

Residential Purchase Agreement
and Earnest Money Receipt



BUYER(s) _____ hereinafter "Buyer" (for assignment restrictions, see paragraph 28), hereby offers to purchase _____, In the city or unincorporated area of _____, County of _____, State of Nevada. Other Description _____ A.P.N. # _____ for the PURCHASE PRICE OF _____ (\$ _____)

on the following terms and conditions:

ALL APPLICABLE BOXES MUST HAVE AN "X". For the definition of terms or abbreviations, please see page 7, paragraph 34.

1. FINANCIAL TERMS & CONDITIONS:

- A. Earnest money presented with this offer. (See paragraph 3 for disposition of earnest money.)
B. Additional money to be placed in escrow on or before (date)
C. BALANCE OF DOWN PAYMENT PAID AT COE (CASH OR CERTIFIED FUNDS).
D. CONTINGENT ON BUYER OBTAINING APPROVAL FOR A NEW LOAN ON THE FOLLOWING TERMS.
E. BUYER TO EXECUTE A PROMISSORY NOTE IN FAVOR OF SELLER, SECURED BY A
F. TOTAL PURCHASE PRICE, (DOES NOT include closing costs, prorations, or other fees and costs associated with the purchase of the property. See paragraph 5.)

CLOSE OF ESCROW shall be on or before (date) _____ 5:00 p.m. P.S.T.

2. BUYER AGREES TO PROVIDE SELLER WITH A BUYER LOAN APPROVAL (subject only to appraisal and title conditions) within _____ days of Seller's acceptance of this offer.

Buyer authorizes lender to provide loan status updates to Seller's and Buyer's Brokers. (_____ Buyer _____ Buyer)

3. EARNEST MONEY: Upon full (both parties) execution and delivery of this Purchase Agreement, the Buyer's earnest money as shown in paragraph 1(A), shall be deposited per the Earnest Money Receipt Notice and Instructions on page 9.

4. SALE OF OTHER PROPERTY: This Purchase Agreement IS CONTINGENT upon the sale of another property which address is _____.

If Buyer agrees to release this contingency, Buyer shall deposit \$ _____ additional funds into escrow within _____ business days after written release is delivered to Seller.

Each party declares he/she has read, understood, and agrees to each provision of this page unless modified in writing.

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Release of Contingency Deposit to be:

- Released to Seller immediately. **Seller understands that should this transaction NOT close for any reason (other than Buyer's default), Seller agrees to refund the total amount of this deposit, with no off-sets, to Buyer within two (2) business days after the transaction ends. If Buyer defaults, these funds are non-refundable.**
- Held in Escrow until COE then released to Seller upon successful closing.
- Other: _____

5. COSTS, PRORATIONS, FEES: In addition to financing costs, this transaction will be subject to other costs, prorations and fees. Generally closing costs are negotiable, however, different lenders and loan types may require certain costs be paid by a specific party. Ask your REALTOR® for an estimated cost/net sheet. Amounts are approximate:

- a. **Title Insurance:** Owner's/Buyer's policy paid by: Seller, Buyer, in an amount not to exceed \$ _____ ;
Lender's policy paid by: Seller, Buyer.
- b. **Escrow fees:** Paid by: Seller (\$ _____), Buyer (\$ _____).
- c. **Transfer Tax:** Paid by: Seller, Buyer, Exempt.
- d. **County/City Required Inspection Fees if any:** Paid by: Seller, Buyer.
- e. **Seller's Contribution to Buyer's Closing Costs: Recurring -** Paid by Seller % _____ or (\$ _____),
Non-recurring - % _____ or (\$ _____).
- f. **HOA Transfer Fees if any:** Paid by: Seller, Buyer; **HOA Document Fees:** Paid by: Seller, Buyer.
- g. **Home Warranty Plan (one year)** Paid by: Seller, at a price not to exceed \$ _____ .
Company _____ . Seller to order, Buyer to order. Buyer and Seller acknowledge they have been made aware of Home Protection Plans that provides certain coverage to the Buyer after COE. Neither Seller nor Brokers or their agents make any representations as to the extent, exclusions, or deductibles of such warranty/protection plans. Buyer waives Home Warranty _____ / _____
- h. **Appraisal:** To be Paid by:
 Seller, amount to be refunded to Seller by Buyer at COE or termination of this transaction except if the appraisal amount is less than the purchase price and this contract is terminated.
 Buyer. Seller to refund appraisal cost if appraisal is less than the purchase price and contract is terminated.
- i. **Inspection fees & costs.** See page 5, paragraph 20.
- j. **Improvement District(s) (SID/MID):** If the Property is subject to any SID or other assessment designation - Seller shall inform Buyer within Buyer's Due Diligence Period of the nature of such assessment, total amount owing or annual fee and anticipated payoff date (if any).

6. TITLE INSURANCE AND R.E.S.P.A. (federal Real Estate Settlement Procedures Act) - 12 U.S.C. §2608 provides that a Seller or Seller's Broker, may not require the Buyer, as a condition of the sale, to purchase title insurance from any particular title company if the Buyer will use a federally related loan to help purchase the property. Various types of title insurance are available for purchase. The most common policies are CLTA (California Land Title Association) and ALTA (American Land Title Association). Title insurance coverage and rates vary. Buyer should ask a title insurance professional about the cost and coverage of the Buyer's policy.

Buyer requests title insurance from: _____

7. APPRAISAL: If the appraised value is less than the purchase price then, 1) the Buyer may agree to pay the difference and proceed with this transaction. Buyer shall submit to Seller a statement from Buyer's lender that the difference between the purchase price and the appraised value will not affect the Buyer's ability to obtain financing. Should the Buyer not agree to pay the difference, 2) the Seller may adjust the purchase price to the appraised value. If the Seller adjusts the purchase price to the appraised value, the Buyer agrees to continue with the purchase of the property. If the Buyer does not agree to pay the difference or the Buyer cannot obtain financing hereunder, and the Seller does not agree to adjust the purchase price, then either party may terminate this Purchase Agreement. Unless agreed to in writing by the Buyer, the Seller is not entitled to require another appraisal of the property. Seller and Buyer understand that different loan types (ex: VA, FHA, conventional) have different appraisal and financing requirements which may affect the parties' rights and costs under this Purchase Agreement.

Each party declares he/she has read, understood, and agrees to each provision of this page unless modified in writing.

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8. IF BUYER DEFAULTS: If Buyer defaults in performance under this Purchase Agreement, Seller may terminate this contract and reserves all legal or equitable rights against Buyer subject to the following: Buyer agrees Seller may cancel escrow and seek to recover Seller's **actual damages** incurred by Seller due to Buyer's default, including any compensation or commission due to third parties, OR, if initialed below by Buyer,

_____: Seller shall retain the earnest money deposit as **liquidated damages** which Buyer and Seller agree is the Seller's good faith estimate of the damages Seller will suffer from Buyer's breach and not as a penalty to ensure Buyer's performance of this Purchase Agreement.

9. IF SELLER DEFAULTS: If Seller defaults in performance under this Purchase Agreement, Buyer reserves all legal (money damages) or equitable (such as specific performance) rights against Seller, and Buyer may seek to recover Buyer's actual damages incurred by Buyer due to Seller's default, including any compensation or commission due to any third parties and Broker(s).

10. BROKER FEES: Buyer herein requires as a condition of this contract, that Seller pay to Buyer's Broker who becomes by this clause a third-party beneficiary to this Purchase Agreement, that certain sum or percentage of the purchase price - commission, that Seller or Seller's Broker, offered for the procurement of a ready, willing and able Buyer via a Multiple Listing Service or any other advertisement or other verbal or written offer. This clause shall survive the termination of this transaction.

Seller understands and agrees that if Seller defaults as a third-party beneficiary of this contract, the Buyer's Broker has the right to pursue all legal recourse against Seller for any certain sum or commission due to Buyer's Broker.

11. TITLE: Upon COE Buyer shall tender to Seller the agreed upon purchase price and Seller shall tender to Buyer marketable title to the property free of all encumbrances other than (1) current pro-rata property taxes, (2) covenants, conditions and restrictions (C C & R's) and related restrictions including HOA obligations, (3) zoning or master plan restrictions, public utility easements and other easements of record, (4) obligations assumed and encumbrances accepted by the Buyer prior to COE.

12. ENVIRONMENTAL HAZARDS – Seller shall disclose in writing to Buyer all Environmental Hazards of which Seller is aware including but not limited to: asbestos, mold, underground oil tank, dirt fill, mining refuse (includes tailings), lead based paint, mercury, and radon. Buyer has the Due Diligence period as stated in paragraph 20 of this Purchase Agreement to investigate any such Environmental Hazards as identified by the Seller or discovered during the Buyer's Due Diligence period.

13. SQUARE FOOTAGE/ACREAGE: **Buyer acknowledges and agrees** that any representation (whether in the MLS, advertising, appraisal, obtained from county records, or otherwise) of the square footage or acreage of the property by the Seller or Broker IS APPROXIMATE and represents the Seller's best guess, neither Seller nor Broker guarantee its accuracy. Buyers are to satisfy themselves concerning this information when square footage is a critical element of the purchase decision.

14. FLOOD HAZARD ZONE: Buyer is advised that the property may be located in a designated "flood zone" or other hazardous location. Buyer must verify within the Due Diligence period the lender's requirements as to the purchase of Flood Insurance.

15. PROPERTY INSPECTION: Buyer is aware that this property is being sold without any warranties, expressed or implied unless specifically stated otherwise or as imposed by law. Buyer has the right to have non-destructive inspections of all structural, roofing, mechanical, electrical, plumbing, heating/air conditioning, water/well/septic, pool/spa, survey/square footage, and any other property systems, inspected through licensed contractors or other qualified professionals. Seller agrees to provide reasonable access to the property to Buyer and Buyer's inspectors, appraisers, and other professionals.

16. SELLER'S REAL PROPERTY DISCLOSURE: Under Nevada law a Seller of residential property must disclose to a Buyer any and all *known* defects or conditions which materially affect the value or use of the property in an adverse manner. The Seller can face severe penalties for non-disclosure. However, there may be conditions which would adversely affect the value or use of the property of which the Seller is unaware. It is the Buyer's responsibility to inspect the property sufficiently as to satisfy the Buyer concerning the property's condition and fitness for the Buyer's use.

17. INSPECTION REPORTS AND BUYER'S CONTINGENCY TO CANCEL THIS CONTRACT. All inspection reports are hereby incorporated by reference into the Seller's Real Property Disclosure Statement such that Buyer is Noticed of any defects identified in the inspection reports as required under NRS 113.150.

a. For Buyer to rescind this Purchase Agreement based upon inspection reports, all inspections must be made by Nevada licensed professionals or certified inspectors unless otherwise agreed to in writing between the parties. If Buyer chooses not to complete this purchase due to any condition or information contained in an inspection report or as discovered by the Buyer in the Due Diligence period, Buyer shall give written Notice to the Seller not later than _____ days after the date as stated in Buyer's Due Diligence paragraph 20, or after receipt of such report whichever occurs first. If the Buyer rescinds this Purchase Agreement, Buyer shall provide Seller at the time of Notice of Rescission with a copy of the report containing the name, address and telephone number of the inspector for independent verification by Seller.

b. If Seller discloses, or Buyer discovers, a material defect before COE but after Buyers Due Diligence Period, Buyer shall have _____ business days after discovery to notice Seller whether Buyer accepts, rejects, or requests renegotiation of the purchase of the property.

Each party declares he/she has read, understood, and agrees to each provision of this page unless modified in writing.

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c. If Buyer timely withdraws the offer to purchase under the terms of this paragraph, Buyer is entitled to a full refund of all funds Buyer deposited herewith minus costs or expenses of third persons as agreed to herein (ex: inspector/appraisal fees).

18. REQUIRED DISCLOSURES.

- Please Note:** If the property is in a Common Interest Community (Homeowner's Association) **THIS PURCHASE AGREEMENT DOES NOT BECOME BINDING ON THE BUYER** until the Seller has provided Buyer with the Common Interest Community Information Statement and Resale Certificate. (NRS 116.4109)
- Sellers Real Property Disclosure Form.** (NRS 113.130)
- Lead-Based Paint Disclosure and Acknowledgment (see paragraph 19). (24 CFR §745.113)
- Duties Owed** (Consent to Act, if applicable) signed by each real estate agent and client(s) in this transaction. (NRS 645.252)
- For **FHA Loans - For Your Protection - Get a Home Inspection.** (HUD 92564-CN)
- Disclosures if Seller marked "Yes" to paragraph 1(d) of the Sellers Real Property Disclosure Form "Construction Defect claims."
- "Open Range" disclosure. (NRS 113.065)
- If the property was a methamphetamine laboratory, all remediation or government habitability documentation. (NRS 40.770)
- Improvement District or other Assessment Encumbrance documents or disclosures.
- If Property is currently rented and Seller is taking "subject to" current rental, all leases, accounts & associated documents.
- If Property sale is subject to court approval (probate, bankruptcy, etc) all necessary and associated documents.
- Homeowner's Hazard Insurance Claim - all documentation on any Seller's homeowner hazard insurance claim, date of claim, detail on associated repairs and statement on how the claim was resolved (settlement, repairs cash-out).
- Zoning or Master Plan provisions or changes of which the Seller is aware that may affect the property or its use.
- Other _____
- Other _____
- Other _____
- Other _____
- Other _____

Disclosures must be received by the Buyer by _____ (date).

19. LEAD-BASED PAINT WARNING: If the property was built before 1978, then this Purchase Agreement is contingent upon a risk assessment or inspection of the property for the presence of lead-based paint and/or lead-based paint hazard at the Buyer's expense until 9 p.m. P.S.T. on the tenth (10) calendar-day after the Buyer and Seller have signed this Purchase Agreement. (Intact lead-based paint that is in good condition is not necessarily a hazard. See the EPA pamphlet *Protect your Family From Lead in Your Home* for more information). This contingency will terminate at the above predetermined deadline unless the Buyer delivers to the Seller a written contract addendum listing the specific existing deficiencies and corrections needed, together with a copy of the inspection and/or risk assessment report. The Seller may, at the Seller's option, correct the condition(s) prior to close of escrow. If the Seller does not elect to make the repairs, the Buyer may reject the property with a full refund, or take the property in an "as is" condition in respect to any lead-based paint or lead-based paint hazard.

Each party declares he/she has read, understood, and agrees to each provision of this page unless modified in writing.

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20. BUYER'S DUE DILIGENCE

All property inspections and Buyer's Due Diligence will be **completed within _____ days** after acceptance or **Buyer's right to cancel based on the content of those reports is WAIVED** except as provided by law. Buyer is to ensure that all inspections can be made and reports can be given in time to review such reports and notify Seller in the time frame established by Buyer above.

Should a material defect be discover, the Due Diligence period is stayed as to that defect during the active investigation of the defect. To stay the Due Diligence period written notice must be given to the Seller of the Buyer's discovery of the defect and the notice must state what further steps the Buyer is taking to investigate the defect. Unless otherwise agreed to between the parties, the Buyer may not stay the Due Diligence period longer than _____ days after the Buyer has given the Seller notice.

This Purchase Agreement is **CONTINGENT UPON BUYER'S ACCEPTANCE OF THE FOLLOWING:**

- TITLE POLICY:** Buyer shall receive a preliminary title insurance report to review. See paragraph 11, for restrictions
- COMMON INTEREST COMMUNITY DOCUMENTS (Homeowner Association):** If the property is in a Common Interest Community (Homeowner's Association) Buyer **MUST** receive the Common Interest Community Information Statement and Resale Certificate **BEFORE THIS PURCHASE AGREEMENT BECOMES BINDING** on the Buyer (NRS 116.4109)

Buyer requests the following inspections: (Inspections not applicable unless checked. If "other", see addendum.)

- PEST/TERMITE INSPECTION:** Paid by: Seller, Buyer, Other, Waived by Buyer _____ (initial)
(May be required by some Lenders, especially VA or FHA guaranteed loans.)
- STRUCTURAL INSPECTION:** Paid by: Seller, Buyer, Other, Waived by Buyer _____ (initial)
(includes roof)
- MECHANICAL INSPECTION:** Paid by: Seller, Buyer, Other, Waived by Buyer _____ (initial)
(includes plumbing, electrical, heating/air conditioning)
- WELL/SEPTIC MECHANICAL INSPECTION:** Paid by: Seller, Buyer, Other, Waived by Buyer _____ (initial)
- WATER (POTABILITY/PRODUCTION):** Paid by: Seller, Buyer, Waived by Buyer _____ (initial)
- SURVEY:** Paid by: Seller, Buyer, Other, Waived by Buyer _____ (initial)
- ENVIRONMENTAL HAZARDS:** Paid by: Seller, Buyer, Other, Waived by Buyer _____ (initial)
(see paragraph 12; includes but is not limited to mold, asbestos, radon, pervious water intrusion)
- LEAD-BASED PAINT INSPECTION:** Paid by: Buyer, Waived by Buyer _____ (initial)
(Pursuant to Federal Law, Buyer has **ten (10) days** after signing the Purchase Agreement to inspect for Lead-based Paint)
- HOMEOWNER'S HAZARD INSURANCE:** Buyer to obtain a commitment for homeowner's hazard insurance at a rate acceptable to Buyer. Should Buyer be unable to obtain insurance due to the subject property, Buyer may terminate this transaction without default.
- OTHER (identify) _____** Paid by: Seller, Buyer, Other.

21. SELLER'S LIMIT FOR COST OF REPAIRS. Buyer agrees to limit Seller's liability to \$ _____ for the costs of correction, repair or replacement of any disclosed defects in the property, which amount includes the costs for repairs of defects identified in any appraisal, inspection report, or walk through. It does not include the costs for repairing defects that occurred *after* the date of the signing of this Purchase Agreement. **Priority** of repairs: all repairs required by Buyer's lender before Lender funds shall be satisfied first out of the Seller's contribution to repair costs as identified above. If there are no lender required repairs or there remains sufficient funds after such repairs, then Buyer has the right to determine which defects will be repaired with the remaining funds. It is the Buyer's responsibility to inspect the property sufficiently as to satisfy the Buyer concerning the property's condition and fitness for the Buyer's use.

22. BUYER HEREBY WAIVES any claims Buyer may have against Seller, including any claim on the amount identified above, for defects Buyer may discover after the COE if such defect could have been reasonably discovered by an inspection or walk-through that Buyer did not perform, unless otherwise provided by law. This clause survives the termination of this Purchase Agreement.

Each party declares he/she has read, understood, and agrees to each provision of this page unless modified in writing.

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23. WALK-THROUGH INSPECTION OF PROPERTY: Buyer is entitled to a walk-through inspection of the property within _____ days prior to possession or transfer of title to ensure the property and all major systems, appliances, heating/cooling, plumbing and electrical systems and mechanical fixtures are as stated in the *Seller's Real Property Disclosure Statement*, and that the property and improvements are in the same general condition as when this Purchase Agreement was signed by the Seller and Buyer. To facilitate Buyers walk-through, Seller is responsible for keeping all necessary utilities on.

IF ANY SYSTEM CANNOT BE CHECKED BY BUYER on walk-through due to non-access or no power/gas/water, then Buyer reserves the right to hold Seller responsible for defects which could not be detected on walk-through because of the lack of such access or power/gas/water. This clause shall survive the termination of the Purchase Agreement.

24. PHYSICAL POSSESSION of the property with all keys, alarm codes and garage door opener/controls, shall be delivered to **Buyer upon COE**. Seller agrees to vacate the property and leave it in a neat and orderly fashion and tender possession **no later than COE**. Seller understands that should Seller remain in the property after COE without Buyer's permission, Seller may be subject to legal action and damages. Additional possession addendum/instructions attached.

25. PERSONAL PROPERTY & FIXTURES: All personal property to be transferred with the sale of the property shall be conveyed to Buyer **free of encumbrances, security interests and liens** and is transferred with no value stated unless otherwise noted in writing by Seller and agreed to by Buyer. Unless otherwise stated, personal property transferred or sold is provided "as is" without warranty as to condition or fitness of use. Personal Property sold to the Buyer shall be by Bill of Sale provided during Escrow. **FIXTURES:** Fixtures are included in the purchase price and are to be conveyed free of encumbrances, security interest and liens, unless excluded as followed:

Personal Property Addendum/instructions attached.

26. RISK OF LOSS: After this Purchase Agreement is signed by both Buyer and Seller, risk of loss shall be governed by NRS §113.040. This law provides generally that if all or any material part of the property is destroyed before transfer of legal title or possession, the Seller cannot enforce the Purchase Agreement and Buyer is entitled to recover any portion of the sales price paid. If legal title or possession has transferred, risk of loss shall fall on the Buyer.

27. DISHONORED CHECKS: Any party to this Purchase Agreement who issues a check or other draft on a nonexistent account, or an account with insufficient funds, or directs non-payment of an issued check, may be liable under Nevada law both criminally and civilly. If the party issuing a dishonored check or draft has not made such funds good within one (1) business day, this Purchase Agreement may be considered in default upon written notice to the payor.

28. ASSIGNMENT OF THIS PURCHASE AGREEMENT: This Purchase Agreement is non-assignable by the Buyer without the Seller's prior approval of assignee (which shall not be unreasonably withheld) on the same terms and conditions of this Purchase Agreement, unless the Buyer notifies the Seller on page one (1) of this Purchase Agreement that Buyer reserves the right to assign the Purchase Agreement without Seller's approval by stating "and/or assignee" after Buyer's name.

29. TAX INFORMATION DISCLOSURE and FIRPTA (26 I.R.C. §1445): Both Buyer and Seller understand and agree that they are not relying on any tax advice or statements made to them by any Broker and that *if the tax consequences of this transaction are a concern, Buyer and Seller should seek advice from their tax accountant or legal counsel.*

Seller, if a *foreign person or other foreign entity* as defined in 26 I.R.C. §897, may be required to have U.S. income tax withheld from the proceeds of this sale. Seller agrees to provide Buyer or escrow holder with a NON-FOREIGN SELLER AFFIDAVIT if the withholding does not apply, or to execute the appropriate I.R.C. form for withholding if applicable.

Upon recordation, the assessed value of the property may be changed necessitating an increase in the property tax. Seller makes no warranty as to the property tax or assessed valuation of the property.

30. NO VERBAL AGREEMENTS: This Purchase Agreement constitutes the entire agreement between the parties and no verbal statements made by any person are a part hereof unless reduced to writing and signed by the parties. Any agreements made after the signing of the Purchase Agreement and addendums, must be in writing and signed by the parties.

31. DEATH: Should a Buyer die before COE, Seller understands and agrees that this Purchase Agreement is voidable without default by the remaining living Buyer(s) who are identified in this Purchase Agreement, or if none, by the Buyer's estate's personal representative. Should the Seller die before the COE, this Purchase Agreement is subject to the rights of the parties under NRS 148.330.

32. GENERAL CONTRACT PROVISIONS: CHOICE OF LAW: Both Buyer and Seller agree that any dispute concerning the terms and conditions of this Purchase Agreement will be resolved in reference to the law of the State of Nevada, irrespective of where such suit may be brought. **SEVERANCE:** Should any clause in this Purchase Agreement be found to be void by law or unenforceable, then such clause shall be severed from this Purchase Agreement and all other clauses shall remain in full force and effect. **PARAGRAPH HEADINGS AND TITLES** are for descriptive purposes only and are not a part of the terms or conditions of this Purchase Agreement. **GENDER AND PLURAL:** The masculine includes the feminine and the singular includes the plural. The singular terms Buyer or Seller includes the plural.

Each party declares he/she has read, understood, and agrees to each provision of this page unless modified in writing.

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33. LEGAL FEES: In the event either party shall prevail in any legal action, arbitration or mediation, commenced to enforce this agreement or any term thereof, the prevailing party shall be entitled to all costs including reasonable attorney fees.

34. DEFINITIONS:

ACCEPTANCE means the date on which Seller signs this Purchase Agreement and delivers it to the Buyer or Buyer's Broker, or the Buyer signs the counteroffer and delivers it to the Seller or the Seller's Broker.

BROKER means Nevada licensed real estate Brokers, Brokerages and all real estate agents associated therewith.

BONA FIDE means "genuine".

C, C & R stands for Covenants, Conditions and Restrictions which are recorded against the property.

CIC means Common Interest Community (homeowner's association).

COE - CLOSE OF ESCROW means the date title is transferred to the Buyer.

CONTINGENT - a required action that must occur before the contract becomes binding on a party. A contingency must be either satisfied or waived by the person benefiting from the contingency. If a contingency is not met, the contract is voidable and no default occurs. Ex: Buyers financing contingency, if Buyer cannot obtain financing within the terms of the contract, the contingency is not met. There is no default and Seller is not entitled to damages.

DAY means a calendar day from midnight to midnight unless otherwise specified. **Business Day** excludes Saturdays, Sundays and legal holidays.

DELIVERY. Delivery occurs when an accepted Purchase Agreement is faxed (delivery deemed complete at the time noted on the confirmation sheet generated by the sender's facsimile machine), received by mail, couriered or hand delivered to the principals or their broker.

FHA is the U.S. Federal Housing Administration.

HOA - homeowners association or common-interest community association.

I.R.C. means the Internal Revenue Code (tax code).

MID stands for municipal improvement district.

NRS means Nevada Revised Statutes as amended.

P.I.T.I. means principal, interest, taxes and hazard insurance.

P.M.I. means private mortgage insurance.

P.S.T. Pacific Standard Time, includes daylight savings time if in effect on the date specified.

PROPERTY means the real property, fixtures, and any personal property included in the sale as provided herein.

SID means Special Improvement District.

U.S.C. is the United States Code.

VA is the U.S. Veterans Administration.

35. FACSIMILE AND COPIES. This Purchase Agreement may be signed by the parties on more than one copy which, when taken together, each signed copy shall be read as one completed form. Facsimile signatures may be accepted as original.

36. MEDIATION Option: Before any legal action is taken to enforce any term or condition under this Purchase Agreement, the parties may agree to mediate their dispute. Mediation is a dispute resolution process whereby the parties meet with a trained mediator who facilitates the parties in reaching a mutually agreeable solution to their dispute. Mediation is both quicker and less costly than traditional litigation.

Buyers agree to mediate _____ ; Sellers agree to mediate _____ .

37. TIME IS OF THE ESSENCE AND EXTENSIONS: It is understood that time is of the essence in this Purchase Agreement. Any extensions must be in writing and signed by the party granting the extension. If either party does not perform within the time parameters as stated, such non-performance shall be considered a default.

38. SIGNATORY OTHER THAN A NATURAL PERSON. If either Buyer or Seller is any entity other than a natural person, the individual signing this Purchase Agreement for that entity hereby warrants he or she has the right and legal authorization to execute this Purchase Agreement for the entity. This clause shall survive the termination of this Purchase Agreement.

39. ADDITIONAL TERMS: _____

Addendum attached: _____ Addendum attached: _____ Addendum attached: _____

40. ESCROW INSTRUCTIONS: The terms of this Purchase Agreement are to be considered joint escrow instructions. Any subsequent escrow instructions modifying or different from the terms herein must be identified and specifically agreed to by each party.

Each party declares he/she has read, understood, and agrees to each provision of this page unless modified in writing.

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