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REAL ESTATE PURCHASE AGREEMENT FOR PURCHASE AND SALE OF A HOME WHERE CONSTRUCTION IS SUBSTANTIALLY COMPLETE

This Agreement for the purchase of a home was signed on _____ by and between _____ (“Buyer”) and _____ a home builder and a(n) _____ (insert type of entity if other than an individual), (“Seller” also referred to in the alternative in various documents as “Builder”, “Contractor” or “Supplier.”). Buyer and Seller are referred to in the singular notwithstanding whether or not there are, in fact, more than one Buyer or Seller. Buyer and Seller are also referred to collectively as the “parties.” Seller is further defined as a “Home Construction Services Supplier” under Ohio Revised Code Chapter 4722 and a “Residential Contractor” under Ohio Revised Code Chapter 1312.

In consideration of the following mutual promises, Buyer and Seller agree that Seller shall sell and convey to Buyer, and Buyer shall purchase from Seller and pay for the improvements and real property upon which the improvements are substantially constructed located at _____ (insert property address) (“Home” and alternatively the “Premises”) upon the following terms and conditions:

1.	PURCHASE PRICE.	The total purchase price for the Home shall be _____ Dollars (\$_____)	
	Initial deposit paid on execution of offer	\$ _____	
	Balance due at closing	\$ _____	
	Total	\$ _____	

The amount described above is subject to adjustment at closing for the items described within this Agreement. Installation, delivery or other costs not included in the above estimated contract price include the following: (not applicable if not filled in) _____

2. COMPLETION OF CONSTRUCTION / WORKMANSHIP / ORC CHAPTER 4722 REQUIREMENTS. In the event the construction of the Home is not complete, Seller shall, after the removal of any conditions or contingencies set forth herein for the benefit of Buyer, promptly complete the construction of the Home in accordance with the plans and specifications (the “work”) which Buyer has examined and approved, and which plans and specifications are made a part of this Agreement and attached as Exhibit “A”. This final work is sometimes hereafter referred to as “final construction.” The work shall allow for minor deviations occasioned by expediency, practicality, and the availability of labor and materials provided Seller agrees not to deviate from the Plans and Specifications without first notifying Buyer of the same. In the event Buyer does not thereafter notify Seller of Buyer’s objection to the same in writing within seventy-two (72) hours, Buyer shall be deemed to have agreed to the same. Further, Seller expressly reserves the right to make such modifications, additions, or deletions to the Plans and Specifications as may be required by a mortgagee which holds a mortgage upon the Premises, or as may be necessary in order to meet any applicable federal, state, city and local building or zoning code requirements. The costs of any changes arising as a result of the requirements of any mortgagee holding a mortgage upon the Premises, or as are necessary to comply with applicable laws, codes and rules as described in this section, shall be governed by the Change Order procedure specified under this Agreement and paid by Buyer. In the event that a substantial physical modification or deviation from the Plans and Specifications is necessary due to soil or other lot conditions (soils, easements, developer or utility requirements, etc.) or other issues, Seller may, at its option, elect to terminate this Agreement and refund to Buyer the Deposit, as such term is hereafter defined, subject to the adjustments hereafter described, in which case all parties hereto shall be relieved of any further obligations hereunder. Construction of the work shall be done in a workmanlike manner as defined by Ohio Law and in conformity with the rules promulgated under Ohio Revised Code Chapter 4722 and with all local, state and national codes having jurisdiction over the Premises. Notwithstanding the foregoing, should the Buyer and Seller decide a construction standard, specification or tolerance is desired that is equivalent or superior to an item or items addressed in the rules promulgated under ORC 4722, such variance

shall be documented and agreed to through a separate addendum or addenda executed by both parties, attached hereto and incorporated into this Agreement. In addition, it is noted that Ohio Law and the rules promulgated under ORC 4722 cover a limited number of construction tolerances and items, and the parties may also agree and define other construction standards or tolerances that are not covered by the ORC Chapter 4722 rules as meeting the "good and workmanlike" or "workmanlike" manner for construction performance on their own terms and through separate addenda.

3. DEPOSIT. Seller retains the right to use the deposit for the completion of any necessary construction or other purposes, and Buyer acknowledges that such deposit shall not be subject to any escrow, trust, or security agreement, nor shall interest accrue thereon. Buyer and Seller further agree that Buyer's deposit as provided herein shall be disbursed as follows:

- (a) If this offer is not accepted by Seller, the deposit shall be promptly returned to Buyer;
- (b) If this offer is accepted by Seller, the deposit shall be applied on the purchase price when the transaction is closed;
- (c) If this offer is accepted by Seller and Buyer fails or refuses to comply with the terms of this Agreement, then the deposit may be applied by Seller at Seller's option as described in Paragraph Twenty-One (21) herein.

NOTICE: PRIOR TO THE COMMENCEMENT OF SELLER'S PERFORMANCE UNDER THIS CONTRACT, ORC 4722.04 PROHIBITS THE SELLER FROM TAKING A DEPOSIT OR DOWN PAYMENT IN EXCESS OF TEN PERCENT (10%) OF THE CONTRACT PRICE. THIS PROVISION DOES NOT APPLY TO SPECIAL ORDER ITEMS THAT ARE NOT RETURNABLE OR USABLE PRIOR TO THE SELLER'S PERFORMANCE, IN WHICH CASE A DEPOSIT OF 75% OF THE TOTAL COST OF ITEM IS PERMISSIBLE.

4. FINANCING CONDITIONS. All obligations of both parties are expressly contingent upon Buyer obtaining a loan commitment in the amount of _____ Dollars (\$) _____ on terms and conditions satisfactory to Buyer within _____ calendar days of the acceptance of this Agreement. In the event Buyer successfully obtains such loan commitment, Buyer shall immediately notify Seller of the same in writing, and shall further provide to Seller a copy of the loan commitment letter issued by the lending institution confirming such loan commitment, or such other evidence as Seller shall deem satisfactory in order to establish that Buyer has, in fact, obtained the same. If Buyer makes a good faith effort and is not able to obtain the loan commitment described above within the time period specified above and so notifies Seller in writing of the same, this Agreement shall be terminated, all parties shall be released from their obligations hereunder, and the deposit shall be returned to Buyer (except Seller may retain that portion of the deposit necessary to reimburse Seller for any out-of-pocket expenses incurred by Seller, including but not limited to, fees paid by Seller to prepare or modify plans and specifications, obtain permits, etc.), unless Buyer and Seller mutually agree in writing to extend the time period specified above, or otherwise mutually agree in writing to waive the financing condition described within this paragraph. If Buyer fails to make an application for a loan commitment or fails to use good faith efforts to obtain such loan commitment, Seller may, at Seller's option, retain the deposit as liquidated damages as described in Paragraph Twenty-One (21) herein without waiving any rights Seller may otherwise have at law or in equity, or Seller may, at Seller's option, pursue such other rights and remedies as Seller may have at law or in equity.

5. FINAL COMPLETION OF CONSTRUCTION AND EFFECTS OF DELAYS. In the event the Home is not complete at the time of execution of this Agreement, Buyer acknowledges that Seller can neither imply nor guarantee a firm date by which the Home will be complete. However, Seller will use commercially reasonable efforts to complete the construction of the Home within _____ days after the final construction commences. Seller estimates that final construction shall commence on or about _____ (date), subject to other conditions specified herein. Seller will not, however, commence completion of final construction until after the financing conditions described in Paragraph Four (4) herein have been satisfied or waived. Buyer acknowledges that Seller's ability to meet the construction schedule described above will be directly affected by the final selections made by Buyer, including the availability of the same, any excess costs/change orders (defined below) requested by Buyer, Buyer's failure to timely select any options not heretofore specified within the plans and specifications, and/or Buyer's interference with the construction process itself. Further, Seller shall not be liable for any delay in the completion of the final construction caused by weather, fire, or other casualty or act of God, nor shall Seller be liable for any delay in the completion of the construction caused by strike, walk outs, governmental control, inability to obtain materials or

supplies, or other regulations, restrictions, or conditions over which Seller has no reasonable control or for which Seller is not responsible. In this respect, Seller shall not be obligated to make, provide, or compensate Buyer for any accommodations to Buyer as a result of construction delays or any other delays associated with the completion of the final construction of the Home or the closing of the sale thereof. Further, Seller shall not be obligated or have any responsibility for loss of the loan commitment or increased loan costs, including but not limited to additional appraisal or reappraisal fees, inspection or reinspection fees, origination and/or discount fees, or increased interest rates arising or associated with construction delays or any other delays associated with the final construction of the Home or the closing of the sale thereof.

6. COSTS OF FINANCING. Buyer agrees that, unless otherwise set forth herein to the contrary, Buyer shall be responsible for any and all costs or fees instituted or charged by Buyer's lender, whether to be paid prior to, at, or after the closing. These charges may include, by way of example, but not by way of limitation, survey expenses and additional title insurance charges such as a mortgagee title insurance commitment fee, simultaneous issue fee or other title insurance premiums for mortgage title insurance, Variable Rate Endorsement charge, and/or Environmental Protection Agency Endorsement charges.

7. EXCESS COSTS / CHANGES ORDER PROCEDURE.

REQUIRED EXCESS COST NOTICE: UNDER OHIO REVISED CODE SECTION 4722.02 (B)(2), IF AT THE TIME A HOME CONSTRUCTION SERVICE REQUIRES EXCESS COSTS ABOVE THE COST SPECIFIED OR ESTIMATED IN THIS CONTRACT THAT WERE REASONABLY UNFORESEEN, BUT NECESSARY AND THE TOTAL OF ALL EXCESS COSTS TO DATE EXCEEDS FIVE THOUSAND DOLLARS (\$5,000.00) OVER THE COURSE OF THE ENTIRE HOME CONSTRUCTION CONTRACT, BUYER (YOU) HAS THE RIGHT TO AN ESTIMATE OF THOSE EXCESS COSTS BEFORE THE HOME CONSTRUCTION SERVICE SUPPLIER (BUILDER) BEGINS WORK RELATED TO THOSE COSTS. SUCH ESTIMATES SHALL BE IN WRITING AND GOVERNED BY THE PROCEDURE OUTLINED IN THIS SECTION. HOWEVER, BUYER IS HEREBY NOTIFIED THAT IN FAILING TO APPROVE AN EXCESS COST, COMPLETION OF WORK MAY NOT BE POSSIBLE AND A CHARGE MAY BE IMPOSED FOR ANY DISASSEMBLY, REASSEMBLY, OR PARTIALLY COMPLETED WORK, WHICH SHALL BE DIRECTLY RELATED TO THE ACTUAL LABOR OR PARTS INVOLVED.

Change Order Procedure: Prior to completion of the Work no alteration shall be made to the Plans and Specifications without the prior written approval of Seller and Buyer. If Buyer requests changes to the Plans and Specifications, Seller shall prior to commencing the alteration, submit to Buyer a written proposal and cost estimate or credit associated with the completion of such alteration. If Buyer approves such proposal, the same shall be documented in writing and constitute a Change Order ("Excess Cost" or "Change Order") and the Contract Price, Scheduled Completion Date and the Work to be performed hereunder shall be amended accordingly, and such alterations shall thereafter be completed by Seller in accordance with the requirements of this Agreement. If Buyer does not approve such proposal, Seller shall not be obligated to construct such alterations. Buyer shall pay in full for the cost of any Change Order (if applicable) at the time of approving such proposal unless otherwise mutually agreed by Seller and Buyer; provided, however in no event shall the payment for such Change Order be made later than at the time the next progress payment is made. If more than one Buyer has executed this Agreement, each Buyer specifically authorizes the other Buyer to execute Change Orders, and each Buyer agrees to that he/she is jointly and severally liable for any Change Orders executed by the other Buyer.

8. POSSESSION. Possession shall be given to Buyer at the time of closing. Prior to the time of closing, Buyer may visit the Home, provided Buyer is accompanied by Seller or Seller's representative. Buyer acknowledges that if Buyer visits the Home prior to the time of closing, such visit shall be at Buyer's risk. In this respect, by the execution of this Agreement, Buyer further releases and discharges Seller and its employees and agents from any and all claims, liability or damages arising as a result of such visit, including injury to person or property.

9. CUSTOMER INTERFERENCE.

A. ACKNOWLEDGEMENT OF BUILDER'S EXPERTISE. In contracting with Seller (Builder) to construct the subject home, the Buyer hereby specifically recognizes and defers to Seller's (Builder's) knowledge, expertise, qualifications, experience, background and training in the residential building industry in all building and construction matters relating to this Agreement. This shall include but shall not be limited to matters relating to building code interpretation, manufacturers' recommendations for installation methods, local construction industry standards and any necessary repair protocols under the Limited Warranty Agreement executed between the parties, or otherwise.

B. BUYER'S COVENANT TO REFRAIN FROM INTERFERENCE, DIRECTION OF WORK AND SELECTION OF SUBCONTRACTORS. Recognizing the Seller's (Builder's) expertise in constructing the subject home and the need to manage the building process in an orderly, efficient and safe manner, the Buyer covenants and agrees to refrain from any attempt to direct work on the home, interfere with, restrict, interrupt, harass or obstruct construction or its progress, either

physically, by nuisance or otherwise. Buyer shall not perform any work or direct any work to be performed or cause any work to be stopped unless expressly agreed to by the Seller's authorized representative in writing. This provision shall apply to any remedial or repair work on the home, under the Limited Warranty Agreement or otherwise, in addition to original construction and material supply of the home.

Any violation of this provision by the Buyer, or Seller's express written agreement to allow the use of Buyer's subcontractors or materialmen, shall constitute a waiver of warranties, responsibilities, claims or liabilities against Seller, which may arise as a result of such interference and/or the use of Buyer's subcontractors and/or materialmen, and the work and/or materials completed or supplied by subcontractors and/or materialmen.

In event that Buyer does so interfere as specified in this Agreement, either during visits to home during construction, failure to cooperate with construction sequencing, scheduling or otherwise, Seller shall notify Buyer of the same and if Buyer fails to immediately cease and desist, or take required actions to meet Buyer's responsibilities under this Agreement, Seller may, at Seller's option, undertake such action as is necessary to restrain Buyer from such interference or declare a breach of this Agreement, in which event the Seller shall be entitled to such remedies as are set forth herein or are available at law or in equity. Further, any violation of this provision by Buyer, and/or interference by Buyer's subcontractors and/or materialmen, shall waive Seller's responsibility for failing to meet the construction schedule and completion delivery as originally agreed to by the parties under this Agreement.

C. INTERFERENCE BY A THIRD PARTY, OTHER THAN BUYERS. The parties agree that only the signatories of this Agreement have rights and responsibilities outlined herein and that the Buyer's rights are personal in nature and not transferable or assumable without the express written consent of the Seller. No other party shall assert contract rights, interfere, direct work or assume any other of the Buyer's rights. In the event that such interference occurs, Seller shall notify Buyer of the same and if Buyer fails to immediately cause the interference to cease, Seller may, at Seller's option, undertake such action as is necessary to restrain third parties from such interference or declare a breach of this Agreement, in which event the Seller shall be entitled to such remedies as are set forth herein or are available at law or in equity.

10. CLOSING. This purchase and sale shall be closed as soon as reasonably possible after the work is substantially complete, but not later than five (5) calendar days after the approval of the final inspection by the appropriate governmental building inspector. The work shall be deemed to be substantially complete upon the earlier of the approval of the final inspection of the Home by the appropriate governmental building inspector and approval for legal occupancy, or the approval of the Home by the Buyer's lending institution. In the event the closing is delayed at the request or through the fault of Buyer or Buyer's lending institution, the balance of the purchase price shall bear interest at the greater of (i) the Prime Rate as such term is defined in the Wall Street Journal plus four percent (4%); or (ii) eighteen percent (18%) per annum, in either case determined from the date the work is substantially complete as defined herein, and all prorations shall be made to such date without further adjustment.

Within two (2) business days prior to the closing, Buyer and Seller shall walk through the Home and prepare a list of items which may need to be completed after the closing ("punch list"). Buyer agrees that the failure of Seller to complete any such punch list item or other minor items not required by the appropriate governmental entity in order to issue a Certificate of Occupancy (including items such as sod and landscaping) shall not operate to delay the closing, nor shall Seller be required to set up an escrow or to accept less than the full amount required hereunder on the account of such incomplete items, provided that Seller undertakes in writing to complete such items within a reasonable time after closing. In the event an escrow is required by the Buyer's lending institution, or a completion, performance, or similar bond is required by the appropriate governing authority, and the same relates to obligations of the Buyer or the requirements of Buyer's lending institution (i.e. Buyer has agreed to provide certain finish related work such as sod, landscaping, painting, etc. or Buyer's lending institution seeks assurance that the same will be completed), then the funds necessary to establish the escrow or pay for the bond shall be provided by the Buyer.

11. EVIDENCE OF TITLE. Seller shall furnish and pay for an owner's title insurance commitment and policy in the amount of the purchase price, with a copy of subdivision plat or condominium plat. The title evidence shall be certified to within thirty (30) days prior to closing with an endorsement at 8:00 a.m. on the business day prior to the date of closing, and shall show in Seller marketable title in fee simple free and clear of all liens and encumbrances except: (a) those created by or assumed by Buyer; (b) those specifically set forth in this Agreement; (c) zoning ordinances; (d) legal highways; and (e) covenants, restrictions, conditions and easements of record which do not unreasonably interfere with the use of the Home as a residence or otherwise relate to a general plan of development for the subdivision, such as restrictions created for membership inclusion in a homeowners' association, condominium owners association, or master community associations; and (f) any applicable New Community Districts, New Community Authority, Special Assessment Districts, or other forms of financing for infrastructure improvements. As hereinabove set forth, Buyer shall pay any additional costs incurred in connection with mortgagee title insurance issued for the protection of Buyer's lender. If Buyer shall desire a survey, or if Buyer's lender shall require the same, Buyer shall pay the cost thereof.

The New Community District charge, if any, applicable to the premises was created by a covenant in an instrument recorded at (insert county) _____, Vol. _____, Page number _____ or Instrument number _____. **(Note: If the foregoing blanks are not filled in and a New Community District, and New Community Authority charge affects the premises, this contract may not be enforceable by the Seller or binding upon the Buyer pursuant to Section 349.07 of the Ohio Revised Code.)**

If title to all or part of the real estate is unmarketable, as determined by Ohio law with reference to the Ohio State Bar Association's Standards of Title Examination, or is subject to liens, encumbrances, easements, conditions, restrictions or encroachments other than those excepted in this contract, Seller shall within thirty (30) days after written notice thereof, remedy or remove any such defect, lien, encumbrance, easement, condition, restriction or encroachment or obtain title insurance without exception therefore. At closing Seller shall sign an affidavit with respect to off-record title matters in accordance with the community custom. For the purpose of the preceding sentence an affidavit substantially similar in form and content to the form prescribed by the Columbus Bar Association shall be deemed to be in accordance with community custom

12. DEED. Seller shall convey to Buyer marketable title in fee simple by transferable and recordable general warranty deed, with release of dower, if any, free and clear of all liens and encumbrances not excepted by this contract, and the following (None, if nothing inserted)

13. TAXES AND ASSESSMENTS. At closing Seller shall pay or credit on the purchase price all delinquent real estate taxes, including penalty and interest, all special assessments which are a lien through the date of closing, and all agricultural use tax recoupments for years through the year of closing. At closing Seller shall also pay or credit on the purchase price all other unpaid real estate taxes, and/or community development charges imposed pursuant to Chapter 349 of the Ohio Revised Code, which are a lien for years prior to closing and a portion of such real estate taxes for the year of closing prorated through date of closing and based on a 365-day year and, if undetermined, on the most recently available real estate tax rate and valuation, giving effect to applicable exemptions, recently voted millage, change in valuation, etc., whether or not certified. Such proration shall be final.

In the event the real property upon which the Home is situated is a subdivided lot which is part of a subdivision which has been filed of record recently enough so that the real estate taxes reflect acreage valuations only (i.e. there are no separate valuations for the newly subdivided lots), then the Seller may, at the Seller's option, provide a letter to the Buyer at closing agreeing to prorate real estate taxes as described herein, at such time as the subdivided lot has been given a separate tax valuation from the acreage (in such case, no proration will be made at closing), or Seller may adjust the real estate taxes at closing based upon the acreage contained in the subdivided lot as compared to the total acreage contained in the parent (master) parcel, and based upon a reasonable determination as to whether Seller or Buyer will ultimately receive the applicable tax bill.

Seller states, to the best of Seller's knowledge, that as of closing no improvements or services (site or area) will have been installed or furnished, or notification received from public authority of future improvements, of which any part of the cost may be assessed against the real estate, except the following: (None, if nothing inserted.) _____ Buyer agrees to assume the balance of all assessments and reassessments, both special or otherwise, which become a lien on or after the date of closing,

14. UTILITIES. Seller shall pay, through the date of closing, all accrued utility charges. Buyer shall pay all charges (whether lump or recurring) for deposits for and use of utilities from and after the date of closing, and Buyer shall take such other action as is necessary to assure that all utilities are in the name of Buyer as of the date of closing.

15. OTHER CONSTRUCTION ISSUES - TREES AND UTILITIES. Buyer agrees that Seller has and/or may remove such trees on the Lot it deems necessary to construct the Home and it shall not be responsible for any damage to or destruction of remaining trees during or resulting from the process of construction, whether the tree loss occurs contemporaneous or subsequent to construction. The Buyer further acknowledges and agrees that the Lot may now or hereafter include utility improvements (such as sewers, surface manholes, electric or telephone boxes or lines), the existence or nonexistence of which, or the location of which within easement areas on the Lot, shall be determined by Seller, Developer or by relevant utility providers in their sole discretion.

16. DAMAGE OR DESTRUCTION OF PROPERTY. Risk of loss to the Home shall be borne by Seller until closing, provided that if any property covered by this Agreement shall be substantially damaged or destroyed before this transaction is closed,

Seller may, at Seller's option, terminate this Agreement and return to Buyer the deposit, in which case all parties to this Agreement shall be relieved of any further obligations to each other arising under this Agreement. Seller shall obtain and maintain general liability insurance of not less than Two-Hundred and Fifty Thousand dollars (\$250,000) as required by ORC 4722.02(A)(8). A copy of the Seller's Certificate of Insurance showing such general liability coverage is attached hereto and made an exhibit to this Agreement.

17. LIMITED WARRANTY. Upon completion of the Work, and delivery of a Certificate of Occupancy, Seller will provide to Buyer a Limited Warranty Agreement in the form approved by or substantially similar to the BIA of Central Ohio's warranty form. The Limited Warranty Agreement is attached hereto as an Exhibit, is made part of this transaction, and represents an independent contract with separate and sufficient consideration exchanged between the parties. Buyer approves and accepts the form of such Warranty by the execution of this Agreement and the Limited Warranty Agreement. In so accepting, Buyer acknowledges that in order for Seller to perform warranty service, Buyer must fully cooperate with Seller's Right to Cure as defined in the Limited Warranty Agreement and efforts to resolve alleged defects and warranty service claims, including providing access to the home during normal business hours and at reasonable times, and allowing ongoing access and service attempts when problems are difficult to pinpoint, diagnose and finally address without several attempts. Further, upon receipt of the final payment due hereunder, Seller will deliver, assign, and transfer to Buyer all appropriate manufacturer's warranties on appliances and equipment installed in the home or other available manufacturer's warranty on any of the materials or supplies incorporated into the Work. Seller's limited warranty referenced above shall not cover those appliances, equipment, or consumer products which have separate warranties provided by manufacturers or suppliers and are assigned to Buyer by Seller on or after the date of closing. Buyer is hereby notified that service or warranty work, if any, performed on items where a manufacturer's warranty is effective shall not be performed by the Seller. **THE WARRANTIES PROVIDED PURSUANT TO THE APPLICATION OF THIS SECTION SHALL BE THE SOLE EXPRESS WARRANTIES PROVIDED BY SELLER TO OWNER RELATIVE TO THE WORK.**

18. SELLER'S RIGHT TO CURE PRIOR TO LEGAL ACTION. Seller hereby provides notice to Buyer that under ORC Chapter 1312 Ohio law provides for the Seller's Right to Cure construction defects prior to Buyer's commencement of legal action:

OHIO LAW CONTAINS IMPORTANT REQUIREMENTS YOU (BUYER) MUST FOLLOW BEFORE YOU MAY FILE A LAWSUIT OR COMMENCE ARBITRATION PROCEEDINGS FOR DEFECTIVE CONSTRUCTION AGAINST THE RESIDENTIAL CONTRACTOR/SELLER WHO CONSTRUCTED YOUR HOME. AT LEAST SIXTY DAYS BEFORE YOU FILE A LAWSUIT OR COMMENCE ARBITRATION PROCEEDINGS, YOU MUST PROVIDE THE CONTRACTOR/SELLER WITH A WRITTEN NOTICE OF THE CONDITIONS YOU ALLEGE ARE DEFECTIVE. UNDER CHAPTER 1312 OF THE OHIO REVISED CODE THE CONTRACTOR/SELLER HAS AN OPPORTUNITY TO OFFER TO REPAIR OR PAY FOR THE DEFECTS. YOU ARE NOT OBLIGATED TO ACCEPT ANY OFFER THE CONTRACTOR/SELLER MAKES. THERE ARE STRICT DEADLINES AND PROCEDURES UNDER STATE LAW, AND FAILURE TO FOLLOW THEM MAY AFFECT YOUR ABILITY TO FILE A LAWSUIT OR COMMENCE ARBITRATION PROCEEDINGS.

Thus, in consideration of ORC Chapter 1312 governing the Contractor's/Seller's Right to Cure and promises contained in this Agreement, Buyer agrees that Seller has the right to receive notice of and respond in writing to alleged construction defects before Buyer may invoke legal rights, commence a legal action under any legal theory based on an allegation that Seller failed in its duty to construct the home in a workmanlike manner or in accordance with the rules promulgated under Ohio Revised Code Chapter 4722 or that the Seller was negligent in the construction of improvements.

A. OPPORTUNITY TO INVESTIGATE AND REMEDY. In the event Buyer believes that Seller has provided Work which does not conform to workmanlike standards, and/or the rules promulgated under ORC Chapter 4722 or does not substantially conform to the Plans and Specifications, or that Seller was negligent in the construction of improvements, Buyer shall promptly provide written notice to Seller of the same specifying with reasonable certainty the nature and effect of such claims in compliance with ORC 1312.04. Thereafter, Seller shall be afforded a reasonable opportunity to review, investigate and evaluate such claims, and to the extent necessary to complete such evaluation, Seller may request additional information and/or a meeting with Buyer and/or architect, engineer or expert (if applicable) at the Premises to discuss the same. After completion of such review and investigation, to the extent Seller agrees with Buyer, Seller shall notify Buyer in writing of the proposed repairs, or alternatively, offer to pay for the cost of repairs, that Seller offers to address.

B. SELLER'S DUTY TO DILIGENTLY PROSECUTE REPAIRS AND BUYER'S DUTY TO COOPERATE. Buyer and Seller further agree and recognize that some construction defects or problems are difficult to diagnose and address and/or repair without a process of elimination and/or several repair attempts. Buyer shall allow ongoing access to the home for inspection and completion of repairs during regular business hours, share any inspection or evaluation reports produced by Buyer's expert and cooperate with Seller's reasonable attempts to identify and remediate any defects. Seller shall use commercially reasonable efforts to diligently diagnose and prosecute repairs and Buyer shall continue to fully cooperate with Seller's

ongoing attempts to repair, so long as is necessary to allow good faith attempts to result in successful repairs, taking into account seasonal changes and weather factors.

C. BUYER BARRED FROM CLAIMS FOR FAILURE TO NOTIFY SELLER OF DEFECTS AND/OR BASED ON SELLER'S CURE. Buyer is barred from commencing arbitration or filing civil actions against Seller unless at least 60 days before commencing either action Buyer provides Seller with written notice of an alleged construction defect in compliance with ORC 1312.04. Should Buyer choose to allow the Seller to cure alleged defects and accept an offer that Seller makes to compromise and settle a claim, or remedy alleged defects by paying for repair costs, and the Seller fulfills the offer in compliance with ORC Chapter 1312, the Buyer is barred from suing or bringing an arbitration action for such claim.

D. CURE PROCEDURE FOR ITEMS NOT COVERED BY ORC 4722 RULES. The parties recognize, that outside of the standards promulgated under ORC Chapter 4722 as rules which define "workmanlike" by law, for many components of the home to be constructed, Ohio law and rules do not specifically define in any quantifiable terms the meaning of the terms "good and workmanlike" or "workmanlike" manner. Because determining whether construction was completed in a "good and workmanlike" or "workmanlike" manner and defining such terms in all cases for residential construction would be difficult, costly, and would necessitate each party paying experts to provide opinions in each case for those issues not covered or addressed by rules promulgated under ORC Chapter 4722, the parties hereto agree that the Buyer shall provide the Seller a reasonable opportunity to investigate and cure any such alleged construction defects prior to commencing arbitration or legal action. This opportunity to investigate and cure shall be governed by same procedure as outlined in the Limited Warranty Agreement attached hereto and executed between the parties and/or include the following: (1) the Buyer's prompt written notice to the Seller of the nature of the alleged defect; (2) the Buyer providing reasonable access to the home for the Seller's investigation and evaluation of the issue; (3) in the case of Seller's undertaking remedial work, the Buyer's providing ongoing access in order for the Seller to remedy the issue(s) and (4.) the Seller using commercially reasonable efforts to diligently prosecute repairs until completion, taking into account seasonal and weather conditions, and the necessity of trial and error for issues more difficult to diagnose.

19. ARBITRATION IN THE CASE OF DISPUTES. In the event after completion of such investigation and review by Contractor, and after the Owner has fully cooperated and provided Contractor with the right to cure and/or elect remedies as required herein or the under the Limited Warranty Agreement, there remains a claim(s), dispute(s) or other matter in question not governed by rules promulgated under ORC 4722 over which Contractor and Owner cannot agree to a resolution thereof, or in the event Owner and Contractor cannot agree to the resolution of any other dispute arising under the terms of this Agreement, Owner and Contractor agree that a decision as to the disputed item(s) shall be reached through binding arbitration which shall be conducted in a prompt and expeditious manner and in accordance with the BIA Arbitration Rules Addendum (the "Rules") attached hereto and made a part of this Agreement. Owner and Contractor agree that the BIA of Central Ohio shall select an impartial and qualified arbitrator to perform the arbitration and an arbitration hearing under the Rules. To this end, Owner specifically acknowledges that the BIA will not actually such arbitration. Rather, they will only assist in naming the arbitrator. The decision of the named arbitrator shall be final and binding upon the Parties. Owner and Contractor additionally agree that in the case of such a claim or dispute, time is of the essence and that the most expeditious reasonable method of arbitration consistent with the Rules outlined below may be used.

I _____, **[(homebuyer(s), homeowner(s) or owner's signature(s)]** have read the binding Arbitration provisions above and acknowledge with my signature my understanding and agreement with same. My signature above constitutes my acceptance that I have read and accept the terms of the Arbitration Rules contained in the Addendum to this Agreement that further detail the binding arbitration procedure referenced herein.

20. OHIO CONSUMER SALES PRACTICES ACT NOT APPLICABLE. Under Ohio Law, Home Construction Service Contracts for the construction of single family and other residential dwellings, such as this Agreement, are excluded from the definition of "consumer transactions" for purposes of the Consumer Sales Practices Act. Rather, Home Construction Services Contracts are governed by ORC chapters 4722 and 1312 respectively.

21. DEFAULT. In the event of a default by Buyer, Seller shall, in addition to all of the rights and remedies at law or in equity available to Seller, at the sole option of Seller, be entitled to elect one of the following rights or remedies:

A To retain the deposit as liquidated damages, it being agreed to by the parties that the actual damages which would be suffered by the Seller would be difficult or impossible to ascertain as of the date of execution of this Agreement, that the amount of the proposed liquidated damages are reasonable and not so disproportionate as to constitute a penalty, and that the same is the true intention of the parties to this Agreement, in which event all parties shall be relieved of further liability to each other arising under this Agreement; or

B To apply the deposit on the account of Buyer and proceed with an action at law or in equity for damages for breach of contract or recovery of the balance of the purchase price.

C Nothing in this Section shall be interpreted as limiting the Seller's or Buyer's specific rights and responsibilities as provided in ORC Chapters 4722 and 1312. For a violation of an act prohibited under ORC sections 4722.02, 4722.03, or 4722.04. Buyer may rescind this Agreement under certain circumstances or recover the Buyer's actual economic damages plus an amount not to exceed Five Thousand Dollars (\$5,000.00) in non-economic damages. Any action for rescission must occur within a reasonable time after Buyer discovers or should have discovered the grounds for it and before any substantial change in condition. A court may award reasonable attorney's fees to the prevailing party if Buyer brought an action that is groundless and in bad faith, or if Seller knowingly committed an act or practice in violation of acts prohibited under ORC 4722.

22. NOTICES. Any notice or communication which must be given or required to be given pursuant to the terms of this Agreement shall be in writing and hand delivered or mailed by United States Registered Mail, return receipt requested, and sent to the respective party at the address set forth herein.

23. HAZARDOUS MATERIALS LANGUAGE (OTHER ENVIRONMENTAL POLLUTANTS). Mold, fungi, bacteria and other similar microorganisms ("Organisms") commonly exist in homes and all indoor environments in the Central Ohio area (and may be found in the Home being purchased under this Agreement) as a result of rain, humidity, exposure to outdoor air and other moisture in the home. Although Seller has undertaken measures to reduce the occurrence of Organisms in the Home, there can be no assurance that any system, device or method incorporated into the Home for the purpose of reducing Organisms or other environmental pollutant levels will be effective as such measures relate to the persons who comprise Buyer(s) and/or those who reside in the Home with Buyer, and that accordingly Seller shall have no responsibility therefore, unless set forth otherwise herein.

Seller makes no warranty, either expressed or implied, regarding the absence of Organisms or other environmental pollutants in or about the Home being purchased hereunder, nor does Seller have any knowledge of the special health conditions of any persons that comprise Buyer or of those who may reside in the Home with Buyer.

Any testing, remediation or system desired to be installed by Buyer (other than systems already installed by Seller as part of Seller's specifications for the Home) shall be at Buyer's expense, unless Seller asserts Seller's Right to Cure as specified in this Agreement and/or in the Limited Warranty Agreement executed between the parties and specifically agrees in writing to cover such items.

24. RADON NOTIFICATION. Radon is a naturally occurring phenomenon. As a result of natural geological conditions, some geographical areas may pose a greater risk of radon exposure than others. Seller claims no expertise in the risk associated with, the measurement or reduction of radon gas levels. Seller specifically disclaims any express or implied warranties that the Home will be free from radon gas or that the level of radon gas present within the Home will meet minimum standards prescribed by the United States Environmental Protection Agency. The United States Environmental Protection Agency, state and local environmental authorities and certain private testing laboratories are best equipped to render advice regarding the risks which may exist in a particular area, the risks associated with radon exposure, methods available to detect and measure radon levels and measures, if any, which may be taken in the particular circumstances to reduce the possible risk to radon exposure.

25. SELECTION OF SUBCONTRACTORS. In the event Buyer selects and/or requests that Seller utilize the services or acquire materials from a particular subcontractor and/or materialmen relative to the final completion of construction, and in the event Seller consents to the same (provided, however, Seller may withhold its consent to the same in its sole and absolute discretion), then Buyer by such request specifically waives any warranties, responsibilities, or liabilities as against Seller which may arise as a result of the use of such subcontractor and/or materialmen, and the work and/or materials completed or supplied by such subcontractors and/or materialmen.

26. INDEMNIFICATION. Buyer represents and warrants that no one other than the Broker/Salesman described in Paragraph Twenty-Nine (29) below has been retained and/or contacted by Buyer with respect to the purchase of the Home and the execution of this Agreement, and Buyer agrees to and does indemnify and hold Seller harmless from any claims made by any Broker/Salesman other than those described in Paragraph Twenty-Nine (29) below for the payment of commissions arising as a result of the purchase of the Home or the execution of this contract and the actions and/or inactions of Buyer relating to the same.

27. BUYER'S MEMBERSHIP IN COMMUNITY ASSOCIATIONS. Should the administration of the community be the responsibility of a homeowners' association as established by Seller or otherwise, and if applicable, a master community association, Buyer acknowledges that Buyer shall automatically become a member of the association(s) upon closing, and agrees to be liable for Buyer's proportionate share of the common expenses accruing thereafter and to be subject to and abide by the provisions of the organizational documents of such association(s).

28. MISCELLANEOUS. This Agreement is personal and may not be assigned by either party without the written consent of the other. All obligations of the Buyer (if more than one) hereunder shall be joint and several. Time shall be of the essence of all provisions hereunder. This Agreement shall be binding upon the respective successors, assigns, heirs and personal representatives of the parties. In compliance with fair housing laws, no party shall in any manner discriminate against any purchaser because of race, creed, sex, or national origin. This Agreement contains the entire understanding of the parties hereto, and all agreements heretofore made between the parties have merged into this Agreement, which fully and completely expresses the parties' agreements. Neither party is relying upon any statement or representation not embodied in this Agreement by the other. This Agreement may not be changed or terminated by anything other than a written agreement executed by the parties hereto. This Agreement shall survive the closing. Words of any gender herein shall include the other gender where appropriate. This Agreement shall not be effective until executed by an authorized representative of the Seller.

29. COMMISSION. If this purchase and sale is closed, at closing Seller shall pay a real estate commission to _____ in the amount of _____ Dollars (\$_____). (Not applicable if not filled in.)

30. ADDENDUMS. Attached hereto and incorporated herein by reference are the following addendums:

- BIA Addendum
- BIA Arbitration Rules Addendum
- Other Addenda (if applicable)

31. DURATION OF OFFER. This offer shall be open for acceptance to midnight, _____

BUYER:

Name _____

Address _____

Phone(s) _____

Email(s) _____

Name(s) on Deed _____

Buyer Signature _____

Buyer Signature _____

- Check here to indicated survivorship language should be included in Deed

The foregoing offer is accepted this _____ day of _____, 20_____

SELLER:

Name _____

Address _____

Phone(s) _____

Email(s) _____

Tax Payer ID Number _____

Seller Signature: _____

By: _____

Its: _____

THIS FORM HAS BEEN PREPARED BY THE BUILDING INDUSTRY ASSOCIATION OF CENTRAL OHIO, INC., AND IS FOR USE BY ITS MEMBERS ONLY. ANY OTHER USE OF THIS AGREEMENT BY INDIVIDUALS OR ENTITIES WHO ARE NOT MEMBERS OF THE BUILDING INDUSTRY ASSOCIATION OF CENTRAL OHIO, INC., IS STRICTLY PROHIBITED.

This Agreement is designed to be executed in conjunction with a Limited Warranty Agreement between the Seller and the Buyer. It binds and is legally enforceable as to the executing parties only. The Building Industry Association of Central Ohio is not a party to this Agreement. Thus, this Agreement does not represent any agreement by the Building Industry Association of Central Ohio, Inc. and shall not be interpreted or represented as a sales contract, warranty agreement, or promise of any kind to be fulfilled by the Building Industry Association of Central Ohio, Inc.

THE BUILDING INDUSTRY ASSOCIATION OF CENTRAL OHIO, INC., RECOMMENDS THAT ALL PARTIES TO THIS AGREEMENT BE REPRESENTED BY LEGAL COUNSEL.

Deposit Acknowledgement

Seller (or Broker/Salesman where applicable) acknowledges receipt of the sum of

_____ Dollars (\$_____)

cash/check which shall be held, deposited, and disbursed pursuant to Section 3 above. This amount represents Ten Percent (10%) or less of the total contract price prior to commencement of Seller's performance.

Seller (or Broker/Salesman where applicable)