

WARNING TO PURCHASERS: DO NOT EXECUTE THIS DOCUMENT UNLESS YOU HAVE RECEIVED A PUBLIC OFFERING STATEMENT INCLUDING ALL EXHIBITS AND CAREFULLY REVIEWED THE SAME

A STANDARD AGREEMENT FOR PURCHASE AND SALE OF UNIT WHICH DOES CONTAIN A DWELLING

M IN

VILLAGE AT SLEEPY HOLLOW

A RESIDENTIAL COMMON INTEREST COMMUNITY

THIS AGREEMENT made this _____ day of _____, 20____, by and between **SLEEPY HOLLOW PROPERTIES, LLC, a West Virginia limited liability company**, (hereinafter "Seller"), whose principal address is **1063 Maple Drive, Suite 3A, Morgantown, WV 26505**, and _____, (hereinafter "Buyer" whether singular or plural), who's address is _____.

NOW THEREFORE WITNESSETH THAT: For and in consideration of the covenants and conditions contained herein and for other good and valuable consideration, the receipt and sufficiency of which are all hereby acknowledged, Seller and Buyer hereby agree as follows:

1. **PROPERTY TO BE CONVEYED:** Pursuant to the terms and conditions of this Agreement, Buyer shall purchase and Seller shall sell all of :

UNIT _____ PHASE I, VILLAGE AT SLEEPY HOLLOW, located in the Clinton Tax District of Monongalia County, West Virginia, as more particularly described on that certain map or plat of survey entitled **Phase 1 Plat of Village Sleepy Hollow**, dated April, 2005, and prepared by Joseph L. Crowder, P.S. # 2010, which is recorded the Office of the Clerk of the County Commission of Monongalia County, West Virginia, in Map Cabinet No. D in Envelope No. 32A, (which said map or plat is incorporated herein by reference, together with all appurtenances thereto and all improvements thereon (hereinafter the "Property")). This Agreement is a contract of sale for the Unit as depicted on said map or plat of survey rather than as staked or otherwise marked on the land.

The Property contains _____ acres and is subdivided from one or both of two tracts containing an aggregate of 68.888 acres, more or less, conveyed from Round Table Development, L.L.C., a West Virginia limited liability company, to Sleepy Hollow Properties, LLC, a West Virginia limited liability company, by Deed dated May 26, 2005, and recorded in the Office of the Clerk of the County Commission of Monongalia County, West Virginia, in Deed Book No. 1224

The Property consists of a Unit in a Planned Common Interest Community (as defined by West Virginia Code Section 36B et seq. land, a dwelling and improvements to the land, and a fractional interest in Common Elements of the Subdivision pursuant to the terms of the Declaration of Common Interest Community pertaining to Village at Sleepy Hollow Subdivision, which is dated June 30, 2005, and recorded in the Office of said Clerk in Deed Book No. 1297 at Page No. 698 (“Declaration”). **All of the definitions set forth in said Declaration are applicable to this Agreement as used herein.**

2. **PURCHASE PRICE**: The purchase price for the Property shall be paid to Seller in cash or good funds by certified check or wire transfer as follows:

- | | | |
|-----|---|----------------------|
| (a) | Earnest money deposit payable on Buyer's execution hereof | \$ _____
_____.00 |
| (b) | Change Deposit (if any) | \$ _____ .00 |
| (c) | Balance in cash at closing | \$ _____ .00 |
| (d) | <u>TOTAL PURCHASE PRICE</u> | \$ _____ .00 |

3. **EARNEST MONEY**: The sum set forth in Paragraph 2(a), the receipt of which is hereby acknowledged, is an earnest money deposit, which sum shall be credited against the purchase price at closing. This earnest money will be placed in escrow in the non-interest bearing closing account of Seller’s real estate Broker JS Walker & Associates, Inc., 148 Fayette Street, Morgantown, WV 26505 (304) 296-0074, (800) 840-0074.

- (a) If Buyer shall default under this Agreement, Seller shall have the option to retain all Earnest Money as liquidated damages in which case this Agreement shall be null and void and neither party shall have any liability to the other.
- (b) In the event that Seller does not accept and enter into this Agreement Seller shall return the Earnest Money to Buyer and neither party shall have further obligations or rights under this Agreement.
- (c) In the event that Buyer should terminate this Agreement in accordance with Paragraph 25 hereinbelow, Seller shall return the Earnest Money to Buyer and neither party shall have further obligations or rights under this Agreement.
- (d) In the event that buyer should terminate this Agreement as a result of the failure of

any contingency set forth in Paragraph 4 hereinbelow, Seller shall return the Earnest Money to Buyer and neither party shall have further obligations or rights under this Agreement.

1. DWELLING SPECIFICATIONS:

The Property consists of acreage and a dwelling which is either finished at the execution hereof or will be substantially finished prior to Closing.

- (a) The dwelling and exterior improvements shall be completed and delivered to Buyer in turn-key condition.
- (b) The dwelling and exterior improvements shall be completed pursuant to the plans and specifications of Seller except to the extent that Buyer and Seller have entered into any written change-order specifications by exhibit to this Agreement.
- (c) To the extent that Seller agrees to any change order modification on behalf of Buyer, and the change order in any manner increases the dwelling or any improvement or appliance above or beyond the amount budgeted by Seller for same:
 - (1) Buyer shall pay to Seller the full amount of the change order not later than at Closing;
 - (2) Buyer shall pay thirty (30%) percent of said cost of the change order at the execution of this Agreement (Change Deposit).
 - (3) The Change Deposit shall be credited against the Total Purchase Price at Closing.
 - (4) The Change Fee is not Earnest Money hereunder and is not refundable to Buyer under any circumstance.
- (d) In the event that dwelling, final landscaping, sidewalks and driveways or other minor punch list items are not completed prior to Closing but the dwelling is suitable for occupancy by Buyer, the parties agree that: (a) one and one-half (1-1/2) times the Seller's estimated completion cost of same will be held in escrow by the closing agent pursuant to a written escrow agreement. The Escrow Agreement shall provide a specific date by which such items shall be completed and that Seller shall be compensated from the Escrow for each item as same is completed. In the event that any item is not completed prior to termination of the Escrow, the monies escrowed for same shall be forfeit to Buyer. Provided, however, that if there is a dispute as to whether the item is completed, the monies shall be held pending resolution of the

dispute.

4. BUYER CONTINGENCIES:

Buyer shall be permitted to, at reasonable times during regular business hours and upon not less than 24 hours notice to Seller, cause all inspections identified in this Paragraph and all such inspections (whether by Buyer or Seller) shall be performed by individuals or entities licensed by the State of West Virginia in the profession or area of expertise in which the inspection, and resulting opinions or reports are offered and such individuals or entities shall not in any manner be affiliated with Buyer. Any inspection undertaken by Buyer shall be made at Buyer's cost.

Each of the following shall, at Buyer's option, be a condition precedent to Buyer's obligation to Purchase, and unless completed within the time periods set forth below shall be deemed to have been waived by Buyer.

- (a) Seller shall convey good and marketable title to Buyer by general warranty deed at closing. Marketable title, for the purposes of this Agreement shall be defined as title which a title insurance company licensed to do business in the State of West Virginia will insure at its regular rates, subject only to its standard exceptions. The following shall not be deemed impediments to marketable title for the purpose of this document:
 - a The restrictions contained in or referenced in the Declaration and the Governing Documents (as defined in the Declaration); and
 - b The Deed of Trust conveyed from Sleepy Hollow Properties, LLC, to Round Table Development, LLC, which is dated May 26, 2005, and recorded in the Office of said Clerk in Trust Deed Book No. 1385 at Page No. 170; provided, however, that Round Table Development, LLC, has agreed in writing to release the Property from said Deed of Trust within thirty (30) business days after Closing and upon receipt of a percentage of Seller's proceeds of sale; and
 - c The Deed of Trust conveyed from Round Table Development, LLC, to Huntington National Bank which is dated October 7, 2004, and recorded in the Office of the Clerk of the County Commission of Monongalia County, West Virginia, in Trust Deed Book No. 1337 at Page No. 611 provided, however, that Huntington National Bank has agreed in writing to issue a release of the Property from said Deed of Trust within thirty (30) business days after Closing and upon Huntington National Bank's receipt of a percentage of Seller's proceeds of sale; and
 - d The restrictions, easements, rights-of-way, conditions and limitations set forth on the maps and plats of Village at Sleepy Hollow which have been examined, reviewed and accepted by Buyer prior to Buyer's execution of this Agreement.

- S e Any and all governmental ordinances, regulations, and building restrictions applicable to the Property.
- A f Easements for utilities serving or affecting the Property or the remainder of the Subdivision; and
- g The lien of any taxes, governmental assessments, or assessments of the Association not yet due and payable.

If Seller shall be unable to convey title in accordance with the terms of this Agreement, Buyer shall have the option of terminating this Agreement by written notice to Seller or of proceeding with the closing of the sale and accepting such title as Seller is able to convey without any decrease in the purchase price. If Buyer elects to terminate this Agreement, Seller shall refund to Buyer all Earnest Money deposited hereunder and thereafter all rights and obligations of the parties hereto shall cease, and this Agreement shall be null and void. Seller shall not be required to bring any action or proceeding or otherwise to incur any expense to render the title to the Property marketable. Should Buyer elect to accept such title as Seller is able to convey, such acceptance of the deed by Buyer shall be deemed to be a full performance of all agreements and obligations to be performed by Seller pursuant to this Agreement, except those, if any, which are specifically stated to survive the closing.

(b) **OWNER'S AFFIDAVIT/LABOR AND MATERIALS:** Seller shall furnish at closing an Owner's Affidavit and/or a Title Insurance affidavit, in form satisfactory to Buyer's attorneys and an American Land Title Association Title Insurance Company, showing, among the other required Title Insurance representations, all items addressed in the previous Paragraph and also that all labor and materials, if any, furnished to the property prior to closing, have been paid, certifying that no labor or materials have been furnished to the property within said period which could permit a mechanics' lien to be filed against the property pursuant to West Virginia Code Section 38-2 et seq.

(c) **SURVEY CONTINGENCY.** Buyer may, not later than twenty (20) days after the Effective date, cause or obtain a physical land survey of the Property. If Buyer procures such survey, the obligations of the Buyer hereunder are contingent upon said survey demonstrating or confirming that: (i) the Property comprises the boundaries which Seller has indicated to Buyer; (ii) that there are no boundary overlaps, adverse claims, disputes, set back encroachments, encroachments by improvements or other circumstances which could affect the title, enjoyment or use of the Property by Buyer, and (iii) that the dwelling was constructed in conformity with the requirements of the Declaration.

(d) **MORTGAGE/FINANCING CONTINGENCY.** Buyer shall make diligent effort to obtain financing and agrees to promptly sign all necessary papers and to take all

other necessary action to apply for and obtain such financing. Buyer shall apply for and procure a loan commitment for such financing no later than ten (10) days after the Effective Date. This Agreement is contingent upon the ability of the Buyer to obtain a commitment for financing with twenty (20) days after the effective date and on the following terms:

- (1) Principal amount of financing not less than: _____
- (2) Maximum interest rate not more than: _____ per cent per annum
- (3) Maximum Term of years: _____

(e) **ENVIRONMENTAL INSPECTION CONTINGENCY:** Buyer may, not later than twenty (20) days after Effective Date, cause the real property subject hereof to be tested for environmental hazards and adverse conditions. The obligation of the Buyer hereunder shall be contingent on the Property being found to be free of hazardous substances and materials. Seller, by execution hereof represents and warrants that to the best of Seller's knowledge and belief without independent inquiry, the Property has always been used for residential or agricultural purposes and that to the best of Seller's knowledge and belief the land is free and clear of buried waste, underground storage tanks, and other environmental contaminants of all types.

(f) **LENDERS' APPRAISAL CONTINGENCY:** Buyer and/or Buyer's Lender, may within thirty (30) days after the Effective Date, cause one or more appraisals of the real property subject hereof. Buyer's obligations hereunder are contingent upon such appraisal demonstrating that the Total Purchase Price (Paragraph 2[d]) exceeds the appraised value or the Lender's required or minimum appraisal value of the property. Buyer shall, however, have the privilege and option of proceeding with the consummation of this Agreement without regard to the amount of the reasonable value established by the lender's appraisal.

(g) **STRUCTURAL INSPECTION:** Buyer may, not less than twenty (20) days prior to Closing, cause a structural inspection of the property, including the fixtures, systems, utilities and appurtenances affixed thereto or thereunto belonging. Buyer's obligation to purchase is expressly contingent upon such inspection, if performed, revealing that the fixtures, systems, utilities and appurtenances perform the functions for which they are to be utilized.

(h) **WOOD EATING/DESTROYING INSECT CONTINGENCY:** Seller warrants that, to the best of Seller's knowledge without independent inquiry, the subject premises are, and shall be at the time of closing, free from the presence of any wood-eating and wood-boring insects and damage therefrom. Seller shall deliver a certificate of soil treatment at Closing. Buyer may, not later than Twenty (20) days after the Effective Date, cause the real property subject hereof have the said premises inspected for the presence of such insects and

S said inspection shall be solely at the expense of the Buyer. Buyer's obligation to purchase is contingent on the property being free of infestation of, and damage by, wood eating or wood destroying insects.

A (i) **FEDERAL LEAD PAINT DISCLOSE REQUIREMENT:** Seller represents pursuant to 442 USCS 4852d that Seller has no knowledge of lead paint or lead paint hazards in or on the property and that the structure to be conveyed was constructed subsequent to 1978.

M 5. **DECLARATION OF DEFECTS OR FAILURE OF CONTINGENCY.** In the event that any inspection permitted under Paragraph No. 4, should reveal or identify any deficiency, condition or fact resulting in a material failure of a contingency specified in Paragraph No. 4 ("Defect"), or the Property or its components should materially fail to meet the contingency requirements of Paragraph 4, Buyer must give Seller written Notice of Defect specifying the Defect or Defects, or failure of the contingency to Seller in writing no later than three (3) business days after the Defect is discovered. Provided, however, that any Defect to Marketable Title, may be disclosed at any time prior to closing.

E Any such Notice of Defect shall include:

- (a) specific, detailed and itemized written reports from the expert or qualified professional identifying the Defect; and
- (b) copies of all of the expert or professional's work product materials produced any and all other materials on which Buyer relies in claiming such Defect; and
- (c) any specific remedy or repair which Buyer demands be implemented or made by Seller as a condition precedent to Closing.

M All such reports shall be signed by the preparer and shall be sufficiently detailed to provide an exact and precise explanation of the defect sufficient to be introduced into evidence before a Court of competent jurisdiction without corroborating testimony as to any factor except authenticity and hearsay objections. Each expert or professional preparing a report shall, if licensed in said area of expertise by any governing body pursuant to the statutes of this State, include on such reports the expert or professional's license information.

P Seller shall be afforded ten (10) business days from Seller's receipt of Notice of Defect, to cause an independent examination of said defect and obtain a second opinion as to the necessity and/or cost of repairing the same and what repairs or remedies are required.. Seller must notify Buyer by 5:00 pm on said tenth (10th) business day whether Seller: (a) shall cause the Defect(s) to be repaired or remedied; or (b) refuses to cause the Defect to be remedied or remedied. If Seller elects to repair the Defect, the repair or remedy must be affected in a reasonable, professional and

workmanlike manner, by a qualified individual or entity, and completed no later than one day prior to Closing. If Seller refuses to repair or remedy the Defect, or Seller fails to respond to the Notice of Defect in a timely manner, or Seller fails to fulfill Seller's obligations under Paragraph 4, Buyer may, at Buyer's option elect to:

- (a) purchase the Property notwithstanding the Defect and thereby accept the Property "As Is"; or
- (b) terminate this Agreement in which event Buyer Seller shall promptly refund and return all Earnest Money (Paragraph 2[b] above) and neither party shall have any further liability to the other hereunder. In the event of such termination, Buyer's shall not be entitled to a refund of any Change Deposit under Paragraph 2[c] above.

Seller may, in response to any Notice of Defect, elect to terminate this Agreement in which case Seller shall refund all Earnest Money (Paragraph 2[a]) to Buyer, refund all Change Deposit not yet expended by Seller (Paragraph 2[b]) and neither party shall have any further liability to the other.

6. MARKETABLE TITLE: Seller shall convey good and marketable title to Buyer by general warranty deed at closing. Marketable title, for the purposes of this Agreement shall be defined as title which a title insurance company licensed to do business in the State of West Virginia will insure at its regular rates, subject only to its standard exceptions. The following shall not be deemed impediments to marketable title for the purpose of this document:

- (a) The restrictions contained in or referenced in the Declaration, and the Governing Documents (as defined in the Declaration); and
- (b) The Deed of Trust conveyed from Sleepy Hollow Properties, LLC, to Round Table Development, LLC, which is dated January ____, 2004, and recorded in the Office of said Clerk in Deed Book No. ____ at Page No. __; provided, however, that Round Table Development, LLC, shall agree in writing to release the Property from said Deed of Trust within thirty (30) business days after Closing; and
- (c) The restrictions, easements, rights-of-way, conditions and limitations set forth on the maps and plats of Village at Sleepy Hollow which have been examined, reviewed and accepted by Buyer prior to Buyer's execution of this Agreement.
- (d) Any and all governmental ordinances, regulations, and building restrictions applicable to the Property.
- (e) Easements for utilities serving or affecting the property or Property or the remainder of the Subdivision; and

Association pursuant to the allocation of such expenses set forth in the Declaration.

(f) prior to the Closing (as hereinafter defined) contemplated by this Agreement Seller, as the "Declarant" under the Declaration, may create additional Units, Common Elements and Limited Common Elements, and/or make changes or amendments in the Declaration which do not materially affect the rights of Buyer or the value of the Property and that no consent from Buyer is required for same.

8. IMPROVEMENTS/UTILITIES/CONDITION: The following utilities are either present or will be stubbed to the Unit perimeter prior to Closing: water, natural gas, electric, cable television, and phone. The Unit does / does not benefit from an off site sanitary disposal system.

9. CLOSING: 7. **CLOSING:** The closing and consummation of the sale and acquisition of the Property shall take place on _____, at the offices of Seller or at such other place or earlier time during regular business hours and in Monongalia County, as the parties hereto shall mutually agree in writing, but the closing contemplated herein shall in no event occur later than _____, if extended by Seller as set forth hereinafter. Buyer acknowledges and agrees that Seller has accepted the purchase price on the condition that such closing shall take place on or before said date, and in the event that Buyer fails or refuses to close by said date, then this Agreement shall be void, the Earnest Money shall be forfeit to Seller and Seller may relist the Property on the market at a higher purchase price. Seller shall deliver possession of the Property to Buyer at closing. In the event that Seller shall be unable to deliver possession of a habitable Unit at closing due to strike, war, act of god, unavailability of labor or materials or other unforeseen circumstances not directly attributable to Seller, Seller may unilaterally extend the closing date up to Thirty (30) days.

10. ASSESSMENTS AND CLOSING COSTS: At Closing:

- (a) Taxes and, if levied by the Association, Assessments shall be apportioned as of the day of Closing. Such apportionment shall be computed by the 360 day method, with each month representing 1/12th of the annual charge and each day 1/30th of the monthly charge. Apportionments shall be made in accordance with customary residential real property closing practices in Morgantown, Monongalia County, West Virginia.
- (b) Seller shall pay Seller's attorneys' fees, any sum due to Round Table Development, LLC, under the Deed of Trust, the cost of recording the release by Round Table Development, LLC, and transfer taxes required to be paid prior to the recording of the deed.
- (c) Buyer shall pay all other closing costs incurred by Buyer, including, without

limitation, the following: Buyer's attorneys' fees, all loan closing costs and points, the cost of recording the deed and all title insurance premiums, if any.

- (d) Buyer shall pay to Association an Initial Association Deposit to Association in the amount of \$150.00, which said amount shall not be pro-rated or otherwise apportioned due to the date of purchase.
- (e) Seller shall pay to Association a Voluntary Capital Contribution in the amount of \$400.00, which said amount shall not be pro-rated or otherwise apportioned due to the date of purchase.
- (f) All utilities servicing the Property shall be transferred by Buyer on account of Buyer not later than the date of Closing. Seller shall pay the cost of all such utilities consumed prior to Closing not later than ten (10) days after Closing.

11. CLOSING DOCUMENTS: At Closing the following documents shall be exchanged by the parties (to the extent that any such document is an Exhibit to the Declaration of Public Offering Statement, the document shall contain all substantive provisions of such exhibit):

- (a) Seller shall execute and deliver to Buyer: (1) a deed; (2) a waiver of Seller's right to be exclusive builder of all improvements to the Unit; (3) a partial release from Round Table Development, LLC; (4) an Owner's Affidavit; and (5) such 1099 information as may be reasonably required by Buyer's closing agent.
- (b) Buyer shall execute and deliver to Seller: (1) an express written waiver pursuant to West Virginia Code Section 36B-4-116 reducing the statute of limitations for all express or implied warranties imposed by West Virginia Code Chapter 26B to two years from the date of delivery of the deed; (2) an written affidavit that Buyer take the deed in reliance on any verbal or parole representation or warranty contrary to the information set forth in the Declaration; (3) an express acknowledgment that Buyer is in receipt of the Public Offering Statement, the Declaration, the By-Laws, Articles of Incorporation, Rules and Regulations of the Association and that Buyer received same more than fifteen (15) days prior to Closing.
- (c) If the Association's Building Control Committee has approved a builder to complete improvements to the Property, Seller shall deliver evidence of such written approval at Closing.

12. ASSIGNMENT: This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, devisees, personal representatives, successors and permitted assigns. The interest of Buyer in this Agreement shall not be assigned, mortgaged, pledged, or

otherwise transferred, in whole or in part, without the prior written consent of Seller, which consent may be withheld at Seller's sole discretion.

13. PLURALITY: If two or more persons constitute the Buyer, the word "Buyer" shall be construed as if it reads "Buyers" whenever the context of this Agreement so requires, and such persons shall be jointly and severally liable hereunder.

14. EFFECTIVE DATE: The date of this Agreement shall be deemed to be the date on which Seller executes this Agreement, as evidenced by the date opposite Seller's signature, and this date shall be inserted in the preamble of Page 1 of this Agreement.

15. NOTICES: Any notice or other communication required or permitted hereunder must be in writing and delivered in person or by certified or registered mail, postage prepaid, to the addresses set forth in the preamble of this Agreement, or to such other addresses of which the parties thereto may be from time to time notified in writing.

16. APPLICABLE LAW: This Agreement shall be construed and interpreted under the laws of the State of West Virginia.

17. TITLE: Title to the subject property is to be held as follows:
_____ (if multiple owners circle
one [Joint Tenancy] or [Tenants in Common]).

18. MERGER: All understandings and agreements heretofore made between the parties hereto are contained in this Agreement which expresses the parties' entire agreement, and no representations, oral or written, not contained herein shall be considered a part hereof. This Agreement may not be altered, enlarged, modified or changed except by an instrument in writing executed by all of the parties hereto. Any change or modifications made to this Agreement must be reduced to writing, signed by all parties hereto and attached hereto and made a part hereof. Except as expressly provided to the contrary herein, the terms of this Purchase Agreement shall merge into and not survive the delivery and recordation of the deed of conveyance. To the extent that Buyer and Seller have entered into any other written contract for the sale transfer of the Unit which is the subject of this contract, the terms and conditions of that Agreement are merged herein. Provided however, that if there be any conflict between the terms of the previous Agreement and this Agreement, then the terms of this Agreement shall govern and conflicting terms of the previous Agreement shall be void and unenforceable. The provisions of Paragraphs 6, 7, 15, 16 and 21 herein shall survive closing, shall be binding after delivery of the deed of conveyance, and shall not merge with the deed of conveyance.

18. RISK OF LOSS: The risk of loss or damage to the Unit by fire or other casualty shall remain with the Seller until the properly executed deed to the Unit is delivered to Buyer or Buyer's

Agent. Buyer covenants that the Property shall be fully insured with replacement coverage at the time of conveyance.

19. EXECUTED IN DUPLICATE: This Agreement is executed in duplicate, the Seller retaining one true counterpart hereof and the Buyer retaining the other true counterpart hereof. Duly executed photocopies or facsimiles bearing all signatures of Seller and Buyer shall have the same force and effect as an original. Identical counterparts may be executed by one party and then transmitted by Telefacsimile for execution of the facsimile copy by the other party with the same legal force and effect as original signatures of both parties on one document.

20. HEADINGS: The headings of this Agreement are for convenience and reference only and shall not be used to limit or otherwise affect the meaning of any provision of this Agreement.

21. WAIVER OF EXPRESS AND IMPLIED WARRANTIES AND LIMITATIONS PERIOD FOR ENFORCEMENT OF SAME: Pursuant to the provisions of West Virginia Code Chapter 36B, "Uniform Common Interest Ownership Act" (specifically Sections 36B-4-113 and 36B-4-114), Seller is subject to a six-year statute of limitation for both express and implied warranties of quality. The provisions of the Code (specifically Section 36B-4-116) further provide that the parties hereto may agree to reduce the statute of limitation to not less than two (2) years. The undersigned Buyer hereby agrees as follows: (a) Buyer shall take possession of the Unit in an "AS IS" condition, subject to the terms and conditions of the Public Offering Statement, Declaration and Governing Documents as described in the Declaration; and (b) by execution hereof Buyer waives and releases the Seller as Declarant from the maximum time period of the statute of limitation for commencement of a legal action against Seller as Declarant for breach of either implied or expressed warranties of quality; and (c) Buyer shall, in accordance with the terms of the Uniform Common Interest Ownership Act, be subject to the reduction of the statute of limitations for the commencement of a judicial proceeding against the Declarant for breach of warranties of quality, either expressed or implied, to two years; and (d) the commencement of a cause of action for breach of warranty of quality, either express or implied, shall accrue to the Buyer beginning at the time the Buyer enters into possession of the Unit.

22. BROKERAGE COMMISSION: The parties agree that JS Walker & Associates is the designated real estate Broker of Seller and that Seller has agreed to pay a total commission of five (5%) percent of the Total Purchase Price set forth in Paragraph 2(d) to all realtors entitled to compensation from this transaction. That five (5%) percent commission shall be divided between the realtors pursuant to any agreement between the realtors rather than between Buyer and Seller. Seller shall have no obligation to pay any commission to Buyer's real estate agent or broker unless said agent or broker has executed this Agreement below. In the event that no agent or broker of Buyer has executed this document, Buyer represents and warrants that Buyer has not retained the services of any individual or entity entitled to a commission from the sale of the Property and that Buyer will hold harmless, indemnify and defend Seller and JS Walker & Associates from any claim, loss, injury or damage arising as the result of such individual or entity.

23. BROKER REPRESENTATION AT CLOSING: Pursuant to the terms of Seller's written agreement with JS Walker & Associates, the broker or an agent from JS Walker & Associates may attend Closing on behalf of Seller and with Seller's limited and specific power of attorney. In the event that the broker or any agent or agents from JS Walker & Associates should represent both Buyer and Seller, such power of attorney shall: (a) be for the exclusive purpose of executing and delivering the HUD-1 Uniform Closing Statement, any Wood Eating or Wood Destroying Insect Infestation Reports and other ancillary closing documents which have been approved by and agreed to by Seller; and (b) not authorize the attorney-in-fact to make, undertake or enter into any negotiation, concession or material modification of this Agreement for or in behalf of Seller which would materially limit or otherwise jeopardize the attorney-in-fact's duties and ethical obligations of dual agency.

24. WARNINGS: BEFORE ENTERING INTO THIS AGREEMENT BUYER IS ADVISED:

- (a) to retain the services of an attorney to review this Agreement and the Governing Documents and to render an independent legal opinion to Buyer with regard to the meaning, impact and implications of same;
- (b) to retain the services of qualified and duly licensed experts to perform the following due diligence on behalf of Buyer prior to Closing: (1) examination and certification of title; (2) survey of the Unit and adjoining Units to determine precise physical boundaries of same and the existence of any encroachments; (3) a subsurface or geological inspection to determine the suitability of the Unit for Buyer's intended use; (4) a pest or wood eating or wood destroying insect infestation report to determine the presence of such hazards; and if applicable: (5) a health department percolation test to determine the suitability of the Unit for an on-site sewage treatment system, the location of same, and applicable governmental regulations pertaining to same.
- (c) to submit Buyer's proposed plans for the Unit to the Association's Building Control Committee for pre-approval of the improvements to be made to the Unit and the dwelling to be constructed thereon. If Buyer fails to obtain such approval prior to purchase, Buyer may not be permitted to improve the Unit as Buyer desires.
- (d) to submit to Association's Building Control Committee for pre-approval the identity of any contractor or builder Buyer desires to retain to construct improvements to the Unit. If Buyer fails to obtain such approval prior to purchase, Buyer may not be permitted to utilize the services of such contractor or builder in the construction of Buyer's home and improvement of the Unit.
- (e) to read each and every provision of this Agreement, the Public Offering Statement and all exhibits thereto including, but not limited to, the Declaration, Articles of

S Incorporation, By-Laws, Rules & Regulations and Building Control Guidelines of the Association.

A (f) that the initial purchase price of all Units in Village at Sleepy Hollow reflects the fact that the Seller as Developer intends to construct certain improvements but not to provide other improvements. The Seller is not obligated to construct or install improvements labeled "Need Not Be Built" on the Plats or otherwise set forth in writing by the Developer. The Declaration provides that so long as Seller owns any Unit in Sleepy Hollow, the Association may not levy any assessment which would obligate Developer as a Unit owner to contribute to completion of any amenity, fixture or improvement which Developer did not intend to install or construct when determining the initial sales price of Units in the Subdivision. This matter is set forth with particularity in the Declaration..

25. **FIFTEEN (15) DAY CANCELLATION PERIOD:** By West Virginia Law the Buyer may terminate this Agreement for any reason, with or without cause within fifteen (15) days after Effective Date. Buyer is advised to do all inspections and make all plan submissions and approvals during said fifteen (15) day time period because if Buyer is not satisfied with any such approval, Buyer may receive a full refund of the Earnest Money and terminate this Agreement without further liability hereunder. No termination under this Paragraph 24 is valid or effective unless made in writing and delivered to Seller prior to midnight of the fifteenth (15th) day after the Effective Date.

S Buyer's right to cancel is as follows:

(a) **AT ANY TIME WITHIN FIFTEEN (15) DAYS AFTER RECEIPT OF A PUBLIC OFFERING STATEMENT, BUT BEFORE THE TIME OF CONVEYANCE, YOU MAY CANCEL ANY CONTRACT FOR PURCHASE OF A UNIT IN A COMMON INTEREST COMMUNITY; and**

(b) **IF YOU ARE NOT PROVIDED A PUBLIC OFFERING STATEMENT PRIOR TO YOUR PURCHASE OF A UNIT IN A COMMON INTEREST COMMUNITY, YOU MAY RECOVER FROM THE SELLER TEN PERCENT OF THE SALES PRICE OF THE UNIT PLUS TEN PERCENT OF THE SHARE, PROPORTIONATE TO YOUR COMMON EXPENSE LIABILITY, OF ANY INDEBTEDNESS OF THE ASSOCIATION SECURED BY SECURITY INTERESTS ENCUMBERING THE COMMON INTEREST COMMUNITY; and**

(c) **IF YOU RECEIVE THE PUBLIC OFFERING STATEMENT MORE THAN FIFTEEN DAYS BEFORE SIGNING A CONTRACT, YOU CANNOT CANCEL THE CONTRACT.**

S NOTICE: In the event that Buyer enters into an Agreement for any Change Order, no work will be commenced pursuant to the Change Order until the fifteen (15) day termination period has expired.

A IN WITNESS WHEREOF, Buyer acknowledges that receipt of a complete Public Offering Statement not later than the date Buyer executes this Agreement, and Buyer accepts and agrees to all provisions hereof:

This Offer by Buyer expires unless accepted by Seller not later than _____ o'clock ____ on _____, 20__.

BUYER: _____ OFFER DATE: _____

BUYER: _____ OFFER DATE: _____

This Offer by Buyer is accepted by Seller this ____ day of _____, 20__.

SELLER: Sleepy Hollow Properties, LLC, a West Virginia limited liability company
By: _____ ACCEPTANCE DATE: _____

Its: _____

BROKER OR AGENT CERTIFICATION:

The following individuals or entities hereby certify and acknowledge that they have represented one of the parties in this transaction and that they have made no real, implied, express or implied representation, promise or warranty to Buyer which is contrary to the Governing Documents or would cause Buyer to enter into this Agreement under any mistaken belief or expectation as to Seller's obligations whether as owner of the Property or Declarant of the Subdivision.

AGENT: _____ DATE: _____
Representing: [] Buyer [] Seller or [] Both.

AGENT: _____ DATE: _____
Representing: [] Buyer [] Seller or [] Both.

AGENT: _____ DATE: _____

S Representing: Buyer Seller or Both.

A This Agreement Prepared by Seller's Counsel: STEVEN M. PRUNTY, ECKERT SEAMANS CHERIN & MELLOTT, PLLC, 2400 Cranberry Square, Morgantown, WV 26508-9209

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