

NEW CONSTRUCTION PURCHASE AGREEMENT

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1 **DATE:** _____

2 **GOVERNING LAW:** This Purchase Agreement shall be governed by, construed, and interpreted in accordance with the
3 laws of, and under the jurisdiction of, the State of North Dakota and any actions shall be venued in the county in which
4 the majority of the Property is located.

5 **BUILDER(s):** _____, and

6 **BUYER(s):** _____, agree that
7 Builder(s) shall sell, and Buyer(s) shall buy the following described real property ("Property") pursuant to the terms and
8 conditions of this Purchase Agreement and any Addendum(s), Counteroffer(s), Amendment(s), and Exhibit(s), all of which
9 shall constitute the entire Purchase Agreement between Builder(s) and Buyer(s) and supersedes any other written
10 agreements between Builder(s) and Buyer(s). This Purchase Agreement can be modified only in writing agreed to by
11 Seller(s) and Buyer(s).

12 **PROPERTY DESCRIPTION:**

13 MLS Listing Number: _____

14 Street Address: _____

15 City: _____ State: _____ Zip Code: _____ County: _____

16 The legal description for the Property is _____

17 _____

18 _____

19 _____
20 **PURCHASE PRICE:** (U.S. Currency)

21 Builder(s) has on this day agreed to sell the above listed Property to Buyer(s) for the purchase price of
22 _____ Dollars \$ _____,

23 which Buyer(s) agrees to pay in the following manner:

24 **Cash**

25 If cash, Buyer(s) to provide validated proof of funds by _____, or **is attached.**

26 **Contingent Upon Financing**

27 If financing, Buyer(s) shall provide a preliminary loan commitment letter from the Lender by _____,
28 or **is attached.**

29 **Contingent Upon Construction Financing**

30 If construction financing, **Builder(s)** **Buyer(s)** is responsible for securing. If Buyer(s) is responsible, progress
31 payments shall be made by Buyer(s) to Builder(s) for work completed as follows:

32 _____

33 Please Note: A preliminary loan commitment letter does not indicate final loan approval.

34 **EARNEST MONEY:** (U.S. Currency)

35 The sum of _____ Dollars (\$ _____) from Buyer(s) by

36 (Check one): **Check** **Cash** **EFT/ACH**

37 Earnest money to be delivered to (Check one)

38 **Listing Broker** **Buyer Broker** **Other** _____ or **Released to Builder(s)**
39 **on or before** _____ and,

40 if applicable, to be deposited into their trust account as required by North Dakota Century Code.

41 Earnest money **is** **is not** refundable, except as specified herein **Other** _____

42 _____

43 If applicable, Buyer(s) agrees to pay additional earnest money of \$ _____ due on _____
44 to be deposited and/or released as follows: _____

Buyer(s) Initials _____

Builder(s) Initials _____

45 Builder(s) has the right to terminate this Purchase Agreement if earnest money is not received as agreed herein.

46 If Buyer(s) fails to provide the preliminary loan commitment letter, or proof of funds, as applicable, or fails to pay the
 47 earnest money, by the designated dates, Builder(s), at Builder's option, shall have the right to terminate this Purchase
 48 Agreement, by written notice delivered after the deadline date set forth on Lines 25, 27, 32, 39, or 42. If written notice is
 49 given by Builder(s), Buyer(s) agrees within two (2) calendar days of receipt of notice of termination from Builder(s) to sign
 50 and deliver to Builder(s) a CANCELLATION OF PURCHASE AGREEMENT with release of earnest money, if any, to
 51 Buyer(s) Builder(s); provided, a refusal by Buyer(s) to sign and deliver the CANCELLATION OF PURCHASE
 52 AGREEMENT shall not limit the effect of Builder's decision to terminate the Purchase Agreement.

53 **FINANCING:** (Check one)

54 Conventional FHA VA USDA Contract for Deed Other (Explain) _____

55 Buyer(s) agrees to use best efforts to secure a commitment for such financing and to execute all documents required to
 56 consummate said financing. If Buyer(s) cannot secure a commitment prior to closing for such financing, either Buyer(s) or
 57 Builder(s) shall have the option of declaring this Purchase Agreement terminated by written notice to the other party. If
 58 such written notice is given by the terminating party, the party receiving the notice agrees, within two (2) calendar days
 59 of receipt of notice of termination, to sign and deliver to the terminating party a CANCELLATION OF PURCHASE
 60 AGREEMENT with release of earnest money, if any, to Buyer(s) Builder(s); provided, a refusal by the party
 61 receiving the notice to sign and deliver the CANCELLATION OF PURCHASE AGREEMENT shall not limit the effect of
 62 the terminating party's decision to terminate the Purchase Agreement.

63 **BUILDER'S CONTRIBUTION TO BUYER'S COST:** (Not to exceed maximum amount allowed by Lender, if applicable.)
 64 Builder(s) is contributing \$_____ to Buyer's costs.
 65 Buyer(s) may use it at their discretion towards points, buy-down fees including temporary rate buy-downs, prepaid
 66 expenses, or other Buyer's costs as allowable by Lender. This may include any Buyer's obligations referred to in this
 67 Purchase Agreement. If Buyer(s) does not use all the above stated Builder's contributions, the excess amount may be
 68 applied towards special assessments or a reduction of the loan amount or sales price, if allowed by Lender and governing
 69 authority.

70 **BROKER COMMISSIONS ARE NOT SET BY LAW AND ARE FULLY NEGOTIABLE.**

71 **BUILDER(s) COMPENSATION TO BUYER'S BROKER:** On behalf of Buyer(s), Builder(s) agrees to pay Buyer's
 72 Broker or Broker assisting Buyer(s) total compensation of _____% of purchase price OR \$_____ at closing,
 73 which is in addition to any Builder's contribution to Buyer's costs.

74 **FHA ESCAPE CLAUSE (FHA Financing only):** "It is expressly agreed that notwithstanding any other provisions of
 75 this contract, the purchaser shall not be obligated to complete the purchase of the property described herein or to incur
 76 any penalty by forfeiture of earnest money deposits or otherwise unless the purchaser has been given in accordance with
 77 HUD/FHA or VA requirements a written statement issued by the Federal Housing Commissioner, Department of Veterans
 78 Affairs, or a Direct Endorsement Lender, setting forth the appraised value of the property of not less than
 79 \$_____. The purchaser shall have the privilege and option of proceeding with consummation of the contract
 80 without regard to the amount of the appraised valuation. The appraised valuation is arrived at to determine the maximum
 81 mortgage the Department of Housing and Urban Development will insure. HUD does not warrant the value or the
 82 condition of the property. The purchaser should satisfy himself/herself that the price and condition of the property are
 83 acceptable."

84 _____
 85 Buyer Signature Date Builder Signature Date

86 _____
 87 Buyer Signature Date Builder Signature Date

88 **REAL ESTATE CERTIFICATION (FHA Financing only):** The borrower, builder, and the selling real estate agent or
 89 broker involved in the sales transaction certify that the terms and conditions of the sales contract are true to the best of
 90 their knowledge and belief and that any other agreement entered into by any of the parties in connection with the real
 91 estate transaction is part of, or attached to, the sales agreement.

92 _____
 93 Buyer Signature Date Builder Signature Date

94 _____
 95 Buyer Signature Date Builder Signature Date

96 _____
 97 Selling Agent Signature Date Listing Agent Signature Date

Buyer(s) Initials _____ Builder(s) Initials _____

98 **DEPARTMENT OF VETERANS' AFFAIRS ESCAPE CLAUSE (DVA Financing only):** "It is expressly agreed that,
 99 notwithstanding any other provisions of this contract, the purchaser shall not incur any penalty by forfeiture of earnest
 100 money or otherwise be obligated to complete the purchase of the property described herein, if the contract purchase price
 101 or cost exceeds the reasonable value of the property established by the Department of Veterans Affairs. The purchaser
 102 shall, however, have the privilege and option of proceeding with the consummation of this contract without regard to the
 103 amount of the reasonable value established by the Department of Veterans Affairs."

104 _____ 105 Buyer Signature	104 _____ Date	104 _____ Builder Signature	104 _____ Date
106 _____ 107 Buyer Signature	106 _____ Date	106 _____ Builder Signature	106 _____ Date

108 **THIS SALE INCLUDES:**
 109 The following personal property, with no additional monetary value, and free and clear of all liens and encumbrances:
 110 _____
 111 _____
 112 _____

113 **THIS SALE EXCLUDES:**
 114 The following property: _____
 115 _____

116 **LABOR AND MATERIALS:** Builder(s) agrees to furnish labor and materials for the construction in substantial
 117 conformance with plans and specifications furnished by **Builder(s)** **Buyer(s)** **Other** _____, a copy
 118 of which is attached or is to be approved in writing by Buyer(s) prior to the start of construction. If plans are provided by
 119 Buyer(s), Buyer(s) will indemnify, defend and hold harmless Broker(s)/Agent(s) from any claims or liability relating to any
 120 alleged copyright infringements or violations of intellectual property rights related to the plans. This includes attorney's
 121 fees and costs.

122 **CHANGES IN SPECIFICATIONS:** Any significant changes in the plans and specifications must be approved in writing
 123 by both parties, by change order, any increase or decrease in the purchase price caused by such change. Unless otherwise
 124 agreed in writing, any such increase or decrease shall be reflected as an adjustment in cash at **execution of the**
 125 **change order** **closing.**

126 **SALE OF BUYER'S PROPERTY:** (Check one)
 127 This Purchase Agreement is subject to the sale of Buyer's property. If checked, see attached SALE OF BUYER'S
 128 PROPERTY CONTINGENCY ADDENDUM.
 129 This Purchase Agreement is contingent upon the successful closing of Buyer's property which is currently under
 130 contract and located at:

131 Street Address: _____
 132 City: _____ State: _____ Zip Code: _____ County: _____

133 scheduled to close on _____. If Buyer's property does not close by the closing date specified in
 134 this Purchase Agreement, Builder(s), at Builder's option, shall have the right to terminate this Purchase Agreement, by
 135 written notice delivered after the date set forth on Line 132. If written notice is given by Builder(s), Buyer(s) agrees, within
 136 two (2) calendar days of receipt of notice of termination from Builder(s), to sign and deliver to Builder(s) a
 137 CANCELLATION OF PURCHASE AGREEMENT with release of earnest money, if any, to **Builder(s)** **Buyer(s);**
 138 provided, a refusal by Buyer(s) to sign and deliver the CANCELLATION OF PURCHASE AGREEMENT shall not limit
 139 the effect of Builder's decision to terminate the Purchase Agreement.

140 Buyer(s) represents that Buyer(s) has the financial ability to perform on this Purchase Agreement without the sale or
 141 closing of any property.

142 **CLOSING AND POSSESSION:**
 143 Closing is to be on or before _____.

144 The construction will be ready for occupancy, subject to delays in the progress of construction due to strikes, lockouts, fire,
 145 unusual delay in transportation, unavoidable casualties, inclement weather or any cause beyond Builder's control in the
 146 completion of the construction. Builder(s) shall deliver possession of the Property immediately following closing unless
 147 otherwise specified. If for any other reason closing is delayed by Buyer(s) or Builder(s), either party shall have the option
 148 of assessing costs as follows: _____

Buyer(s) Initials _____ Builder(s) Initials _____

149 **FINAL WALK THROUGH:** Builder(s) will provide to Buyer(s) a Certificate of Occupancy prior to closing. Buyer(s) has
150 a right to walk through the Property prior to closing with Builder(s) or Builder’s representative and to hire, at Buyer’s
151 expense, an independent inspector. Buyer(s) agrees to pay for final inspection(s) required by the Lender or Appraiser.
152 Any additional inspections necessary because of delays by Builder(s) will be paid for by Builder(s). Additional inspections
153 required due to changes requested by Buyer(s) will be paid for by Buyer(s).

154 **REAL ESTATE TAX AND SPECIAL ASSESSMENT NOTICE:** If Builder(s) has received any such notice regarding
155 any new improvement project from any assessing authorities prior to closing, Builder(s) must immediately notify Buyer(s)
156 of the notice. Builder(s) and Buyer(s) may then agree in writing, before the date of closing, to the payment terms of the
157 notified assessments. In the absence of such an agreement, Buyer(s) shall have the right to terminate this Purchase
158 Agreement, by written notice delivered to Builder(s). If such written notice is given, Builder(s) agrees within two (2)
159 calendar days of receipt of notice of termination to sign and deliver to Buyer(s) a CANCELLATION OF PURCHASE
160 AGREEMENT with release of earnest money, if any, to Builder(s) Buyer(s); provided, a refusal by Builder(s) to
161 sign and deliver the CANCELLATION OF PURCHASE AGREEMENT shall not limit the effect of Buyer’s decision to
162 terminate the Purchase Agreement. Following closing, Buyer(s) shall pay all real estate taxes and any unpaid special
163 assessments payable therewith and thereafter, for which payment is not otherwise provided. It is understood future
164 general taxes and special assessments are only estimates.

165 **Buyer(s) should make an independent inquiry regarding taxes and special assessments.**

166 **Buyer(s) should be aware that there may be preferential property tax treatment(s) or tax abatement(s) on**
167 **this Property which may affect the tax proration.**

168 **No representations have been made concerning the amount of subsequent real estate taxes or special**
169 **assessments.**

170 **REAL ESTATE TAXES:** Builder(s) shall pay on the date of closing all real estate taxes due and payable in all prior years
171 including all penalties and interest. The Gross Discounted annual real estate taxes to be paid for the year of
172 closing shall be prorated as of the date of closing or _____ between Buyer(s) and Builder(s) based upon
173 the most current certified tax information available, if estimated tax amounts are not available in writing,
174 or _____.

175 **SPECIAL ASSESSMENTS:** Builder(s) shall pay on the date of closing all special assessments due and payable in all
176 prior years including all penalties and interest.

177 **Annual installments** to be paid for the year of closing shall be Prorated as of the date of closing Assumed by
178 **Buyer(s) Paid by Builder(s) or Other _____.**

179 **Remaining Balance** (Balance unpaid including interest): Buyer(s) shall assume remaining balance as of the date
180 closing; and any future assessments. Builder(s) shall pay remaining balance on the date of closing.
181 Other _____.

182 **Work In Progress/Pending/Proposed (Including interest):** If applicable, Buyer(s) shall assume the balance of work
183 in progress, pending or proposed.

184 **PRO-RATA ADJUSTMENTS:** All charges for water, sewer, electricity, natural gas, homeowner’s
185 association/condominium dues and rents shall be prorated between the parties as of the closing date. Builder(s) to transfer
186 security deposit and interest, if any, on leases to Buyer(s) at closing.

187 **SIGHT UNSEEN CONDITION:** Buyer(s) intends to purchase Property sight unseen: Yes No If “Yes,” see
188 attached SIGHT UNSEEN ADDENDUM.

189 **INSPECTIONS AND INVESTIGATIONS:** Buyer(s) is advised by Broker(s)/Agent(s) to obtain inspections and
190 investigations as allowed in the Contingencies section. Buyer(s) acknowledges that Buyer(s) should make inquiries and
191 consult government agencies, lenders, insurance agents, architects, and other appropriate persons and entities concerning
192 the use of the Property and the surrounding areas under applicable building, zoning, fire, health, and safety codes, and for
193 evaluation of potential hazards. Buyer(s) shall keep the Property free and clear of liens, shall indemnify and hold Builder(s)
194 harmless from all liability, claims, demands, damages, and costs, and shall be responsible for repair of all damages arising
195 from the inspections. Buyer(s) waives any claim for an item warranted by Builder(s) if Buyer(s) becomes aware of such
196 claim during the Inspection Period and does not notify Builder(s) in writing of such. Buyer(s) specifically releases, holds
197 harmless, and indemnifies Broker(s) from any liability for any defects in the Property. If Buyer(s) requests repairs,
198 Buyer(s) shall provide Builder(s) and Broker(s) upon receipt, at no cost, copies of referenced reports, if any, concerning the
199 Property obtained by Buyer(s).

200 All inspections and/or tests shall be done by inspector(s) or tester(s) of Buyer’s choice, at Buyer’s sole expense. Inspector(s)
201 or tester(s) should be qualified to do the inspections and/or tests. If a home inspector is used in North Dakota, the home

Buyer(s) Initials _____

Builder(s) Initials _____

202 inspector must be registered through the State of North Dakota. The qualifications of other inspector(s) or tester(s) must
 203 be evidenced by any applicable license or professional designation. Buyer(s) shall not have the right to do intrusive testing
 204 without the prior written authorization of Builder(s). For purposes of this form, "intrusive testing" shall mean any testing,
 205 inspection or investigation that changes the Property from its original condition or otherwise damages the Property.
 206 Inspections and/or tests may include but are not limited to the following: electrical system, plumbing system, central
 207 cooling system, central heating system, ceilings, floors, basement, foundation, walls, windows, exterior, roof, radon, mold,
 208 and asbestos.
 209 Builder(s) will provide access to attic(s) and crawlspace(s).

210 **CONTINGENCIES:**

211 The enforceability of this Purchase Agreement is subject to the satisfaction of Inspection and Documentation Contingencies
 212 which are initialed below by both parties.

213 Buyer(s) shall have the option to negotiate defects, waive the contingency, or terminate the Purchase Agreement upon the
 214 completion of each contingency. If Buyer(s) fails to complete contingencies and/or notify Builder(s) of cancellation by 11:59
 215 PM on the date stated in the Contingency Deadline column, the contingency shall be deemed removed and the Purchase
 216 Agreement shall be in full force and effect.

217 If such written notice is given by the party who has the right to give notice, the party receiving the notice agrees, within
 218 two (2) calendar days of receipt of notice of termination, to sign and deliver to the terminating party a CANCELLATION
 219 OF PURCHASE AGREEMENT with return of earnest money, if any, to Buyer(s); provided, a refusal by the party receiving
 220 the notice to sign and deliver the CANCELLATION OF PURCHASE AGREEMENT shall not limit the effect of the
 221 terminating party's decision to terminate the Purchase Agreement.

222 **INSPECTION CONTINGENCIES**

223 All inspections, tests, and resulting negotiations, if any, must be completed by the Contingency Deadline.

Buyer(s) and Seller(s) Must Initial All Applicable Contingencies	Buyer(s) Initials	Seller(s) Initials	Contingency Deadline
1. Inspections: Buyer(s) to complete such inspections, as may be desired by Buyer(s). Builder(s) agrees to make the Property available for inspections and, at Builder's expense, to have all utilities on, including any propane, at the time of inspections; however, if this box is checked <input type="checkbox"/> , utilities can be turned off. If Buyer(s) does not approve the results of the inspections, Buyer(s) has the option to terminate this Purchase Agreement.			
2. Septic System/Sewer Inspections: <input type="checkbox"/> Builder(s) <input type="checkbox"/> Buyer(s) shall pay to have a Septic System/Sewer inspection performed. For the inspections to be performed, <input type="checkbox"/> Builder(s) <input type="checkbox"/> Buyer(s) shall pay to have the septic tank pumped. If Buyer(s) does not approve the results of the septic system/sewer inspections, Buyer(s) has the option to terminate this Purchase Agreement.			
3. Water Quality Test: <input type="checkbox"/> Builder(s) <input type="checkbox"/> Buyer(s) shall obtain a water quality test, and the cost of the test shall be paid by <input type="checkbox"/> Builder(s) <input type="checkbox"/> Buyer(s) <input type="checkbox"/> Split equally. If Buyer(s) does not approve the results of the water quality test, Buyer(s) has the option to terminate this Purchase Agreement.			
4. Soil Tests: Buyer(s) to obtain soil tests and percolation tests at <input type="checkbox"/> Buyer's expense <input type="checkbox"/> Builder's expense. If Buyer(s) does not approve the test results, Buyer(s) has the option to terminate this Purchase Agreement.			
5. Flood Plain: Buyer(s) to obtain flood plain verification. If Buyer(s) does not approve the results of the flood plain verification, Buyer(s) has the option to terminate this Purchase Agreement.			
6. Restrictions and Covenants: Buyer(s) to review any government and/or private use restrictions and restrictive covenants. If Buyer(s) does not approve the use restrictions or covenants, Buyer(s) has the option to terminate this Purchase Agreement.			
7. Property Dimensions: Buyer(s) to verify property lines, acres, square footage etc. If Buyer(s) does not approve the findings, Buyer(s) has the option to terminate this Purchase Agreement.			

Buyer(s) Initials _____

Builder(s) Initials _____

Buyer(s) and Seller(s) Must Initial All Applicable Contingencies	Buyer(s) Initials	Seller(s) Initials	Contingency Deadline
8. Plans and Permits: Buyer(s) to obtain all necessary plans and permits for one or more of the following purposes: building plans and specifications, proposed subdivision development plans, rezoning or use permits, approval of building plans and/or specification in accordance with any recorded subdivision covenants, and approval of the architectural control committee. If Buyer(s) does not obtain or approve said plans and permits, Buyer(s) has the option to terminate this Purchase Agreement.			
9. Survey: Buyer(s) to obtain a survey of the Property, conducted at <input type="checkbox"/> Buyer's expense <input type="checkbox"/> Builder's expense <input type="checkbox"/> Split equally . If Buyer(s) does not approve the results of the survey, Buyer(s) has the option to terminate this Purchase Agreement.			
10. Registered Sex Offenders: MEGAN'S LAW DISCLOSURE: If Buyer(s) desires to obtain information regarding persons required to register as sexual offenders under North Dakota Law, Buyer(s) must contact the ND Attorney General's office or access the Attorney General's website at http://www.sexoffender.nd.gov/. Buyer(s) to investigate the possibility of the presence of registered sex offenders in the vicinity of the Property. If Buyer(s) does not approve the findings regarding registered sex offenders, Buyer(s) has the option to terminate this Purchase Agreement.			

224 **DOCUMENTATION CONTINGENCIES**

225 If Builder(s) is obligated to provide documents to Buyer(s), the Contingency Deadline for that contingency shall be
 226 extended, if needed, so that Buyer(s) has five (5) calendar days following receipt of all such documents within which to
 227 deliver a resolution or notice of termination.

Buyer(s) and Seller(s) Must Initial All Applicable Contingencies	Buyer(s) Initials	Seller(s) Initials	Contingency Deadline
1. Builder's Disclosure: Builder(s) shall provide <input type="checkbox"/> SELLER'S PROPERTY DISCLOSURE <input type="checkbox"/> VACANT LAND DISCLOSURE . If Buyer(s) does not approve the disclosure(s), Buyer(s) has the option to terminate this Purchase Agreement.			
2. Lead-Based Paint Disclosure: Builder(s) to provide LEAD-BASED PAINT DISCLOSURE (for properties built prior to 1978 only). If Buyer(s) does not approve LEAD-BASED PAINT DISCLOSURE, Buyer(s) has the option to terminate this Purchase Agreement.			
3. Radon Disclosure: Builder(s) to provide RADON DISCLOSURE. If Buyer(s) does not approve RADON DISCLOSURE, Buyer(s) has the option to terminate this Purchase Agreement.			
5. Homeowner's Association/Condo Disclosure: Builder(s) to provide HOA/CONDO ASSOCIATION DISCLOSURE and required documentation. If Buyer(s) does not approve HOA/CONDO ASSOCIATION DISCLOSURE and other required documentation, Buyer(s) has the option to terminate this Purchase Agreement.			
6. Insurance Claims Loss History: <input type="checkbox"/> Builder(s) shall provide <input type="checkbox"/> Buyer(s) shall obtain insurance claims loss history report. (Note: Reports may be limited to ownership period and/or by insurance company.) If Buyer(s) does not approve claims loss history report and/or cannot obtain insurance coverage, Buyer(s) has the option to terminate this Purchase Agreement.			
7. Insurance Adjuster's Report: Builder(s) to provide copies of any insurance adjuster's reports for insurance claims during Builder's ownership, if any. (Note: Reports may be limited to ownership period and/or by insurance company.) If Buyer(s) does not approve insurance adjuster's reports, Buyer(s) has the option to terminate this Purchase Agreement.			
8. Leases: Builder(s) to provide copies of all current leases to Buyer(s). If Buyer(s) does not approve the leases, Buyer(s) has the option to terminate this Purchase Agreement.			

Buyer(s) Initials _____

Builder(s) Initials _____

228 **APPRAISAL:**

229 This Purchase Agreement is is not contingent upon an appraisal.

230 If the Purchase Agreement is not contingent upon an appraisal, it is understood an appraisal may still be completed and
231 Buyer(s) will be solely responsible for bringing any cash needed if the value is less than the agreed upon purchase price
232 and/or to cover any appraisal required work order expenses.

233 **APPRAISAL VALUE:** If the Purchase Agreement is contingent upon an appraisal and the Property appraises for less
234 than the purchase price, Buyer(s) shall have the option of (a) proceeding with consummation of the Purchase Agreement
235 without regard to the amount of the appraised valuation; or (b) re-negotiating; or (c) declaring this Purchase Agreement
236 terminated by written notice to Builder(s). If such written notice is given, Builder(s) agrees, within two (2) calendar days
237 of receipt of notice of termination to sign and deliver to Buyer a CANCELLATION OF PURCHASE AGREEMENT with
238 release of earnest money, if any, to Builder(s) Buyer(s); provided, a refusal by Builder(s) to sign and deliver the
239 CANCELLATION OF PURCHASE AGREEMENT shall not limit the effect of Buyer's decision to terminate the Purchase
240 Agreement.

241 **APPRAISAL WORK ORDERS:** Nothing in this Purchase Agreement shall be construed as a warranty that Builder(s)
242 will make repairs required by the appraisal work order. Builder(s) shall have the following options: (a) make the necessary
243 repairs; or (b) negotiate the cost of making said repairs with Buyer(s); or (c) refuse to make any repairs. At which time
244 Buyer(s) shall have the option of declaring this Purchase Agreement terminated by written notice to Builder(s). If such
245 written notice is given, Builder(s) agrees, within two (2) calendar days of receipt of notice of termination, to sign and deliver
246 to Buyer(s) a CANCELLATION OF PURCHASE AGREEMENT with release of earnest money, if any, to Builder(s)
247 Buyer(s); provided, a refusal by Builder(s) to sign and deliver the CANCELLATION OF PURCHASE AGREEMENT
248 shall not limit the effect of Buyer's decision to terminate the Purchase Agreement.

249 **APPRAISAL RE-INSPECTION:** Re-inspection fee(s), if any, shall be paid by Buyer(s) Builder(s) Buyer(s)
250 and Builder(s) to split fee(s) equally N/A.

251 **MATERIAL FACTS:** Builder(s) acknowledges a duty to disclose all material facts about which Builder(s) is aware and
252 which could adversely and significantly affect Buyer's use and enjoyment of the Property.

253 **NOTICE AND OPPORTUNITY TO REPAIR:** North Dakota law requires that Builder(s) provide a "Notice and
254 Opportunity to Repair" to Buyer(s) at the time of closing (N.D. Cent. Code § 43-07-26). This notice requires that Buyer(s)
255 must give Builder(s) written notice of any defect within six months of discovery to give Builder(s) an opportunity to correct
256 the defect if it is under warranty.

257 **SOLE WARRANTY:** Builder(s) provides a limited warranty that the constructed improvements to the Property will be
258 free from defects in workmanship and materials for a period of one (1) year from the date of closing.

259 **DEED/MARKETABLE TITLE:**

260 Upon performance by Buyer(s), Builder(s) shall deliver a Warranty Deed Other _____
261 conveying marketable title, subject to:

- 262 (a) Building and zoning laws, ordinances, state and federal regulations;
- 263 (b) Restrictions relating to use or improvement of the Property;
- 264 (c) Prior reservation of any mineral rights;
- 265 (d) Easements of record;
- 266 (e) Minerals: In accordance with North Dakota Century Code, unless specifically excluded, Minerals Transfer
267 with the surface estate, or Builder(s) reserves mineral rights presently owned by Builder(s).
268 Buyer(s) and Builder(s) are advised to seek independent legal counsel, prior to the final acceptance of this
269 Purchase Agreement;
- 270 (f) Rights of Tenants as follows (unless specified, not subject to tenancies): _____
271 _____
272 _____

273 **TITLE AND EXAMINATION:** Builder(s), at Builder's expense, shall furnish an abstract of title certified to a current
274 date, compiled pursuant to the NDLTA Abstracting Standards Manual OR a current ALTA Standard Coverage Owner's
275 title commitment. If, after examination, Builder's title is not insurable or free of defects and cannot be made so by closing,
276 Buyer(s), at Buyer's option, shall have the right to terminate this Purchase Agreement by written notice to Builder(s). If
277 such written notice is given, Builder(s) agrees, within two (2) calendar days of receipt of notice of termination, to sign and
278 deliver to Buyer(s) a CANCELLATION OF PURCHASE AGREEMENT with release of earnest money, if any, to
279 Builder(s) Buyer(s); provided, a refusal by Builder(s) to sign and deliver the CANCELLATION OF PURCHASE
280 AGREEMENT shall not limit the effect of Buyer's decision to terminate the Purchase Agreement. However, Buyer(s) may
281 waive defects and elect to purchase.

Buyer(s) Initials _____

Builder(s) Initials _____

282 Builder(s) to pay Abstracting or Searching Fees.

283 Buyer(s) to pay Attorney's Title Examination Fee and Lender Policy of Title Insurance, as applicable.

284 The Owner's Policy of Title Insurance, when an abstract is not available, shall be paid by

285 Builder(s) Buyer(s) Split equally N/A

286 Settlement Company Fee is to be divided equally by Builder(s) and Buyer(s) (if using the same Settlement Company)
287 unless not allowed by Lender.

288 **BUILDER(s) WARRANTIES:**

289 (a) that buildings are, or will be, constructed entirely within the boundary lines of the Property;

290 (b) there is a right of legal access to the Property;

291 (c) that Builder(s) has not received any notice from any governmental authority as to violation of law, ordinance, or
292 regulation for a condition that remains uncorrected;

293 (d) that prior to closing, payment in full will have been made for all labor, materials, machinery, fixtures, or tools
294 furnished within the 90 days immediately preceding the closing in connection with construction, alteration, or
295 repair of any structure on, or improvement to, the Property;

296 (e) if Property is subject to restrictive covenants, Builder(s) has not received any notice from any person or authority
297 as to a breach of the covenants which remains uncorrected. Any notices received by Builder(s) will be provided to
298 Buyer(s) immediately.

299 (f) to the best of Builder's knowledge, there are no hazardous substances or underground tanks unless otherwise
300 noted in this Purchase Agreement.

301 (g) Builder(s) warrants that all appliances, heating, air conditioning, wiring and plumbing systems used and located
302 on the Property will be in working order on the date of closing, except as disclosed by Builder(s).

303 (h) Builder(s) warrants that the Property is/will be directly connected to:

304 City Sewer: Yes No Private;

305 City Water: Yes No;

306 Well: Yes No;

307 Rural Water: Yes No. If rural, will membership be transferred? Yes No N/A

308 All Builder(s) warranties in Lines 289-307 shall survive the delivery of the deed or contract for deed.

309 **SUBDIVISION OF LAND:** If this sale constitutes or requires a subdivision of land owned by Builder(s), Builder(s) shall
310 pay all subdivision expenses and obtain all necessary governmental approvals. Builder(s) warrants the legal description
311 of the real property to be conveyed has been or will be approved for recording as the date of closing.

312 **INSURANCE:** Builder(s) agrees to carry public liability, Builder's risk, fire and extended coverage during construction.
313 Buyer(s) agrees to obtain insurance coverage satisfactory to Buyer's lender upon closing.

314 **AGENCY DISCLOSURE:**

315 _____ of _____
316 Agent Printed Name Brokerage Firm

317 Is representing: Buyer(s) Builder(s) Both Parties Neither Party

318 _____ of _____
319 Agent Printed Name Brokerage Firm

320 Is representing: Buyer(s) Builder(s) Both Parties Neither Party

321 **APPOINTED AGENCY REPRESENTATION:**

322 Appointed Agency does does not apply.

323 **DUAL AGENCY REPRESENTATION (SIGN ONLY IF APPLICABLE):**

324 Broker represents both Builder(s) and Buyer(s) of the Property involved in this transaction, which creates Dual Agency.
325 This means that Broker and Agent(s) owe fiduciary duties to both Builder(s) and Buyer(s). Because the parties may have
326 conflicting interests, Broker and its Agent(s) are prohibited from advocating exclusively for either party. Broker cannot
327 act as a Dual Agent in this transaction without consent of both Builder(s) and Buyer(s). Builder(s) and Buyer(s)
328 acknowledge that:

329 a) Confidential information communicated to Broker which regards price, terms, or motivation to buy or sell will
330 remain confidential unless Builder(s) or Buyer(s) instructs Broker in writing to disclose this information. Other
331 information will be shared.

Buyer(s) Initials _____

Builder(s) Initials _____

332 b) Broker and its Agent(s) will not represent the interest of either party to the detriment of the other; and
 333 c) within the limits of Dual Agency, Broker and its Agent(s) will work diligently to facilitate the mechanics of the
 334 sale. With the knowledge and understanding of the explanation above, Builder(s) and Buyer(s) authorize and
 335 instruct Broker and its Agent(s) to act as Dual Agent(s) in this transaction.

336 _____
 337 Buyer Signature Date Builder Signature Date

338 _____
 339 Buyer Signature Date Builder Signature Date

340 **RISK OF LOSS:** If there is any loss or damage to the Property between the date hereof and the date of closing for any
 341 reason, including fire, vandalism, flood, earthquake, or act of God, the risk of loss shall be on Builder(s). If the Property is
 342 destroyed or substantially damaged before the closing date, this Purchase Agreement may be terminated at Buyer's option,
 343 by written notice to Builder(s). If such written notice is given, Builder(s) agrees, within two (2) calendar days of receipt of
 344 notice of termination, to sign and deliver to Buyer(s) a CANCELLATION OF PURCHASE AGREEMENT with release of
 345 earnest money, if any, to Builder(s) Buyer(s); provided, a refusal by Builder(s) to sign and deliver the
 346 CANCELLATION OF PURCHASE AGREEMENT shall not limit the effect of Buyer's decision to terminate the Purchase
 347 Agreement.

348 **HOMEOWNER'S ASSOCIATION:** Is the Property subject to a Homeowner's Association? Yes No If "Yes," see
 349 HOA/CONDO ASSOCIATION DISCLOSURE, as required by law.

350 Builder(s) agrees that any notices received by Builder(s) prior to closing will be forwarded to Buyer(s) immediately.

351 **DEBRIS/PERSONAL PROPERTY:** Unless otherwise agreed to in writing, prior to possession, Builder(s) agrees to
 352 remove all debris and all personal property, not herein included. If Builder(s) fails to remove all debris and all personal
 353 property, then Buyer(s) shall have the right to remove and dispose of all such remaining property, and Builder(s) shall be
 354 responsible to reimburse Buyer(s) for all expenses incurred in such removal and disposal.

355 **LINKED DEVICES:** Builder(s) warrants that Builder(s) shall permanently disconnect or discontinue Builder's access or
 356 service to any device or system on or serving the Property that is connected or controlled wirelessly, via internet protocol
 357 ("IP") to a router or gateway or directly to the cloud no later than delivery of possession as specified in this Purchase
 358 Agreement.

359 **DEFAULT:** If Builder's title is marketable or insurable and Buyer(s), contrary to this Purchase Agreement, fails, neglects
 360 or refuses to complete the purchase by the closing date then, at Builder's option, either the earnest money shall be forfeited
 361 to Builder(s) as liquidated damages, since the parties agree the calculation of damages to Builder(s) would be difficult to
 362 ascertain with certainty and since parties further agree that the amount of liquidated damages is a reasonable attempt to
 363 estimate damages which will be suffered by Builder(s), and this Agreement thereupon shall be of no further binding effect;
 364 **OR** Builder(s) may demand and pursue any and all other remedies including, but not limited to, actual damages or specific
 365 performance of this Purchase Agreement.

366 If Builder(s), contrary to this Purchase Agreement, fails, neglects, or refuses to perform as agreed, Buyer(s) may demand
 367 and pursue any and all remedies including, but not limited to, specific performance of this Purchase Agreement.

368 If the closing of this Property has not occurred by the designated closing date, then a breach of contract has occurred.
 369 Buyer(s) and Builder(s) shall have the following options to reconcile the breach:

- 370 1) All parties shall sign an amendment with a new agreed upon closing date.
 371 2) All parties shall sign a CANCELLATION OF PURCHASE AGREEMENT.
 372 3) Either party shall have the option to give written notice of termination due to the default of the Purchase
 373 Agreement and, as applicable, to pursue other available remedies.

374 A claim of either party for specific performance, or Builder's claim to the earnest money as liquidated damages, shall be
 375 waived, unless legal proceedings are commenced within three (3) months after scheduled date of closing or
 376 CANCELLATION OF PURCHASE AGREEMENT or NOTICE OF TERMINATION OF PURCHASE AGREEMENT is
 377 delivered. If Builder(s) does not deliver copies of documents evidencing Builder's commencement of legal proceedings to
 378 claim the earnest money to Broker or to the entity as referenced in Line 38 who has possession of the earnest money within
 379 said three (3) month time period, then that Broker or the entity shall be authorized to return the earnest money to
 380 Buyer(s), free of any claim by Builder(s). Retention of earnest money in any Broker's or entity's trust account pending
 381 resolution of the default shall not constitute an election of remedies by either party or prejudice their rights to pursue any
 382 and all other remedies including, but not limited to, specific performance.

383 **DISCLOSURE OF SALE TERMS:** Buyer(s) and Builder(s) understand that after closing, the MLS may be notified of
 384 the price and terms of the sale. Terms of the sale are recorded and may become public record.

Buyer(s) Initials _____ Builder(s) Initials _____

385 **LIENS:** Liens filed within ninety (90) days of completion of work on the Property maintain priority. Liens may be filed
386 after that 90-day period.

387 **SUBCONTRACTORS AND/OR MATERIAL SUPPLIERS:** Builder(s) reserves the right to select and supervise all
388 subcontractors performing work under this Agreement. All subcontractor billings and payments shall be handled by
389 Builder(s). Buyer(s) agrees not to interfere with or issue instructions to work forces, nor to contact for additional work
390 with contractors or subcontractors except with Builder's written permission, if permission is granted.

391 **IMPORTANT HEALTH NOTICE:** Some of the building materials used in construction (or these building materials)
392 emit formaldehyde. Eye, nose, and throat irritation, headache, nausea, and a variety of asthma-like symptoms, including
393 shortness of breath, have been reported as a result of formaldehyde exposure. Elderly persons and young children, as well
394 as anyone with a history of asthma, allergies or lung problems, may be at risk. Research is continuing on the possible
395 long-term effects of exposure to formaldehyde.

396 Reduced ventilation may allow formaldehyde and other contaminants to accumulate in the indoor air. High indoor
397 temperatures and humidity raise formaldehyde levels. When construction is to be in areas subject to extreme summer
398 temperatures, an air-conditioning system can be used to control indoor temperature levels. Other means of controlled
399 mechanical ventilation can be used to reduce levels of formaldehyde and other indoor air contaminants. If you have any
400 questions regarding health effects of formaldehyde, consult your doctor or local health department.

401 **BUILDER(S) HEREBY FURTHER WARRANTS THE PROPERTY AS FOLLOWS:**

402 _____
403 _____
404 _____
405 _____
406 _____
407 _____
408 _____
409 _____
410 _____

411 **ADDITIONAL PROVISIONS:**

412 _____
413 _____
414 _____
415 _____
416 _____
417 _____
418 _____
419 _____
420 _____

421 **ENTIRE AGREEMENT:** This Purchase Agreement, any attached exhibits, and any addendums or amendments signed
422 by the parties shall constitute the entire Purchase Agreement between Builder(s) and Buyer(s). There are no verbal or
423 other agreements which modify or affect this Purchase Agreement. This Purchase Agreement can be modified only in
424 writing signed by Builder(s) and Buyer(s). Buyer(s) may not assign this Purchase Agreement without Builder's written
425 consent. This Purchase Agreement is binding on Builder's heirs and assigns. It is understood that Listing Broker(s)/Listing
426 Agent(s) and Buyer(s) Broker(s)/Buyer(s) Agent(s) are acting as agents only in bringing Buyer(s) and Builder(s) together,
427 that all agreement(s) to be enforced between the parties are set forth in this Purchase Agreement, and that Broker(s) and
428 Agent(s) are not liable to either party for claimed statements or promises not in the Purchase Agreement or for the
429 performance or non-performance of any term or promise in this Purchase Agreement between the parties.

430 **OTHER PROFESSIONAL SERVICES:** Builder(s) and Buyer(s) in this transaction acknowledge Broker(s) and Agent(s)
431 are being retained solely as a real estate Agent(s) and not as an attorney, lender, inspector, or appraiser, or any other
432 professional service provider. Builder(s) and Buyer(s) are advised to seek professional advice concerning any of these
433 additional matters.

434 **ELECTRONIC SIGNATURES:** The parties agree that the electronic signatures of either party on any document relating
435 to this transaction constitutes a valid and binding Agreement.

436 **CONTINUE TO SHOW:**

437 Builder(s) has the right to continue to offer the Property for sale for backup offers only.

438 **THIS IS A BACKUP OFFER.** See BACKUP OFFER ADDENDUM.

Buyer(s) Initials _____

Builder(s) Initials _____

439 **TIME OF ESSENCE:**

440 Time is of the essence in this Purchase Agreement. This means that all completion dates are intended to be strict and
441 absolute.

442 References to time in this Purchase Agreement are based on CT MT.

443 References to “day” or “days” in this Purchase Agreement shall be construed as calendar days.

444 This Purchase Agreement shall remain available for acceptance by Builder(s), on or before _____ at
445 _____ AM PM, or until revoked by Buyer(s) prior to Builder’s acceptance.

446 **FINAL ACCEPTANCE:**

447 To be binding, this Purchase Agreement must be fully executed by both parties and acceptance must be communicated by
448 delivery of fully executed Purchase Agreement.

449 **Buyer(s):**

450 Buyer(s) is entering into this Purchase Agreement with the intent to Wholesale? Yes No If Yes, see WHOLESALING
451 ADDENDUM.

452 Buyer(s) agrees to purchase the Property for the price, terms, and conditions as set forth above. Buyer(s) has reviewed and
453 understands all pages of this Purchase Agreement.

454 _____
455 Buyer Signature Date Buyer Signature Date

456 **Builder(s):**

457 Builder(s) accepts this Purchase Agreement. Builder(s) has reviewed and understands all pages of this Purchase
458 Agreement.

459 If checked, this Purchase Agreement is subject to attached COUNTEROFFER ADDENDUM.

460 Builder’s signature authorizes closing agent to obtain applicable mortgage information (i.e., mortgage balance, interest
461 rate, payoff and/or assumption figures, etc.).

462 _____
463 Builder Signature Date Builder Signature Date

464 THIS IS A LEGAL AND BINDING CONTRACT BETWEEN BUYER(S) AND BUILDER(S). BUYER(S) AND BUILDER(S)
465 HAVE A RIGHT TO SEEK LEGAL AND TAX ADVICE.

466 If checked and initialed, Builder(s) rejects this offer. Builder(s) Initials _____