has been completed and Seller gives written permission for Buyer to move household goods prior to closing date.

- D. **Prorations.** Real estate taxes, rents, dues, maintenance fees, and association fees on said Property for the calendar year in which the sale is Closed shall be prorated as of the Closing Date. In the event of a change or reassessment of taxes for the calendar year after Closing, the parties agree to pay their recalculated share. Real estate taxes, rents, dues, maintenance fees, and association fees for prior years and roll back taxes, if any, will be paid by Seller.
- E. **Impact Fees or Adequate Facilities Taxes.** Seller has paid 0\$ (zero dollars) in adequate facility taxes or impact fees on the property.
- F. **Special Assessments.** Special assessments approved or levied prior to the Closing Date shall be paid by the Seller at or prior to Closing.
- G. **Closing Certifications.** Buyer and Seller shall execute and deliver such certifications, affidavits, and statements as are required at Closing to meet the requirements of the Lender and of federal and state law.
- H. **Warranties Transfer.** Seller, at the option of Buyer and at Buyer's cost, agrees to transfer Seller's interest in any manufacturer's warranties, service contracts, termite bond or treatment guarantee and/or similar warranties which by their terms may be transferable to Buyer.

5. **Title and Conveyance.**

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

If title examination, closing or loan survey, boundary line survey, or other information discloses material defects, Buyer may, at Buyer's discretion:

- (1) accept the Property with the defects OR
- (2) require Seller to remedy such defects prior to the Closing Date. Buyer shall provide Seller with written notice of such defects. If defects are not remedied by the Closing Date or any mutually agreed upon extension thereof, this Agreement shall terminate, and Buyer shall be entitled to refund of Earnest Money.

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

- B. Deed is to be made in the name(s) of \_\_\_\_\_.

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

7. **Contractors and/or Suppliers.** All work and materials to be performed or supplied under this Agreement shall be performed and supplied by Seller's own contractors, subcontractors, employees, agents, materialmen and suppliers. Buyer shall not have the right to have any work performed or supplies delivered to the Property at Buyer's own direction prior to Closing without written approval and consent of Seller. Seller agrees to transfer to Buyer, at Closing, subject to Buyer's acceptance thereof, Seller's interest in any manufacturer's warranties, service contracts, and/or other similar warranties which by their terms may be transferable to Buyer.
8. **Decorative Selections.** If there are decorative selections yet to be selected in the completion of the residence, Buyer shall have the option to make those selections from available stock at Seller's normal sources of supply. Buyer understands that it is Buyer's responsibility to make all selections on or before \_\_\_\_\_ (if left blank, Buyer will be informed via phone call, email, or text by Seller or Seller's decorator of date) and further understands that if the selections have not been made by said date, that Seller may make such selections. Seller choices are hereby deemed agreed to and acceptable to Buyer.
9. **Nonrefundable Deposits.** Buyer agrees that any request for changes or alterations ("Change Orders") to the residence will be set forth in writing and delivered to Seller. Any requested Change Order must be in writing and signed by Buyer and Seller in order to be binding. No subcontractor, workman or materialman has authority to agree on behalf of Seller to any Change Order. Buyer agrees that all Change Order requests must be presented to Seller so as to allow Seller adequate lead time to schedule the Change Orders into the normal building sequence. Seller has the right to refuse to make requested changes or alterations. Buyer agrees to pay Seller in advance of the performance of work necessitated by agreed Change Orders which will include the cost for both labor and materials and further understands that there will be no refunds, under any circumstances, of payments made by Buyer for Change Orders. Buyer further acknowledges that any work done on the home pursuant to Change Orders or additions may not increase the appraised value of the Property. Seller shall not be responsible if increases in the price of the Property due to Change Orders or additions are not reflected in the appraised value of (and resulting available loan for) the Property. In the event the Property does not appraise due to Change Orders and upgrade items, Buyer shall be responsible for producing the additional funds needed to Close.
10. **Delays.** Seller shall have no liability for any delays in construction caused by strikes, acts of God or nature, or delays directly caused by Buyer's Change Orders and/or selection of materials. In the event of such delays, the Closing Date may be extended by the number of days resulting from such delays, not to exceed 10 calendar days; Seller shall notify Buyer of any such delays.
11. **Homeowner Association.** Seller represents that there is a required association fee in the approximate amount of \$\_\_\_\_\_ per year to prorated at Closing. Buyer acknowledges that Property is subject to the restrictive covenants and homeowner association bylaws "CCRs". Buyer acknowledges being informed that all updated CCR's for every Smithbilt Homes community can be found on Smithbilt's website, [www.smithbilthomes.com/homeowners](http://www.smithbilthomes.com/homeowners)
12. **Inspection by Buyer.** At a point in time when Seller deems the Improvements upon the Property to be complete, Seller shall give Buyer notice of such. Buyer and/or Buyer's designated inspector/representative shall, at a mutually agreeable time within five (5) days of Closing, completely inspect the improvements ("Improvements"). Following the inspection, Buyer shall submit a written list of matters which Buyer reasonably deems to be incomplete or defective, hereinafter referred to as the "Punch List". Subject to Seller's acceptance, Seller shall diligently attempt to complete or repair items identified on the Punch List within seven (7) days of receipt. In the event Seller does not agree with Buyer's Punch List items, the parties agree to negotiate in good faith to resolve such disagreement. No changes to the Punch List may be made after its submission to Seller. If Buyer subsequently discovers any matter s/he believes incomplete or defective, Buyer may identify such defects to Seller for repair under the Builder's Limited Warranty as provided in Paragraph 16 below.
13. **Completion.** Seller will provide Buyer with copies of all building codes inspections and the final Use and Occupancy Letter from the appropriate Codes Authority, if applicable. The construction shall be deemed to be completed at such time as such inspections and approvals have been supplied and Buyer has inspected and confirmed that the contract is substantially completed. "Substantial Completion" shall mean that all matters of substance except minor touch-up matters have been completed. The construction shall be completed in accordance with all applicable governmental regulations, ordinances and codes, and shall be in compliance with all applicable restrictions, covenants and

conditions, including, without limitation, any public or private architectural controls and restrictions. If the reasonable cost of completion of the Punch List items exceeds \$1,000.00, the job shall not be deemed to be substantially complete.

14. **Insurability.** It is the right and responsibility of Buyer to determine the insurability, coverage and the cost of insuring the Property. It is also the responsibility of Buyer to determine whether any exclusions will apply to the insurability of said Property.
15. **Limited Builder Warranty.** Seller warrants the Property against defective workmanship or materials (normal wear and tear excepted) for a period of one (1) year from Closing Date and against major structural defects. Seller agrees to correct any covered defects identified by Buyer by repair list timely submitted via Seller's website or mail during one of two allotted callback periods. The first callback period shall be ninety (90) days following Closing. The second callback period shall begin thirty (30) days prior to the one-year period ending on the first anniversary of Closing and end on the first anniversary of Closing. Seller shall deliver a copy of this warranty in written form to Buyer at Closing. Seller, at option of Buyer, shall further transfer all warranties and guaranties of manufacturers covering any of the Property which are, by their nature, transferable to Buyer. After receiving Buyer's 90 Day List via website submittal or mail, Seller will contact Buyer to schedule repairs. Repairs will take place during regular business hours Monday-Friday.
16. **Brokers Disclaimer.** It is understood and agreed that the real estate firms and real estate licensee(s) representing or assisting Seller and/or Buyer, their brokers, and the real estate firms (collectively referred to as "Brokers") are not parties to this Agreement and do not have or assume liability for the performance or nonperformance of Seller or Buyer.
17. **Default.** Should Buyer default hereunder, the Earnest Money shall be forfeited as damages to Seller and shall be applied as a credit against Seller's damages. Seller may elect to sue, in contract or tort, for additional damages or specific performance of the Agreement, or both. Should Seller default, Buyer's Earnest Money shall be refunded to Buyer. In addition, Buyer may elect to sue, in contract or tort, for damages or specific performance of this Agreement, or both. In the event that any party hereto shall file suit for breach or enforcement of this Agreement (including suits filed after Closing which are based on or related to the Agreement), the prevailing party shall be entitled to recover all costs of such enforcement, including reasonable attorney's fees. In the event that any party exercises its right to terminate due to the default of the other pursuant to the terms of this Agreement, the terminating party retains the right to pursue any and all legal rights and remedies against the defaulting party following termination.
18. **Other Provisions.**
  - A. **Binding Effect, Entire Agreement, Modification, Assignment, and Agreement Date.** This Agreement shall be for the benefit of, and be binding upon, the parties hereto, their heirs, successors, legal representatives and assigns. This Agreement constitutes the sole and entire agreement between the parties hereto and no modification of this Agreement shall be binding unless signed by all parties or assigns to this Agreement. No representation, promise, or inducement not included in this Agreement shall be binding upon any party hereto. Any assignee shall fulfill all the terms and conditions of this Agreement. The Agreement Date shall be the date upon which this Agreement is signed by the last party thereto.
  - B. **Survival Clause.** Any provision contained herein, which by its nature and effect is required to be performed after Closing shall survive the Closing and delivery of the deed, and shall remain binding upon the parties to this Agreement and shall be fully enforceable thereafter.
  - C. **Governing Law and Venue.** This Agreement is intended as a contract for the purchase and sale of real property and shall be interpreted in accordance with the laws and in the courts of the State of Tennessee.
  - D. **Time of Essence.** Time is of the essence in this Agreement.
  - E. **Terminology.** As the context may require in this Agreement: (1) the singular shall mean the plural and vice versa; (2) all pronouns shall mean and include the person, entity, firm or corporation to which they relate; (3) the masculine shall mean the feminine and vice versa; and (4) the term day(s) used throughout this Agreement shall be deemed to be calendar day(s) ending at 11:59 p.m. local time unless otherwise specified in this Agreement.

Local time shall be the current time applicable to Knoxville, Tennessee. In the event a performance deadline, other than the Closing Date (as defined in paragraph 4 herein) or Date of Possession (as defined in paragraph 4 herein), occurs on a Saturday, Sunday or legal holiday, the performance deadline shall extend to the next following business day. Holidays as used herein are those days deemed federal holidays. In calculating any time period under this Agreement, the commencement day shall be the day following the initial date (e.g. Agreement Date).

- F. **Responsibility to Cooperate.** Buyer and Seller agree to timely take such actions and produce, execute, and/or deliver such information and documentation as is reasonably necessary to carry out the responsibilities and obligations of this Agreement. Except as to matters which are occasioned by clerical errors or omissions or erroneous information, the approval of the Closing documents by the parties shall constitute their approval of any differences between this Agreement and the Closing. Buyer and Seller agree that if requested after Closing, they will correct any documents and pay any amounts due where such corrections or payments are appropriate by reason of mistake, clerical errors or omissions, or the result of erroneous information.
- G. **Notices.** Except as otherwise provided herein, all notices and demands required or permitted hereunder shall be in writing and delivered either (1) in person, (2) by a prepaid overnight delivery service, (3) by facsimile transmission (FAX), (4) by the United States Postal Service, postage prepaid, registered or certified, return receipt requested or (5) Email. NOTICE shall be deemed to have been given as of the date and time it is actually received. Receipt of notice by the real estate licensee or their Broker assisting a party as a client or customer shall be deemed to be notice to that party for all purposes under this Agreement as may be amended, unless otherwise provided in writing.
- H. **Risk of Loss.** The risk of hazard or casualty loss or damage to Property shall be borne by Seller until transfer of title. If casualty loss prior to Closing exceeds 10% of the Purchase Price, Seller or Buyer may elect to terminate this Agreement with a refund of Earnest Money to Buyer.
- I. **Equal Housing.** This Property is being sold without regard to race, color, sex, religion, handicap, familial status, or national origin.
- J. **Severability.** If any portion or provision of this Agreement is held or adjudicated to be invalid or unenforceable for any reason, each such portion or provision shall be severed from the remaining portions or provisions of this Agreement, and the remaining portions or provisions shall be unaffected and remain in full force and effect. In the event that the contract fails due to the severed provisions, then the offending language shall be amended to be in conformity with state and federal law.
- K. **Contract Construction.** This Agreement or any uncertainty or ambiguity herein shall not be construed against any party but shall be construed as if all parties to this Agreement jointly prepared this Agreement.
- L. **Other.** A party seeking to invoke his/her right to terminate this Agreement pursuant to a contingency stated herein shall, upon request of the other party, provide copies of documentation supporting the invoking party's right to exercise said contingency. Such supporting documents shall be for the use of the requesting party to determine if the conditions of the contingency have been met and shall not be disseminated to third parties.
19. **Exhibits and Addenda.** All exhibits and/or addenda attached hereto, listed below, or referenced herein are made a part of this Agreement:
- Addendum 1: Confirmation of Agency Status
- Addendum 2: Residential Property Condition Exemption Notification
- Addendum 3: Affiliated Business Disclosure Statement
- Addendum 4: Construction Policy (Buyer contact information is required)
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20. **Special Stipulations.** The following Special Stipulations, if conflicting with any preceding paragraph, shall control:

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

If applicable; List, the address of the buyer's contingent property and choose one of the following options:

Address of Buyer's Contingent Property:

\_\_\_\_\_ (Street Address)  
\_\_\_\_\_ (City), \_\_\_\_\_ (State), \_\_\_\_\_ (Zip Code)

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

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

23. **Time Limit of Offer:** This offer may be withdrawn at any time before the acceptance with Notice. Offer terminates if not counted or accepted by \_\_ o'clock \_\_ on \_\_\_\_\_.

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

**Buyer hereby makes this offer:**

BUYER \_\_\_\_\_ DATE \_\_\_\_\_

BUYER \_\_\_\_\_ DATE \_\_\_\_\_

**Seller hereby:**

☐ ACCEPTS ☐ COUNTERS ☐ REJECTS

SELLER

By: \_\_\_\_\_

Executed by: \_\_\_\_\_ DATE \_\_\_\_\_



**ADDENDUM 1**  
**CONFIRMATION OF AGENCY STATUS & COMMISSION COMPENSATION**

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

The real estate transaction involving the property located at:

\_\_\_\_\_  
PROPERTY ADDRESS

SELLER NAME: \_\_\_\_\_

LICENSEE NAME: \_\_\_\_\_

in this consumer's current or prospective transaction is serving as: ☒ **Designated Agent for the Seller.**

BUYER NAME: \_\_\_\_\_

LICENSEE NAME: \_\_\_\_\_

LICENSE NUMBER: \_\_\_\_\_

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

☐ **Transaction Broker or Facilitator.**  
(not an agent for either party)

☐ **Buyer is Unrepresented.**

☐ **Agent for Buyer.**

☐ **Designated Agent for Buyer.**

☐ **Disclosed Dual Agent (for both parties),**  
with the consent of both the Buyer and the Seller  
in this transaction.

All Smithbilt homes are listed by Southland Realtors. Unless the Selling Licensee is enrolled in the Smithbilt Homes Realtor Reward Program, the cooperating commission shall be limited to two percent (2%) of selling price minus any upgrades or closing cost paid by Seller.

**Check box if this statement applies:**

- ☐ Selling Agent, \_\_\_\_\_ is enrolled in Smithbilt Homes Realtor Reward Program and is to be compensated according to the Compensation Schedule. The total cooperating compensation paid to Selling Agent is \_\_\_\_% of selling price minus any upgrades or closing cost paid by Seller.

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

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

Seller Signature	Date
<i>Southland Realtors</i>	
Listing Company	Date
Listing Licensee	Date

Buyer Signature	Date
Buyer Signature	Date
Selling Licensee	Date
Selling Company	

## ADDENDUM 2

### TENNESSEE RESIDENTIAL PROPERTY CONDITION EXEMPTION DISCLOSURE

Property Address: \_\_\_\_\_ City/State/Zip: \_\_\_\_\_

Buyer: \_\_\_\_\_

Seller: \_\_\_\_\_

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

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

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

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

\_\_\_\_\_  
**SELLER**

\_\_\_\_\_ at \_\_\_\_\_ o'clock ☐ am/ ☐ pm

am/ ☐ pm

**Date**

\_\_\_\_\_  
**SELLER**

\_\_\_\_\_ at \_\_\_\_\_ o'clock ☐

**Date**

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

\_\_\_\_\_  
**BUYER**

\_\_\_\_\_ at \_\_\_\_\_ o'clock ☐ am/ ☐ pm

**Date**

\_\_\_\_\_  
**BUYER**

\_\_\_\_\_ at \_\_\_\_\_ o'clock ☐ am/ ☐ pm

**Date**

**ADDENDUM 3**  
**Affiliated Business Disclosure Statement**

To: Client or Customer from Southland Realtors Inc.

244 N. Peters Rd Knoxville TN. 37923 Office Phone Number (865)693-6961

**Property Address** \_\_\_\_\_

**Agent** \_\_\_\_\_ **Date** \_\_\_\_\_

**Personal Interest Disclosure:** This is to give you notice that Southland Realtors Inc. owners have an ownership interest in Southland Title LLC. Because of this relationship, this referral may provide Southland Realtors Inc. and/or its owners a financial or other benefit.

Set forth below is the estimated charge or range of charges for the settlement services listed. You are NOT required to use the listed provider(s) as a condition for the purchase of the subject property. THERE ARE OTHER SETTLEMENT SERVICE PROVIDERS AVAILABLE WITH SIMILAR SERVICES. YOU ARE FREE TO SHOP AROUND TO DETERMINE YOU ARE RECEIVING THE BEST SERVICE AND THE BEST RATE FOR THESE SERVICES.

Provider	Settlement Services	Estimated Cost
Southland Title LLC	Closing and Doc Fee	\$200 to \$250

Other fees will apply to buyers such as Title Searches, Title Insurance, and recording fees in the County and fees required by the lender you chose for financing. The cost to you will be based on the purchase price of Real Estate and your loan cost.

Movement Mortgage: Southland Realtors Inc. or its owners do not have an ownership or a financial interest in Movement Mortgage. Movement Mortgage rents office space in the Southland Building. The owners of Southland Realtors Inc. receive rent for the office space. Movement Mortgage is a preferred service provider for Southland Realtors Inc. and Smithbilt LLC. You are NOT required to use Movement Mortgage as a condition of the purchase or sale of the subject property. THERE ARE SEVERAL COMPANIES THAT PROVIDE SIMILAR MORTGAGE SERVICES. YOU ARE FREE TO SHOP AROUND TO DETERMINE YOU ARE RECEIVING THE BEST SERVICES AND THE BEST RATES FOR THESE SERVICES.

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

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

\_\_\_\_\_  
Client or Customer

\_\_\_\_\_  
Date

\_\_\_\_\_  
Client or Customer

\_\_\_\_\_  
Date

## **ADDENDUM 4 CONSTRUCTION POLICY**

Congratulations on the purchase of your new home! We would like to thank you for choosing one of Smithbilt's communities. We are providing you our Construction Policy as a guide to our procedures throughout the construction process. Smithbilt's decisions and drawings take precedent in guiding the construction of each home. All construction plans are the property of Smithbilt and are not available for distribution. Installation of materials and all construction procedures must be furnished and installed by Smithbilt. Structural changes are limited and must be addressed before your real estate agent presents the sales contract to Smithbilt. Approved changes will be priced accordingly.

At no point during construction can any job site superintendents nor field employees discuss or negotiate construction procedures with buyers. Smithbilt's Design Coordinator will contact you to schedule an appointment once we have received your Construction Policy acknowledgement. All interior and exterior design selections have been pre-selected for all homes. **There comes a time in the construction process when design selections cannot be changed.** Therefore, appointments must be scheduled in a timely manner and all available options and upgrades must be selected at this time, delays could extend your closing date.

### **Design Center**

Smithbilt's Design Center is located at 244 N. Peters Road, Knoxville, TN 37923. The Design Center is open Monday-Friday, 8am-4pm by APPOINTMENT ONLY. To request a meeting date and time with the Designer, please visit: <http://www.smithbilthomes.com/homeowners/design-center>. Open House is held at the Design Center every Sunday 2-5pm.

### **Upgrades**

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

### **SMITHBILT OFFERS TWO OPTIONS FOR PAYMENT:**

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

**INVOICE** - A post-dated check for the full amount must be received prior to upgrade items being ordered. **If you void the sales contract, the check will be cashed for payment of the overages.**

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

### **NEW HOME CONSTRUCTION OPTIONS**

The project coordinator will oversee your home along with the site superintendent, once you have met with the Design Coordinator and selected all options and upgrades. After meeting with the Design Coordinator all information, questions, or requests for changes will go through the Project Coordinator, via Smithbilt Website: <http://www.smithbilthomes.com/homeowners/future-homeowners/ask-your-builder-a-question/>

If the house is in an early framing stage, you may mark where your phone and cable are to be located with a large magic marker on the wall studs. Construction moves swiftly. You will not be notified when the electrician is installing the lines. If new locations are not marked, the electrician will install the standards. Changes will be at your expense.

Standard installation is one phone line and one cable outlet in the family room, bedrooms and bonus room. There is a charge for each additional location.

### **Limited One-Year Builder's Warranty**

Smithbilt is providing a copy of the Limited One-Year Builder's Warranty with this Construction Policy. In addition to quality craftsmanship and materials, we provide two callbacks during the one-year warranty period for construction and material defects. **Only items listed in the warranty booklet will be covered.** The first callback should be scheduled 90 days after closing. The second callback should be scheduled one year after closing. Please submit your 90 Day List and Year End List via our website: <http://www.smithbilthomes.com/homeowners/warranty-request/> Once the list(s) are received, you will be contacted to schedule repairs.

### **Walk-thru**

When your home is under construction, there are many different stages until we reach the final finished project. Many items may appear to go unnoticed. A specialized crew will touch up and fine-tune your home before the walk-thru is scheduled. A Southland Realtors representative will provide access to the home for your scheduled walk-thru. Any and all items needing to be addressed must be listed on the Smithbilt walk-thru form that will be provided or you can find a copy of the walk-thru form on our website:

<http://www.smithbilthomes.com/wp-content/uploads/FINAL-Pre-Closing-Inspection.pdf> . Items listed on any other forms will not precede Smithbilt's form and will not alter the original contract. Please leave your list on the kitchen counter if any items are found.

### **Access**

**You must contact your real estate agent for access to the home.** Keys will not be given out during construction. You will receive your keys at closing. Prior to closing buyer may not install and/or store any items in the home, unless given written consent from Smithbilt.

### **Website**

Please use/refer to Smithbilt's inclusive website for any and all issues. Through the website, a buyer can:

- Ask the builder a question.
- Submit warranty requests
- Contact their HOA
- Review Builder's Warranty
- View all floor plans
- View all communities

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

**Buyer Name** \_\_\_\_\_

**Buyer Name** \_\_\_\_\_

**Buyer Email** \_\_\_\_\_

**Buyer Phone** \_\_\_\_\_

**Mortgage Company** \_\_\_\_\_

**Lender Name** \_\_\_\_\_

**Lender Phone** \_\_\_\_\_

**Lender Email** \_\_\_\_\_

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

**Buyer Signature** \_\_\_\_\_

**Buyer Signature** \_\_\_\_\_