FINANCED SALES CONTRACT
(FHA-VA-CONVENTIONAL FINANCING)
4/15/88
Form approved by Birmingham Area Board of REALTORS®
(Previous Forms Obsolete)

FIRST REAL ESTATE

REALTOR

Birmingham, Alabama 8/24 1991

The undersigned Purchaser(s) James L. Means (PLEASE PRINT NAMES) hereby agrees to purchase and the undersigned Seller(s) Warren G. & Wanda L. VAnce (PLEASE PRINT NAMES) hereby agrees to sell the following described real estate, together with all improvements, shrubbery, plantings, fixtures and appurtenances (the "Property") situated in the City of Helena, County of Shelby, Alabama, on the terms stated below:

Address 1398 Belmont Lane
and legally described as Lot 15 Block ______ Survey ______
Dearing Downs 5th Sector
Map Book 10 Page 71

1. **THE PURCHASE PRICE:** shall be $ 121,000.00, payable as follows:

Earnest Money, receipt of which is hereby acknowledged by the Agent	$ 2,000.00
Balance of cash down payment due from Purchaser (11,000.00 pd to seller)	$39,000.00
Loan Proceeds	$80,000.00

(a) This contract is contingent upon Purchaser obtaining approval of a conventional loan in the amount of $ 80,000.00 amortized over a period of 20 years at an interest rate not to exceed 10½ %. 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 2 of the amount of the approved loan, shall be paid by [ ] Seller [X] Purchaser. All other loan closing costs and prepaid items are to be paid by Purchaser unless herein excepted.

(c) (1) VA LOAN: If VA financing is used, it is expressly agreed that, notwithstanding, any other provisions of this Contract, Purchaser shall not incur any penalty by forfeiture of earnest money or otherwise be obligated to complete the purchase of the Property described herein, if the Contract purchase price or cost exceeds the reasonable value of the Property established by the Veterans Administration. Purchaser shall, however, have the privilege and option of proceeding with the consummation of this Contact without regard to the amount of the reasonable value established by the Veterans Administration.

(c) (2) FHA LOAN: If FHA financing is used, it is expressly agreed that, notwithstanding any other provisions of this Contract, Purchaser shall not be obligated to complete the purchase of the Property described herein or to incur any penalty by forfeiture of earnest money deposits or otherwise unless Seller has delivered to Purchaser a written statement issued by the Federal Housing Commissioner setting forth the appraised value of the Property (excluding closing costs) of not less than $ na which statement Seller hereby agrees to deliver to Purchaser promptly after such appraised value statement is made available to Seller. Purchaser shall, however, have the privilege and option of proceeding with the consummation of the Contract without regard to the amount of the appraised valuation made by the Federal Housing Commissioner. <u>The appraised valuation is arrived at to determine the maximum mortgage the Department of Housing and Urban Development will insure. HUD does not warrant the value or the condition of the Property. Purchaser should satisfy himself/herself that the price and condition of the Property are acceptable.</u>

This contract is a Lease Purchase. If purchaser does not close the earnest money and down payment already received by seller is non refundable. See addendum and occupancy agreement.

03/05/1993-06259
11:57 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
002 MCD 9.00

2. **AGENCY DISCLOSURE:** The listing Agency First Real Estate represents the Seller (unless otherwise stated), and the selling Agency FIRST Real Estate represents [X] Seller [ ] Purchaser.
Seller's Initials W.V. WM Purchaser's initials JLM

3. **CONDITION OF PROPERTY: NEITHER SELLER NOR ANY AGENT MAKES ANY REPRESENTATIONS OR WARRANTIES REGARDING THE CONDITION OF THE PROPERTY EXCEPT TO THE EXTENT EXPRESSLY AND SPECIFICALLY SET FORTH HEREIN.** Purchaser has the obligation to determine, either personally or through or with a representative of Purchaser's choosing, 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, potentially hazardous gases, including radon, and any matters affecting the character of the neighborhood. In recognition of the foregoing, Purchaser and Seller agree that the following paragraphs selected from A-E below shall govern this Contract with respect to the physical condition of the Property:

NOTE: ONLY THOSE SUBPARAGRAPHS 3A – 3E WHICH ARE INITIALED BY BOTH PARTIES SHALL APPLY TO THIS CONTRACT.

A. (If A is selected, <u>do not</u> select B(1), B(2), C or D.) Seller shall not be required to make any repairs to the Property whatsoever under this Contract. Purchaser accepts the Property in its present "as is" condition, including ordinary wear and tear to the closing date. However, if the Property suffers material damage beyond ordinary wear and tear prior to the closing date, and Seller refuses to pay for any repairs reasonably required to restore the property to a condition at least as good as previously existing, ordinary wear and tear excepted, Purchaser may proceed with the closing or cancel the Contract and recover the earnest money by notifying Seller in writing of the cancellation within ______ hours of Purchaser's receipt of Seller's notice of refusal to pay the expense; provided, that the notice of cancellation must in any event be received prior to closing.
Seller's Initials W.V. WM Purchaser's Initials ______

B. (NOTE: Choose B(1) below if Purchaser does not require further inspections, or choose B(2) if further inspections are required, but do not select both.)

B(1) Purchaser has inspected the Property 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 date, subject only to any repairs required by the lending institution, and the following: ______
walk thru prior to possession date
Seller's Initials W.V. WM Purchaser's Initials JLM

B(2) Purchaser requires additional inspections of the Property. Within ______ calendar days after Seller's acceptance of this Contract, Purchaser shall have the right, at Purchaser's expense and through licensed contractor(s) or other qualified professionals of Purchaser's choosing, to inspect and investigate the Property. When such inspections or investigations reveal conditions unsatisfactory to Purchaser, Purchaser shall inform Seller in writing of such unsatisfactory condition, and provide to Seller at no cost 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 notice of such unsatisfactory condition 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 canceling this Contract by notifying Seller in writing within ______ hours of receipt of Seller's written refusal to correct the defect, and the Earnest Money shall be returned to Purchaser. Purchaser's failure to notify Seller of any such defect or of Purchaser's election to terminate the Contract, as herein provided, shall conclusively be considered approval of the Property as is and an election to proceed with the closing.
Seller's Initials ______ Purchaser's Initials ______

C. Seller agrees to deliver the heating, cooling, plumbing and electrical systems and any built in appliances in normal operating condition at the time of closing; provided, it shall be the responsibility of Purchaser to inspect said systems and equipment prior to closing and notify Seller immediately of any systems that are not in normal operating condition. Purchaser's failure to provide such notification prior to closing shall conclusively establish that Seller has satisfied this covenant.
Seller's Initials W.V. WM Purchaser's Initials JM

FIRST REAL ESTATE
3170 Highway 31 So.
Pelham, Al. 35124 ATTENTION Teresa STAHL

D. All repairs required of Seller under ______ 9(1) ______ C [check the paragraph(s) to which the dollar ceiling applies] shall not exceed $______. If such repairs exceed the specified amount and Seller refuses to pay the excess, Purchaser may pay the additional cost or 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 of the cancellation within ______ hours of Purchaser's receipt of Seller's notice of refusal to pay the excess.

Seller's Initials ______ ______ Purchaser's Initials ______ ______

E. PURCHASER REQUIRES A WALK-THROUGH INSPECTION IMMEDIATELY PRIOR TO CLOSING TO VERIFY THAT ANY REQUIRED REPAIRS HAVE BEEN PERFORMED AND THE PROPERTY IS OTHERWISE IN SUBSTANTIALLY THE SAME CONDITION AT CLOSING, ORDINARY WEAR AND TEAR EXCEPTED, AS WHEN INITIALLY ACCEPTED.

Seller's Initials ______ ______ Purchaser's Initials ______ ______

4. **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 his 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.

5. **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, Res ______ AND IS [ ] IS NOT [X] LOCATED IN A FLOOD PLAIN, AND, UNLESS OTHERWISE AGREED HEREIN, SUBJECT TO UTILITY EASEMENTS SERVING THE PROPERTY, RESIDENTIAL SUBDIVISION COVENANTS AND RESTRICTIONS, AND BUILDINGS LINES OF RECORD, PROVIDED THAT NONE OF THE FOREGOING MATERIALLY IMPAIR USE OF THE PROPERTY FOR RESIDENTIAL PURPOSES.

6. **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 5 above; 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 if the mortgagee is Seller.

7. **SURVEY:** Purchaser does [X] 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.)

8. **PRORATIONS:** Ad valorem taxes, as determined on the date of closing, insurance transferred, accrued interest on mortgages 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 advance 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. 1992

9. **CLOSING & POSSESSION DATES:** The sale shall be closed and the deed delivered on or before Dec. 31, 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 Sept. 1, 19 91, at 8:00 (A.M.) (P.M.).

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.

11. **SELLER WARRANTS** that Seller has not received notification from any lawful authority regarding any assessments, pending public improvements, repairs, replacement, 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 that all applicable federal, state and local statutes, ordinances and 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 Marshall 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 or unwilling to restore it to its previous condition prior to closing, Purchaser shall have the option of cancelling this Contract and receiving the Earnest Money back or accepting the Property in its then condition. 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 be payable to Purchaser.

14. **SELECTION OF ATTORNEY:** If they have agreed to share the fees of a closing attorney hereunder, the parties hereto 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. Each of the parties further acknowledges that he has a right to be represented at all times in connection with this Contract and the closing by an attorney of his own choosing, at his own expense.

15. **ADDITIONAL PROVISIONS** set forth on the attached addendum(s) 1 occupancy agreement, and signed by all parties, are hereby made a part of this Contract.

16. **ENTIRE AGREEMENT.** This Contract constitutes the entire agreement between Purchaser and Seller regarding the Property, and supersedes 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.

Teresa Stahl ______ James L. Means (SEAL)
Purchaser

______ ______ (SEAL)
Witness to Purchaser's Signature(s) Purchaser

______ (SEAL)
Seller

Teresa Stahl Wanda L. Vance (SEAL)
Witness to Seller's Signature(s) Seller

* * * * * * * * * * *

EARNEST MONEY: Receipt is hereby acknowledged of the earnest money as hereinabove set forth ______ CASH X CHECK

FIRM First Real EState

* * * * * * * * * * *

1993-06259

COMMISSION: THE COMMISSION PAYABLE TO THE BROKER IN THIS SALE IS NOT SET BY THE BIRMINGHAM AREA BOARD OF REALTORS®, INC., BUT IN ALL CASES IS NEGOTIABLE BETWEEN THE BROKER AND THE CLIENT. In this contract, Seller agrees to pay First Real Estate ______ as Agent, a commission in the amount of 6% of the total purchase price.

Wanda L. Vance (Seal) Wanda L. Vance (Seal)
Seller Seller

03/08/1993-06259
11:57 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
002 MCD 9.00