

FINANCED SALES CONTRACT

FIRST REAL ESTATE CORPORATION OF ALABAMA

Birmingham, Alabama

Form Approved by:
 Birmingham Association of REALTORS®
 October 30, 1991 (Previous forms obsolete)

The undersigned Purchaser(s) Mark A and Cindy R Malof hereby agrees to purchase and the
 undersigned Seller(s) Ted Allen hereby agrees to sell the following described real estate.

together with all improvements, shrubbery, planting, fixtures and appurtenances (the "Property") situated in the City of Pelham,
 County of Shelby, Alabama, on the terms stated below:

Address Royal Chase Dr
 and legally described as Lot 8 Block Survey Royal Chase
Phase I Map Book Page

1. THE PURCHASE PRICE shall be \$ 153,000, payable as follows:

| | |
|---|-------------------|
| Earnest Money, receipt of which is hereby acknowledged by the Agent | \$ <u>4,000</u> |
| Balance of cash downpayment due from Purchaser at closing | \$ <u>21,000</u> |
| Loan Proceeds (excluding financed loan costs) | \$ <u>122,400</u> |
| TOTAL PURCHASE PRICE | <u>\$ 153,000</u> |

(a) **LOAN CONTINGENCY:** This contract is contingent upon Purchaser obtaining approval of a Conventional loan in the amount of \$ 127,000 (plus any financed loan costs) amortized over a period of 30 years at an interest rate not to exceed 9%. Purchaser agrees to immediately apply for said loan and make every reasonable effort to obtain approval.

(b) **LOAN CLOSING COSTS AND PREPAID ITEMS:** Loan Discount, if necessary for obtaining the required loan, not to exceed 1 % of the amount of the approved loan, shall be paid by Seller Purchaser. All other loan closing costs and prepaid items are to be paid by the Purchaser unless herein excepted. Seller's obligation to pay (or to reimburse Purchaser) for any loan closing costs is contingent upon the sale closing.

(c) **IF FHA OR VA FINANCING IS UTILIZED, THE "FHA/VA AMENDATORY CLAUSE ADDENDUM" FORM MUST BE ATTACHED.**

2.

Purchaser Initials

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| <u>MAM</u> | |
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Seller Initials

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| <u>TAA</u> | |
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2. **AGENCY DISCLOSURE:** The listing Agency, First Real Estate, represents Seller (unless otherwise stated), and the selling Agency, First Real Estate, represents Seller Purchaser.

3. **EARNEST MONEY & PURCHASER'S DEFAULT:** Seller hereby authorizes the listing Agency, First Real Estate, to hold the earnest money in trust for Seller pending the fulfillment of this Contract. In the event Purchaser fails to carry out and perform the terms of this Contract, the earnest money shall be forfeited as liquidated damages at the option of Seller, provided Seller agrees to the cancellation of this Contract. Said earnest money so forfeited shall be divided equally between Seller and Seller's Agent. In the event both Purchaser and Seller claim the earnest money, the person or firm holding the earnest money may interplead the disputed portion of the earnest money into court, and shall be entitled to reimbursement from the parties for court costs, attorney fees and other expenses relating to the interpleader.

4. **TITLE INSURANCE:** Seller agrees to furnish Purchaser a standard form owner's title insurance policy at Seller's expense, issued by a company qualified to insure titles in Alabama, in the amount of the purchase price, insuring Purchaser against loss on account of any defect or encumbrance in the title, subject to exceptions herein, including paragraph 8 below; otherwise, the earnest money shall be refunded. In the event both Owner's and Mortgagee's title policies are obtained at the time of closing, the total expense of procuring the two policies will be divided equally between Seller and Purchaser, even though the mortgagee is the Seller.

5. **SURVEY:** Purchaser DOES DOES NOT (check one) require a survey by a registered Alabama land surveyor of Purchaser's choosing. Unless otherwise agreed herein, the survey shall be at Purchaser's expense. (NOTE: Lender may require a survey).

6. **PRORATIONS:** Ad valorem taxes, as determined on the date of closing, insurance transferred, accrued interest on mortgage(s) assumed, and fire district dues, if any, are to be prorated between Seller and Purchaser as of the date of delivery of the deed, and any existing escrow deposits shall be credited to Seller. **UNLESS OTHERWISE AGREED HEREIN, ALL AD VALOREM TAXES EXCEPT MUNICIPAL ARE PRESUMED TO BE PAID IN ARREARS FOR PURPOSES OF PRORATION; MUNICIPAL TAXES, IF ANY, ARE PRESUMED TO BE PAID IN ADVANCE.**

7. **CLOSING & POSSESSION DATES:** The sale shall be closed and the deed delivered on or before June 15, 1992, except Seller shall have a reasonable length of time within which to perfect title or cure defects in the title to the Property. Possession is to be given on delivery of the deed, if the Property is then vacant; otherwise, possession shall be delivered on Closing, 19, at (A.M.)(P.M.). NOTE: If Purchaser is to be given possession prior to closing, or if Seller is to remain in possession after closing, it is recommended that the parties enter into a written occupancy agreement.

The publisher is not engaged in rendering legal, accounting or other professional service. This form is published as a service to real estate professionals and an explanation of its various provisions should be obtained from the appropriate professional. Because of varying state and local laws, competent legal or other advice should be secured before using any form.

Matthew Ellerburger

8. CONVEYANCE: Seller agrees to convey the Property to Purchaser by General warranty deed (check here if Purchasers desire title as joint tenants with right of survivorship), free of all encumbrances except as permitted in this Contract. Seller and Purchaser agree that any encumbrances not herein excepted or assumed may be cleared at the time of closing from sales proceeds. **THE PROPERTY IS SOLD AND IS TO BE CONVEYED SUBJECT TO ANY MINERAL AND MINING RIGHTS NOT OWNED BY SELLER AND SUBJECT TO PRESENT ZONING CLASSIFICATION, residential, AND IS IS NOT LOCATED IN A FLOOD PLAIN, AND, UNLESS OTHERWISE AGREED HEREIN, SUBJECT TO UTILITY EASEMENTS SERVING THE PROPERTY, RESIDENTIAL SUBDIVISION COVENANTS AND RESTRICTIONS, AND BUILDING LINES OF RECORD, PROVIDED THAT NONE OF THE FOREGOING MATERIALLY IMPAIR USE OF THE PROPERTY FOR RESIDENTIAL PURPOSES.**

9. CONDITION OF PROPERTY: NEITHER SELLER NOR ANY AGENT MAKES ANY REPRESENTATIONS OR WARRANTIES REGARDING CONDITION OF THE PROPERTY EXCEPT TO THE EXTENT EXPRESSLY SET FORTH HEREIN. Purchaser has the obligation to determine any and all conditions of the Property material to Purchaser's decision to buy the Property, including, without limitation, the condition of the heating, cooling, plumbing and electrical systems and any built-in appliances, and the roof and the basement, including leaks therein; the size and area of the Property; construction materials, including floors; structural condition; utility and sewer or septic tank availability and condition; subsurface conditions, including radon and other potentially hazardous gases; and any matters affecting the character of the neighborhood. Purchaser shall have the opportunity to determine the condition of the Property in accordance with "A", "B", or "C" below, as selected by the parties. **NOTE: LENDERS OR PUBLIC AUTHORITIES MAY REQUIRE CERTAIN INVESTIGATIONS SUCH AS TERMITE INSPECTION AND SEPTIC TANK INSPECTION. PURCHASER'S INSPECTIONS SHOULD INCLUDE SUCH MATTERS IN ANY EVENT.**

SELECT EITHER "A" OR "B" OR "C" BELOW BY INITIALING - CHOICE MUST BE INITIALED BY BOTH PARTIES TO BE PART OF THIS CONTRACT.

9A.

Purchaser Initials

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Seller Initials

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A. Seller shall not be required to make any repairs to the Property whatsoever under this Contract. Purchaser has inspected the Property, either personally or through others of Purchaser's choosing, and accepts the Property in its present "as is" condition, including ordinary wear and tear to the closing.*

B. Purchaser has inspected the Property, either personally or through others of Purchaser's choosing, and, without relying on any representation or warranty from Seller or Broker or any salesperson or any printed or written description of the Property, accepts the Property in its present "as is" condition, including ordinary wear and tear to closing, except that Seller agrees (subject to any dollar limits below) to (i) make any repairs required by the lending institution; (ii) deliver the heating, cooling, plumbing and electrical systems and any built-in appliances in normal operating condition at the time of closing; and (iii) perform the following _____.

REPAIRS REQUIRED OF SELLER UNDER PARAGRAPH (B) SHALL NOT EXCEED \$ _____. If such repairs exceed this amount and Seller refuses to pay the excess, Purchaser may pay the excess or (if not prohibited by Purchaser's Lender) accept the Property with the limited repairs or accept the specified ceiling amount at closing as a reduction of the purchase price, and this sale shall be closed as scheduled, or Purchaser may cancel this Contract by notifying Seller in writing within _____ hours of Purchaser's receipt of Seller's notice of refusal to pay the excess.

C. Purchaser requires additional inspections of the Property at Purchaser's expense. Within _____ calendar days after Seller's acceptance of this Contract, Purchaser shall, either personally or through professionals of Purchaser's choosing, inspect and investigate the Property. When such inspections reveal conditions unsatisfactory to the Purchaser, Purchaser shall notify in writing of such unsatisfactory condition, and provide to Seller a copy of the inspector's written report, all within

_____ days of this Contract. Seller shall notify Purchaser in writing within _____ days of receipt of such notice whether Seller will correct the defect prior to Closing. If Seller is unable or unwilling to correct the defect, Seller shall not be obligated to do so, but Purchaser shall then have the option of cancelling this Contract and recovering the earnest money by notifying Seller in writing within _____ hours of receipt of Seller's written refusal to correct the defect. Purchaser's failure to notify Seller of any defect or Purchaser's election to terminate the Contract, as herein provided, shall conclusively be considered approval of the Property "as is", including ordinary wear and tear to the closing.*

9B.

Purchaser Initials

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Seller Initials

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9C.

Purchaser Initials

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Seller Initials

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"NOTE: "Ordinary wear and tear," as used in "A" and "C" above, shall not be deemed to include material failure of the heating, cooling, plumbing and electrical system or built-in appliances. If such a system or appliance suffers material failure after acceptance under "A" or "C" above but prior to closing and Seller refuses to pay for any repairs reasonably required to restore it to an operating condition at least as good as previously existing, Purchaser may proceed with the closing or cancel the Contract and recover the earnest money by notifying Seller in writing of the cancellation promptly after Purchaser's receipt of Seller's notice of refusal to pay for such repairs; provided that notice of cancellation must, in any event, be received prior to closing.

Purchaser has the right and the responsibility to walk through and inspect the Property prior to closing and notify seller immediately if the Property is not in the condition agreed under "A", "B" or "C" above, whichever one has been selected by the parties. After closing, all conditions of the property are the responsibility of Purchaser.

10. **DISCLAIMER:** Seller and Purchaser acknowledge that they have not relied upon advice or representations of Broker (or Broker's associated salespersons) relative to (i) the legal or tax consequences of this Contract and the sale, purchase or ownership of the Property; (ii) structural condition of the Property, including condition of the roof and basement; (iii) construction materials; (iv) the nature and operating condition of the electrical, heating, air conditioning, plumbing, water, heating systems and appliances; (v) the availability of utilities or sewer service; (vi) the character of the neighborhood; (vii) the investment or resale value of the Property; or (viii) any other matters affecting their willingness to sell or purchase the Property on the terms and price herein set forth. Seller and Purchaser acknowledge that if such matters are of concern to them in the decision to sell or purchase the Property, they have sought and obtained independent advice relative thereto.

10.

Purchaser Initials

MAM

Seller Initials

MM

11. **SELLER WARRANTS** that Seller has not received notification from any lawful authority regarding any assessments, pending assessments, public improvements, repairs, replacements, or alterations to the Property that have not been satisfactorily made. Seller warrants that there is no unpaid indebtedness on the Property except as described in this Contract. These warranties shall survive the delivery of the deed.

12. **FIRE/SMOKE DETECTORS:** Purchaser shall satisfy himself/herself that all applicable federal, state and local statutes, ordinances or regulations concerning fire/smoke detectors have been met. Upon closing or after taking possession of the Property, whichever occurs first, Purchaser shall be solely responsible for compliance with such laws, including the Alabama Department of Insurance (Fire Marshal Division) Regulation entitled "Requirements for Single Station Smoke Detectors in New and Existing Residential occupancies."

13. **RISK OF LOSS:** Seller agrees to keep in force sufficient hazard insurance on the Property to protect all interests until this sale is closed and the deed delivered. If the Property is destroyed or materially damaged between the date hereof and the closing, and Seller is unable to restore it to its previous condition prior to closing, Purchaser shall have the option of cancelling this Contract and recovering the earnest money or accepting the Property in its damaged condition, provided that notice of cancellation must be received prior to closing. If Purchaser elects to accept the Property in its damaged condition, any insurance proceeds otherwise payable to Seller by reason of such damage shall be applied to the balance of the purchase price or otherwise payable to Purchaser.

14. **SELECTION OF ATTORNEY:** If they have agreed to share the fees of a closing attorney hereunder, Purchaser and Seller acknowledge and agree that such sharing may involve a potential conflict of interest and they may be required to execute an affidavit at closing acknowledging their recognition and acceptance of same. The parties further acknowledge that they have a right to be represented at all times in connection with this Contract and the closing by an attorney of their own choosing, at their own expense.

15. **PERSONAL PROPERTY:** Any personal items remaining with the Property shall be at no additional cost to Purchaser; shall not add to the value of the Property; shall be in "as is" condition unless otherwise agreed to herein; shall be unencumbered at the time of closing; and shall be only that which is currently on the premises and included on the itemized list attached hereto (said list to be specific as to description and location of such items).

16. **ADDITIONAL PROVISIONS** set forth on the attached addendum _____ and signed by all parties are hereby made a part of this Contract.

17. **ENTIRE AGREEMENT:** This Contract constitutes the entire agreement between Purchaser and Seller regarding the Property, and supercedes all prior discussions, negotiations and agreements between Purchaser and Seller, whether oral or written. Neither Purchaser, Seller, nor Broker or any sales agent shall be bound by any understanding, agreement, promise, or representation concerning the Property, expressed or implied, not specified herein.

THIS IS INTENDED TO BE A LEGALLY BINDING CONTRACT. IF YOU DO NOT UNDERSTAND THE LEGAL EFFECT OF ANY PART OF THIS CONTRACT, SEEK LEGAL ADVICE BEFORE SIGNING.

Nona Miller

Mel G. Miller

Witness to Purchaser's Signature(s)

Purchaser

(DATE)

Witness to Seller's Signature(s)

Purchaser

(DATE)

Seller

(DATE)

Seller

(DATE)

Nona Miller

Todd

Todd

EARNEST MONEY: Receipt is hereby acknowledged of the earnest money as herein above set forth Cash Check

AGENCY _____

BY _____

(DATE) _____

COMMISSION: THE COMMISSION PAYABLE TO THE BROKER IN THIS SALE IS NOT SET BY THE BIRMINGHAM ASSOCIATION OF REALTORS, INC., BUT IN ALL CASES IS NEGOTIABLE BETWEEN THE BROKER AND THE SELLER/PURCHASER. In this contract, Seller/Purchaser agrees to pay First Real Estate, as Agent, a commission in the amount of 5.2% of the total purchase price.

Seller/Purchaser

(Date)

Seller/Purchaser

(Date)

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ADDENDUM

The terms and conditions of this Addendum form a part of that certain Financed Sales Contract dated March 10, 1992, between the undersigned Purchaser(s) and Seller(s).

Home to be built per attached plans and Specs.

Seller to provide a termite bond, pay 1/2 title and attorney.

Builder to sod the front yard and seed the rear. ^{Not to exceed 4000 ft of sod.}

Purchaser to choose the following within Builder's allowance; \$12.95 per sq. ft. carpet ~~\$1,250.00 including carpet~~ \$10.95 vinyl, \$1,400.00 lighting, ~~\$1,000.00 wallpaper~~

Purchaser may choose up to three colors in interior.

Builder to provide one year Builder's warranty.

Builder to provide bay window in kitchen.

07/06/1992-13092
11:56 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
004 KCD 14.00

Inst # 1992-13092

Nora Miller

Witness to Purchaser's Signature(s)

Nora Miller

Witness to Seller's Signature(s)

Maggie

Purchaser

(DATE)

Purchaser

(DATE)

Seller

Todd, Jr.

Seller

(DATE)