

STANDARD AGREEMENT FOR THE SALE OF REAL ESTATE

A/S-2K

This form recommended and approved for, but not restricted to use by, the members of the Pennsylvania Association of REALTORS® (PAR).

SELLER'S BUSINESS RELATIONSHIP WITH PA LICENSED BROKER

BROKER (Company) ADDRESS PHONE FAX
BROKER IS THE AGENT FOR SELLER. Designated Agent(s) for Seller, if applicable:
OR
Broker is NOT the Agent for Seller and is a/an: [] AGENT FOR BUYER [] TRANSACTION LICENSEE

BUYER'S BUSINESS RELATIONSHIP WITH PA LICENSED BROKER

BROKER (Company) ADDRESS PHONE FAX
BROKER IS THE AGENT FOR BUYER. Designated Agent(s) for Buyer, if applicable:
OR
Broker is NOT the Agent for Buyer and is a/an: [] AGENT FOR SELLER [] SUBAGENT FOR SELLER [] TRANSACTION LICENSEE

When the same Broker is Agent for Seller and Agent for Buyer, Broker is a Dual Agent. All of Broker's licensees are also Dual Agents UNLESS there are separate Designated Agents for Buyer and Seller. If the same Licensee is designated for Seller and Buyer, the Licensee is a Dual Agent.

1. This Agreement, dated _____, is between
SELLER(S): _____
_____, called "Seller," and
BUYER(S): _____
_____, called "Buyer."

2. PROPERTY (1-98) Seller hereby agrees to sell and convey to Buyer, who hereby agrees to purchase:
ALL THAT CERTAIN lot or piece of ground with buildings and improvements thereon erected, if any, known as:
_____ in the _____ of _____,
County of _____ in the Commonwealth of Pennsylvania, Zip Code _____
Identification (e.g., Tax ID #; Parcel #; Lot, Block; Deed Book, Page, Recording Date) _____

3. TERMS (1-02)

- (A) Purchase Price _____ U.S. Dollars
which will be paid to Seller by Buyer as follows:
1. Cash or check at signing this Agreement: \$ _____
2. Cash or check within _____ days of the execution of this Agreement: \$ _____
3. _____ \$ _____
4. Cash, cashier's or certified check at time of settlement: \$ _____
TOTAL \$ _____
(B) Deposits paid on account of purchase price to be held by Broker for Seller, unless otherwise stated here: _____
(C) Seller's written approval to be on or before: _____
(D) Settlement to be on _____, or before if Buyer and Seller agree.
(E) Conveyance from Seller will be by fee simple deed of special warranty unless otherwise stated here: _____
(F) Payment of transfer taxes will be divided equally between Buyer and Seller unless otherwise stated here: _____
(G) At time of settlement, the following will be adjusted pro-rata on a daily basis between Buyer and Seller, reimbursing where applicable: taxes (see Information Regarding Tax Proration); rents; interest on mortgage assumptions; condominium fees and homeowner association fees, if any; water and/or sewer fees, if any, together with any other lienable municipal service. The charges are to be pro-rated for the period(s) covered: Seller will pay up to and including the date of settlement; Buyer will pay for all days following settlement, unless otherwise stated here: _____

4. FIXTURES & PERSONAL PROPERTY (1-00)

- (A) INCLUDED in this sale and purchase price are all existing items permanently installed in the Property, free of liens, including plumbing; heating; lighting fixtures (including chandeliers and ceiling fans); water treatment systems; pool and spa equipment; garage door openers and transmitters; television antennas; shrubbery, plantings and unpotted trees; any remaining heating and cooking fuels stored on the Property at the time of settlement; wall to wall carpeting; window covering hardware, shades and blinds; built-in air conditioners; built-in appliances; and the range/oven unless otherwise stated. Also included: _____
(B) LEASED items (not owned by Seller): _____
(C) EXCLUDED fixtures and items: _____

5. DATES/TIME IS OF THE ESSENCE (1-02)

- (A) The said date for settlement and all other dates and times referred to for the performance of any of the obligations of this Agreement are agreed to be of the essence of this Agreement and are binding.
(B) For the purposes of this Agreement, number of days will be counted from the date of execution, by excluding the day this Agreement was executed and including the last day of the time period.
(C) The date of settlement is not extended by any other provision of this Agreement and may only be extended by mutual written agreement of the parties.
(D) Certain time periods are pre-printed in this Agreement as a convenience to the Buyer and Seller. Any pre-printed time periods are negotiable and may be changed by striking out the pre-printed text and inserting a different time period acceptable to all parties.

Buyer Initials: _____

Seller Initials: _____

60 **6. MORTGAGE CONTINGENCY (1-02)** 60

- 61 WAIVED. This sale is **NOT** contingent on mortgage financing. 61
62 ELECTED 62

63 (A) This sale is contingent upon Buyer obtaining mortgage financing as follows: 63

- 64 1. Amount of mortgage loan \$ _____ 64
65 2. Minimum Term _____ years 65
66 3. Type of mortgage _____ 66
67 4. Interest rate _____ % ; however, **Buyer agrees to accept the interest rate as may be committed by the mortgage lender**, not to 67
68 exceed a maximum interest rate of _____ % . 68
69 5. Discount points, loan origination, loan placement and other fees charged by the lender as a percentage of the mortgage loan (excluding 69
70 any mortgage insurance premiums or VA funding fee) not to exceed _____ % (0% if not specified) of the mortgage loan. 70

71 The interest rate and fees provisions required by Buyer are satisfied if a mortgage lender makes available to Buyer the right to guarantee an 71
72 interest rate at or below the Maximum Interest Rate specified herein with the percentage fees at or below the amount specified herein. Buyer 72
73 gives Seller the right, at Seller's sole option and as permitted by the mortgage lender and applicable laws, to contribute financially, without 73
74 promise of reimbursement, to the Buyer and/or the mortgage lender to make the above terms available to Buyer. 74

75 (B) Within _____ DAYS (10 days if not specified) of the execution of this Agreement, Buyer will make a completed, written mortgage application 75
76 for the mortgage terms specified above to a responsible mortgage lender. **The Broker for Buyer, if any, otherwise the Broker for Seller, is 76
77 authorized to communicate with the mortgage lender for the purposes of assisting in the mortgage loan process.** 77

78 (C) 1. **Mortgage commitment date** _____. If a written commitment is not received by Seller by the above date, **Buyer 78
79 and Seller agree to extend the mortgage commitment date until Seller terminates this Agreement in writing by notice to Buyer.** 79

- 80 2. Upon receipt of a mortgage commitment, Buyer will promptly deliver a copy of the commitment to Seller. 80
81 3. Seller has the option to terminate this Agreement in writing, after the mortgage commitment date if the mortgage commitment: 81
82 a. Is not valid until the date of settlement, OR 82
83 b. Is conditioned upon the **sale and settlement of any other property**, OR 83
84 c. Contains any other condition not specified in this Agreement that is not satisfied and/or removed in writing by the mortgage lender 84
85 within 7 DAYS after the **mortgage commitment date in paragraph 6 (C) (1).** 85

86 4. If this Agreement is terminated as specified in paragraphs 6 (C) (1) or (3), or the mortgage loan is not obtained for settlement, all deposit monies 86
87 paid on account of purchase price will be returned to Buyer. Buyer will be responsible for any premiums for mechanics' lien insurance and/or 87
88 title search, or fee for cancellation of same, if any; AND/OR any premiums for flood insurance, mine subsidence insurance and/or fire insur- 88
89 ance with extended coverage, or cancellation fee, if any; AND/OR any appraisal fees and charges paid in advance to the mortgage lender. 89

90 (D) If the mortgage lender requires repairs to the Property, Buyer will, upon receipt, deliver a copy of the mortgage lender's requirements to Seller. 90
91 Seller will, within 5 DAYS of receipt of the mortgage lender's requirements, notify Buyer whether Seller will make the required repairs 91
92 at Seller's expense. 92

- 93 1. If Seller chooses to make the required repairs, Buyer will accept the Property and agree to the RELEASE set forth in paragraph 25 of this 93
94 Agreement. 94
95 2. If Seller chooses not to make the required repairs, **or if Seller fails to respond within the time given**, Buyer will, within 5 DAYS, 95
96 notify Seller in writing of Buyer's choice to terminate this Agreement OR make the required repairs at Buyer's expense and with Seller's 96
97 permission, which will not be unreasonably withheld. If Seller denies Buyer permission to make the required repairs, Buyer may, within 97
98 5 DAYS of Seller's denial, terminate this Agreement, in which case all deposit monies paid on account of purchase price will be 98
99 returned promptly to Buyer and this Agreement will be VOID. 99

100 (E) **Seller Assist** 100

- 101 NOT APPLICABLE 101
102 APPLICABLE. Seller will pay: 102
103 \$ _____, maximum, toward Buyer's costs as permitted by the mortgage lender. 103
104 _____ 104

105 **FHA/VA, IF APPLICABLE** 105

106 (F) It is expressly agreed that notwithstanding any other provisions of this contract, Buyer will not be obligated to complete the purchase of the 106
107 Property described herein or to incur any penalty by forfeiture of earnest money deposits or otherwise unless Buyer has been given, in accor- 107
108 dance with HUD/FHA or VA requirements, a written statement by the Federal Housing Commissioner, Veterans Administration, or a Direct 108
109 Endorsement Lender setting forth the appraised value of the Property of not less than \$ _____ (the dollar amount to be 109
110 inserted is the sales price as stated in this Agreement). Buyer will have the privilege and option of proceeding with consummation of the con- 110
111 tract without regard to the amount of the appraised valuation. The appraised valuation is arrived at to determine the maximum mortgage the 111
112 Department of Housing and Urban Development will insure. HUD does not warrant the value nor the condition of the Property. Buyer should 112
113 satisfy himself/herself that the price and condition of the Property are acceptable. 113

114 **Warning:** Section 1010 of Title 18, U.S.C., Department of Housing and Urban Development and Federal Housing Administration 114
115 Transactions, provides, "Whoever for the purpose of . . . influencing in any way the action of such Department, makes, passes, utters or pub- 115
116 lishes any statement, knowing the same to be false . . . shall be fined under this title or imprisoned not more than two years, or both." 116

117 (G) **U.S. Department of Housing and Urban Development (HUD) NOTICE TO PURCHASERS: Buyer's Acknowledgement** 117

- 118 Buyer has received the HUD Notice "For Your Protection: Get a Home Inspection" (see Notices and Information on Property Condition 118
119 Inspections). Buyer understands the importance of getting an independent home inspection and has thought about this before signing this 119
120 Agreement. Buyer understands that FHA will not perform a home inspection nor guarantee the price or condition of the Property. 120

121 **Buyer's Initials** _____ **Date** _____ 121

122 (H) **Certification** We the undersigned, Seller(s) and Buyer(s) party to this transaction each certify that the terms of this contract for purchase are 122
123 true to the best of our knowledge and belief, and that any other agreement entered into by any of these parties in connection with this transac- 123
124 tion is attached to this Agreement. 124

125 **7. INSPECTIONS (1-02)** 125

126 (A) Seller agrees to permit inspections by authorized appraisers, reputable certifiers, insurer's representatives, surveyors, municipal officials and/or 126
127 Buyer as may be required by the mortgage lender, if any, or insuring agencies. Seller further agrees to permit any other inspections required by 127
128 or provided for in the terms of this Agreement. Buyer has the right to attend all inspections. 128

129 (B) Buyer reserves the right to make a pre-settlement walk-through inspection of the Property. Buyer's right to make this inspection is not waived 129
130 by any other provision of this Agreement. 130

131 (C) Seller will have heating and all utilities (including fuel(s)) on for the inspections. 131

132 (D) All inspectors, including home inspectors, are authorized by Buyer to provide a copy of any reports to Broker for Buyer. 132

133 **8. PROPERTY INSPECTION CONTINGENCY (1-02)** 133

134 Other provisions of this Agreement may provide for inspections and/or certifications that are not waived or altered by Buyer's election here. 134

- 135 WAIVED. Buyer understands that Buyer has the option to request inspections of the Property (see Property Inspection Notices and 135
136 Environmental Notices). BUYER WAIVES THIS OPTION and agrees to the RELEASE set forth in paragraph 25 of this Agreement. 136

137 ELECTED 137

138 (A) Within _____ DAYS (15 days if not specified) of the execution of this Agreement, Buyer, at Buyer's expense, may choose to have inspec- 138
139 tions and/or certifications completed by licensed or otherwise qualified professionals (see Property Inspection Notices and Environmental 139
140 Notices). This contingency does not apply to the following existing conditions and/or items: _____ 140
141 _____ 141

142 (B) Should Buyer elect to have a home inspection of the Property, as defined in the Pennsylvania Home Inspection Law, (see Information Regarding 142
143 the Home Inspection Law) such home inspection shall be performed by a full member in good standing of a national home inspection associ- 143
144 ation, or by a person supervised by a full member of a national home inspection association, in accordance with the ethical standards and code 144
145 of conduct or practice of that association. 145

147 (C) If Buyer is not satisfied with the condition of the Property as stated in any written report, Buyer will: 147

148 **Option 1. Within the time given for completing inspections:** 148

149 1. Accept the Property with the information stated in the report(s) and agree to the RELEASE set forth in paragraph 25 of this Agreement, OR 149

150 2. Terminate this Agreement in writing by notice to Seller, in which case all deposit monies paid on account of purchase price will be returned 150

151 promptly to Buyer and this Agreement will be VOID, OR 151

152 3. Enter into a mutually acceptable written agreement with Seller providing for any repairs or improvements to the Property and/or any credit 152

153 to Buyer at settlement, as may be acceptable to the mortgage lender, if any. 153

154 Should efforts to reach a mutually acceptable agreement fail, Buyer must choose to accept the Property or terminate this Agreement **within** 154

155 **the time given for completing inspections** and according to the provisions in paragraph 8(C) (Option 1) 1 and 2. 155

156 **Option 2. Within the time given for completing inspections:** 156

157 1. Accept the Property with the information stated in the report(s) and agree to the RELEASE set forth in paragraph 25 of this Agreement, 157

158 UNLESS the total cost to correct the conditions contained in the report(s) is more than \$ _____ . 158

159 2. If the total cost to correct the conditions contained in the report(s) EXCEEDS the amount specified in paragraph 8(C) (Option 2) 1, 159

160 **Buyer will deliver the report(s) to Seller within the time given for inspection.** 160

161 a. Seller will, within 7 DAYS of receiving the report(s), inform Buyer in writing of Seller's choice to: 161

162 (1) Make repairs before settlement so that the remaining cost to repair conditions contained in the report(s) is less than or equal to 162

163 the amount specified in paragraph 8 (C) (Option 2) 1. 163

164 (2) Credit Buyer at settlement for the difference between the estimated cost of repairing the conditions contained in the report(s) 164

165 and the amount specified in paragraph 8 (C) (Option 2) 1. This option must be acceptable to the mortgage lender, if any. 165

166 (3) Not make repairs and not credit Buyer at settlement for any costs to repair conditions contained in the report(s). 166

167 b. If Seller chooses to make repairs or credit Buyer at settlement as specified in paragraph 8 (C) (Option 2) 2, Buyer will accept the 167

168 Property and agree to the RELEASE set forth in paragraph 25 of this Agreement. 168

169 c. If Seller chooses not to make repairs and not to credit Buyer at settlement, or **if Seller fails to choose any option within the time** 169

170 **given**, Buyer will, within 5 DAYS: 170

171 (1) Accept the Property with the information stated in the report(s) and agree to the RELEASE set forth in paragraph 25 of this 171

172 Agreement, OR 172

173 (2) Terminate this Agreement in writing by notice to Seller, in which case all deposit monies paid on account of purchase price will 173

174 be returned promptly to Buyer and this Agreement will be VOID. 174

175 **9. WOOD INFESTATION INSPECTION CONTINGENCY (1-02)** 175

176 WAIVED. Buyer understands that Buyer has the option to request that the Property be inspected for wood infestation by a certified Pest Control 176

177 Operator. BUYER WAIVES THIS OPTION and agrees to the RELEASE set forth in paragraph 25 of this Agreement. 177

178 ELECTED 178

179 (A) Within _____ DAYS (15 days if not specified) of the execution of this Agreement, Buyer, at Buyer's expense, will obtain a written "Wood- 179

180 Destroying Insect Infestation Inspection Report" from a certified Pest Control Operator and will deliver it and all supporting documents and 180

181 drawings provided by the Pest Control Operator to Seller. The report is to be made satisfactory to and in compliance with applicable laws, mort- 181

182 gage lenders, and/or Federal Insuring and Guaranteeing Agency requirements, if any. The inspection will include all readily visible and 182

183 accessible areas of all structures on the Property except the following structures, which will not be inspected: _____ 183

184 _____ 184

185 (B) If the inspection reveals evidence of active infestation(s), Seller agrees, at Seller's expense and before settlement, to treat for active infesta- 185

186 tion(s), in accordance with applicable laws. 186

187 (C) If the inspection reveals damage from active infestation(s) or previous infestation(s), Buyer, at Buyer's expense, has the option to obtain a writ- 187

188 ten report by a professional contractor, home inspection service, or structural engineer that is limited to structural damage to the Property caused 188

189 by wood-destroying organisms and a proposal to repair the damage. Buyer will deliver the structural damage report and corrective proposal to 189

190 Seller within 7 DAYS of delivering the original inspection report. 190

191 (D) Within 5 DAYS of receiving the structural damage report and corrective proposal, Seller will advise Buyer whether Seller will repair, at 191

192 Seller's expense and before settlement, any structural damage from active or previous infestation(s). 192

193 (E) If Seller chooses to repair structural damage revealed by the report, Buyer agrees to accept the Property as repaired and agrees to the RELEASE 193

194 set forth in paragraph 25 of this Agreement. 194

195 (F) If Seller chooses not to repair structural damage revealed by the report or **fails to respond within the time given**, Buyer, within 5 DAYS, 195

196 will notify Seller in writing of Buyer's choice to: 196

197 1. Accept the Property with the defects revealed by the inspection, without abatement of price, and agree to the RELEASE set forth in para- 197

198 graph 25 of this Agreement, OR 198

199 2. Make the repairs before settlement, if required by the mortgage lender, if any, at Buyer's expense and with Seller's permission, which will 199

200 not be unreasonably withheld, in which case Buyer accepts the Property and agrees to the RELEASE set forth in paragraph 25 of this 200

201 Agreement. If Seller denies Buyer permission to make the repairs, Buyer may, within 5 DAYS of Seller's denial, terminate this 201

202 Agreement in writing, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this 202

203 Agreement will be VOID, OR 203

204 3. Terminate this Agreement, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and 204

205 this Agreement will be VOID. 205

206 **10. RESIDENTIAL LEAD-BASED PAINT HAZARD REDUCTION ACT NOTICE REQUIRED FOR PROPERTIES** 206

207 **BUILT BEFORE 1978 (1-02)** 207

208 NOT APPLICABLE 208

209 APPLICABLE 209

210 (A) **Seller represents that** Seller has no knowledge concerning the presence of lead-based paint and/or lead-based paint hazards in or about the 210

211 Property, unless checked below. 211

212 Seller has knowledge of the presence of lead-based paint and/or lead-based paint hazards in or about the Property. (Provide the basis for 212

213 determining that lead-based paint and/or hazards exist, the location(s), the condition of the painted surfaces, and other available informa- 213

214 tion concerning Seller's knowledge of the presence of lead-based paint and/or lead-based paint hazards.) _____ 214

215 _____ 215

216 (B) **Records/Reports:** Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in or about the Property, 216

217 unless checked below. 217

218 Seller has provided Buyer with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in or about 218

219 the Property. (List documents) _____ 219

220 _____ 220

221 (C) **Buyer's Acknowledgement:** Buyer has received the pamphlet *Protect Your Family from Lead in Your Home* and has read the Lead Warning 221

222 Statement contained in this Agreement (see Environmental Notices). Buyer has reviewed Seller's disclosure of known lead-based paint and/or 222

223 lead-based paint hazards, as identified in paragraph 10(A) and has received the records and reports pertaining to lead-based paint and/or lead- 223

224 based paint hazards identified in paragraph 10(B). 224

225 **Buyer's Initials** _____ **Date** _____ 225

226 (D) **RISK ASSESSMENT/INSPECTION:** Buyer acknowledges that before Buyer is obligated to buy a residential dwelling built before 1978, Buyer 226

227 has 10 DAYS to conduct a risk assessment or inspection of the Property for the presence of lead-based paint and/or lead-based paint hazards. 227

228 WAIVED. Buyer understands that Buyer has the right to conduct a risk assessment or inspection of the Property to determine the presence of 228

229 lead-based paint and/or lead-based paint hazards. BUYER WAIVES THIS RIGHT and agrees to the RELEASE set forth in paragraph 25 of 229

230 this Agreement. 230

231 ELECTED 231

232 1. Buyer, at Buyer's expense, chooses to obtain a risk assessment and/or inspection of the Property for lead-based paint and/or lead-based 232

233 paint hazards. The risk assessment and/or inspection will be completed within 10 DAYS of the execution of this Agreement. 233

234 **Buyer Initials:** _____ **A/S-2K Page 3 of 8** **Seller Initials:** _____ 234

- 235 2. **Within the time set forth above for obtaining the risk assessment and/or inspection of the Property for lead-based paint and/or** 235
- 236 **lead-based paint hazards, Buyer may deliver to Seller** a written list of the specific hazardous conditions cited in the report and those 236
- 237 corrections requested by Buyer, along with a copy of the risk assessment and/or inspection report. 237
- 238 3. Seller may, within 7 DAYS of receiving the list and report(s), submit a written corrective proposal to Buyer. The corrective proposal 238
- 239 will include, but not be limited to, the name of the remediation company and a projected completion date for corrective measures. Seller 239
- 240 will provide certification from a risk assessor or inspector that corrective measures have been satisfactorily completed on or before the 240
- 241 projected completion date. 241
- 242 4. Upon receiving the corrective proposal, Buyer, within 5 DAYS, will: 242
- 243 a. Accept the corrective proposal and the Property in writing, and agree to the RELEASE set forth in paragraph 25 of this Agreement, OR 243
- 244 b. Terminate this Agreement in writing, in which case all deposit monies paid on account of purchase price will be returned promptly 244
- 245 to Buyer and this Agreement will be VOID. 245
- 246 5. **Should Seller fail to submit a written corrective proposal within the time set forth** in paragraph 10(D)3 of this Agreement, Buyer, 246
- 247 within 5 DAYS, will: 247
- 248 a. Accept the Property in writing, and agree to the RELEASE set forth in paragraph 25 of this Agreement, OR 248
- 249 b. Terminate this Agreement in writing, in which case all deposit monies paid on account of purchase price will be returned promptly 249
- 250 to Buyer and this Agreement will be VOID. 250
- 251 6. **Buyer's failure to exercise any of Buyer's options within the time limits specified in this paragraph will constitute a WAIVER of** 251
- 252 **this contingency and Buyer accepts the Property and agrees to the RELEASE set forth in paragraph 25 of this Agreement.** 252

253 (E) **Certification:** By signing this Agreement, Buyer and Seller certify the accuracy of their respective statements, to the best of their knowledge. 253

254 **11. STATUS OF RADON (1-02)** 254

255 (A) **Seller represents that Seller has no knowledge concerning the presence or absence of radon unless checked below.** 255

- 256 1. Seller has knowledge that the Property was tested on the dates, by the methods (e.g., charcoal canister, alpha track, etc.), and with 256
- 257 the results of all tests indicated below: 257
- 258 DATE TYPE OF TEST RESULTS (picocuries/liter or working levels) 258
- 259 _____ 259
- 260 _____ 260
- 261 COPIES OF ALL AVAILABLE TEST REPORTS will be delivered to Buyer with this Agreement. SELLER DOES NOT WAR- 261
- 262 RANT EITHER THE METHODS OR RESULTS OF THE TESTS. 262
- 263 2. Seller has knowledge that the Property underwent radon reduction measures on the date(s) and by the method(s) indicated below: 263
- 264 DATE RADON REDUCTION METHOD 264
- 265 _____ 265
- 266 _____ 266

267 (B) **RADON INSPECTION CONTINGENCY** 267

268 **WAIVED.** Buyer understands that Buyer has the option to request that the Property be inspected for radon by a certified inspector (see Environ- 268

269 mental Notices: Radon). BUYER WAIVES THIS OPTION and agrees to the RELEASE set forth in paragraph 25 of this Agreement. 269

270 **ELECTED.** Buyer, at Buyer's expense, has the option to obtain, from a certified inspector, a radon test of the Property, and will deliver a copy 270

271 of the test report to Seller within _____ DAYS (15 days if not specified) of the execution of this Agreement. (See Environmental Notices: 271

272 Radon) 272

273 1. If the test report reveals the presence of radon below 0.02 working levels (4 picocuries/liter), Buyer accepts the Property and agrees to the 273

274 RELEASE set forth in paragraph 25 of this Agreement. 274

275 2. If the test report reveals the presence of radon at or exceeding 0.02 working levels (4 picocuries/liter), Buyer will, within 7 DAYS 275

276 of receipt of the test results: 276

277 **Option 1** 277

278 a. Accept the Property in writing and agree to the RELEASE set forth in paragraph 25 of this Agreement, OR 278

279 b. Terminate this Agreement in writing, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer 279

280 and this Agreement will be VOID, OR 280

281 c. Submit a written, corrective proposal to Seller. The corrective proposal will include, but not be limited to, the name of the certified miti- 281

282 gation company; provisions for payment, including retests; and a projected completion date for corrective measures. 282

283 (1) Within 5 DAYS of receiving the corrective proposal, Seller will: 283

284 (a) Agree to the terms of the corrective proposal in writing, in which case Buyer accepts the Property and agrees to the 284

285 RELEASE set forth in paragraph 25 of this Agreement, OR 285

286 (b) Not agree to the terms of the corrective proposal. 286

287 (2) Should Seller not agree to the terms of the corrective proposal or if Seller **fails to respond within the time given**, Buyer will, within 287

288 5 DAYS, elect to: 288

289 (a) Accept the Property in writing and agree to the RELEASE set forth in paragraph 25 of this Agreement, OR 289

290 (b) Terminate this Agreement in writing, in which case all deposit monies paid on account of purchase price will be returned 290

291 promptly to Buyer and this Agreement will be VOID. 291

292 **Option 2** 292

293 a. Accept the Property in writing and agree to the RELEASE set forth in paragraph 25 of this Agreement, OR 293

294 b. Submit a written, corrective proposal to Seller. The corrective proposal will include, but not be limited to, the name of the certified miti- 294

295 gation company; provisions for payment, including retests; and a projected completion date for corrective measures. Seller will pay a max- 295

296 imum of \$ _____ toward the total cost of remediation and retests, which will be completed by settlement. 296

297 (1) If the total cost of remediation and retests EXCEEDS the amount specified in paragraph 11(B) (Option 2) b, Seller will, within 297

298 5 DAYS of receipt of the cost of remediation, notify Buyer in writing of Seller's choice to: 298

299 (a) Pay for the total cost of remediation and retests, in which case Buyer accepts the Property and agrees to the RELEASE set forth 299

300 in paragraph 25 of this Agreement, OR 300

301 (b) Contribute toward the total cost of remediation and retests only the amount specified in paragraph 11(B) (Option 2) b. 301

302 (2) If Seller chooses not to pay for the total cost of remediation and retests, or if Seller **fails to choose either option within the time** 302

303 **given**, Buyer will, within 5 DAYS, notify Seller in writing of Buyer's choice to: 303

304 (a) Pay the difference between Seller's contribution to remediation and retests and the actual cost thereof, in which case 304

305 Buyer accepts the Property and agrees to the RELEASE set forth in paragraph 25 of this Agreement, OR 305

306 (b) Terminate this Agreement, in which case all deposit monies paid on account of purchase price will be returned promptly 306

307 to Buyer and this Agreement will be VOID. 307

308 **12. STATUS OF WATER (1-02)** 308

309 (A) Seller represents that the Property is served by: 309

310 Public Water 310

311 On-site Water 311

312 Community Water 312

313 None 313

314 _____ 314

315 (B) **WATER SERVICE INSPECTION CONTINGENCY** 315

316 **WAIVED.** Buyer acknowledges that Buyer has the option to request an inspection of the water service for the Property. BUYER WAIVES 316

317 THIS OPTION and agrees to the RELEASE set forth in paragraph 25 of this Agreement. 317

318 **ELECTED** 318

319 1. Buyer has the option, within _____ DAYS (15 days if not specified) of the execution of this Agreement and at Buyer's expense, to deliver 319

320 to Seller a written inspection report by a qualified, professional water testing company of the quality and/or quantity of the water service. 320

321 321

322 **Buyer Initials:** _____ **A/S-2K Page 4 of 8** **Seller Initials:** _____ 322

- 323 2. Seller agrees to locate and provide access to the on-site (or individual) water system, if applicable, at Seller's expense, if required by the 323
- 324 inspection company. Seller also agrees to restore the Property, at Seller's expense, prior to settlement. 324
- 325 3. If the report reveals that the water service does not meet the minimum standards of any applicable governmental authority and/or fails to 325
- 326 satisfy the requirements for quality and/or quantity set by the mortgage lender, if any, then Seller will, within 7 DAYS of receipt of 326
- 327 the report, notify Buyer in writing of Seller's choice to: 327
- 328 a. Upgrade the water service to the minimum acceptable levels, before settlement, in which case Buyer accepts the Property and agrees 328
- 329 to the RELEASE set forth in paragraph 25 of this Agreement, OR 329
- 330 b. Not upgrade the water service. 330
- 331 4. If Seller chooses not to upgrade the service to minimum acceptable levels, or **fails to respond within the time given**, Buyer will, within 331
- 332 5 DAYS, either: 332
- 333 a. Accept the Property and the water service and, if required by the mortgage lender, if any, and/or any governmental authority, upgrade 333
- 334 the water service before settlement or within the time required by the mortgage lender, if any, and/or any governmental authority, at 334
- 335 Buyer's expense and with Seller's permission, which will not be unreasonably withheld, and agree to the RELEASE set forth in para- 335
- 336 graph 25 of this Agreement. If Seller denies Buyer permission to upgrade the water service, Buyer may, within 5 DAYS of 336
- 337 Seller's denial, terminate this Agreement in writing, in which case all deposit monies paid on account of purchase price will be 337
- 338 returned promptly to Buyer and this Agreement will be VOID, OR 338
- 339 b. Terminate this Agreement in writing, in which case all deposit monies paid on account of purchase price will be returned promptly 339
- 340 to Buyer and this Agreement will be VOID. 340

341 **13. STATUS OF SEWER (1-02)** 341

342 (A) Seller represents that the Property is served by: 342

- 343 Public Sewer 343
- 344 Individual On-lot Sewage Disposal System (See Sewage Notice 1) 344
- 345 Individual On-lot Sewage Disposal System in Proximity to Well (See Sewage Notice 1; see Sewage Notice 4, if applicable) 345
- 346 Community Sewage Disposal System 346
- 347 Ten-acre Permit Exemption (See Sewage Notice 2) 347
- 348 Holding Tank (See Sewage Notice 3) 348
- 349 None (See Sewage Notice 1) 349
- 350 None Available/Permit Limitations in Effect (See Sewage Notice 5) 350
- 351 _____ 351

352 (B) **INDIVIDUAL ON-LOT SEWAGE DISPOSAL INSPECTION CONTINGENCY** 352

- 353 WAIVED. Buyer acknowledges that Buyer has the option to request an individual on-lot sewage disposal inspection of the Property. BUYER 353
- 354 WAIVES THIS OPTION and agrees to the RELEASE set forth in paragraph 25 of this Agreement. 354
- 355 ELECTED 355
- 356 1. Buyer has the option, within _____ DAYS (15 days if not specified) of the execution of this Agreement and at Buyer's expense, to 356
- 357 deliver to Seller a written inspection report by a qualified, professional inspector of the individual on-lot sewage disposal system. 357
- 358 2. Seller, at Seller's expense, agrees, if and as required by the inspection company, to locate, provide access to and empty the individual on- 358
- 359 lot sewage disposal system. Seller also agrees to restore the Property, at Seller's expense, prior to settlement. 359
- 360 3. If the report reveals defects that do not require expansion or replacement of the existing sewage disposal system, Seller will, within 360
- 361 7 DAYS of receipt of the report, notify Buyer in writing of Seller's choice to: 361
- 362 a. Correct the defects before settlement, including retests, at Seller's expense, in which case Buyer accepts the Property and agrees to 362
- 363 the RELEASE set forth in paragraph 25 of this Agreement, OR 363
- 364 b. Not correct the defects. 364
- 365 4. If Seller chooses not to correct the defects, or if Seller **fails to respond within the time given**, Buyer will, within 5 DAYS, either: 365
- 366 a. Accept the Property and the system and, if required by the mortgage lender, if any, and/or any governmental authority, correct the 366
- 367 defects before settlement or within the time required by the mortgage lender, if any, and/or any governmental authority, at Buyer's 367
- 368 sole expense and with Seller's permission, which will not be unreasonably withheld, and agree to the RELEASE set forth in para- 368
- 369 graph 25 of this Agreement. If Seller denies Buyer permission to correct the defects, Buyer may, within 5 DAYS of Seller's 369
- 370 denial, terminate this Agreement in writing, in which case all deposit monies paid on account of purchase price will be returned 370
- 371 promptly to Buyer and this Agreement will be VOID, OR 371
- 372 b. Terminate this Agreement in writing, in which case all deposit monies paid on account of purchase price will be returned 372
- 373 promptly to Buyer and this Agreement will be VOID. 373
- 374 5. If the report reveals the need to expand or replace the existing individual on-lot sewage disposal system, Seller may, within 25 DAYS 374
- 375 of receipt of the report, submit a corrective proposal to Buyer. The corrective proposal will include, but not be limited to, the name of the 375
- 376 remediation company; provisions for payment, including retests; and a projected completion date for corrective measures. Within 376
- 377 5 DAYS of receiving Seller's corrective proposal, or if **no corrective proposal is received within the time given**, Buyer will: 377
- 378 a. Agree to the terms of the corrective proposal, if any, in writing, in which case Buyer accepts the Property and agrees to the RELEASE 378
- 379 set forth in paragraph 25 of this Agreement, OR 379
- 380 b. Accept the Property and the system and, if required by the mortgage lender, if any, and/or any governmental authority, correct the 380
- 381 defects before settlement or within the time required by the mortgage lender, if any, and/or any governmental authority, at Buyer's 381
- 382 sole expense and with Seller's permission, which will not be unreasonably withheld, and agree to the RELEASE set forth in para- 382
- 383 graph 25 of this Agreement. If Seller denies Buyer permission to correct the defects, Buyer may, within 5 DAYS of Seller's 383
- 384 denial, terminate this Agreement in writing, in which case all deposit monies paid on account of purchase price will be returned 384
- 385 promptly to Buyer and this Agreement will be VOID, OR 385
- 386 c. Terminate this Agreement in writing, in which case all deposit monies paid on account of purchase price will be returned promptly 386
- 387 to Buyer and this Agreement will be VOID. 387

388 **14. NOTICES, ASSESSMENTS & CERTIFICATES OF OCCUPANCY (1-02)** 388

389 (A) Seller represents, as of Seller's execution of this Agreement, that no public improvement, condominium or homeowner association assessments 389

390 have been made against the Property which remain unpaid, and that no notice by any government or public authority has been served upon 390

391 Seller or anyone on Seller's behalf, including notices relating to violations of zoning, housing, building, safety or fire ordinances which remain 391

392 uncorrected, and that Seller knows of no condition that would constitute violation of any such ordinances which remains uncorrected, unless 392

393 otherwise specified here: _____ 393

394 _____ 394

395 (B) Seller knows of no other potential notices (including violations) and assessments except as follows: _____ 395

396 _____ 396

397 (C) In the event any notices (including violations) and assessments are received after execution of this Agreement and before settlement, Seller will 397

398 notify Buyer in writing, within 5 DAYS of receiving the notice or assessment, that Seller will: 398

- 399 1. Comply with notices and assessments at Seller's expense, in which case Buyer accepts the Property and agrees to the RELEASE set forth 399
- 400 in paragraph 25 of this Agreement, OR 400
- 401 2. Not comply with notices and assessments at Seller's expense. 401
- 402 3. If Seller chooses not to comply with notices and assessments, or **fails within the time given to notify Buyer if Seller will comply**, Buyer 402
- 403 will notify Seller within 5 DAYS in writing that Buyer will either: 403
- 404 a. Comply with notices and assessments at Buyer's expense and agree to the RELEASE set forth in paragraph 25 of this Agreement, OR 404
- 405 b. Terminate this Agreement, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer 405
- 406 and this Agreement will be VOID. 406

407 **If Buyer fails to notify Seller within the time given, Buyer accepts the Property and agrees to the RELEASE set forth in para-** 407

408 **graph 25 of this Agreement.** 408

409 (D) Buyer is advised that access to a public road may require issuance of a highway occupancy permit from the Department of Transportation. 409

(E) If required by law, within 15 DAYS of the execution of this Agreement Seller will order for delivery to Buyer, on or before settlement:

1. A certification from the appropriate municipal department or departments disclosing notice of any uncorrected violations of zoning, housing, building, safety or fire ordinances, AND/OR
2. A certificate permitting occupancy of the Property. In the event repairs/improvements are required for the issuance of the certificate, Seller will, within 5 DAYS of Seller's receipt of the requirements, notify Buyer of the requirements and whether Seller will make the required repairs/improvements at Seller's expense.

If Seller chooses to make the required repairs/improvements, Buyer agrees to accept the Property as repaired and agrees to the RELEASE set forth in paragraph 25 of this Agreement. If Seller chooses not to make the required repairs/improvements, Buyer will, within 5 DAYS, notify Seller in writing of Buyer's choice to terminate this Agreement OR make the repairs/improvements at Buyer's expense and with Seller's permission, which will not be unreasonably withheld. If Seller denies Buyer permission to make the required repairs or **if Seller fails to respond within the time given**, Buyer may, within 5 DAYS, terminate this Agreement in writing, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.

15. TITLE, SURVEYS & COSTS (1-02)

- (A) The Property is to be conveyed free and clear of all liens, encumbrances, and easements, EXCEPTING HOWEVER the following: existing deed restrictions, historic preservation restrictions or ordinances, building restrictions, ordinances, easements of roads, easements visible upon the ground, easements of record, privileges or rights of public service companies, if any; otherwise the title to the above described real estate will be good and marketable and such as will be insured by a reputable Title Insurance Company at the regular rates.
- (B) Buyer will pay for the following: (1) Title search, title insurance and/or mechanics lien insurance, or fee for cancellation of same, if any; (2) Flood insurance, fire insurance with extended coverage, mine subsidence insurance, or fee for cancellation of same, if any; (3) Appraisal fees and charges paid in advance to mortgage lender, if any; (4) Buyer's customary settlement costs and accruals.
- (C) Any survey or surveys which may be required by the Title Insurance Company or the abstracting attorney for the preparation of an adequate legal description of the Property (or the correction thereof) will be secured and paid for by Seller. Any survey or surveys desired by Buyer or required by the mortgage lender will be secured and paid for by Buyer.
- (D) In the event Seller is unable to give a good and marketable title and such as will be insured by a reputable Title Company at the regular rates, as specified in paragraph 15(A), Buyer will have the option of: (1) taking such title as Seller can give with no change to the purchase price; or (2) being repaid all monies paid by Buyer to Seller on account of purchase price and being reimbursed by Seller for any costs incurred by Buyer for any inspections or certifications obtained according to the terms of the Agreement, and for those items specified in paragraph 15(B) items (1), (2), (3) and in paragraph 15(C), in which case there will be no further liability or obligation on either of the parties hereto and this Agreement will become VOID.

16. ZONING CLASSIFICATION (1-02)

Failure of this Agreement to contain the zoning classification (except in cases where the property {and each parcel thereof, if subdividable} is zoned solely or primarily to permit single-family dwellings) will render this Agreement voidable at the option of the Buyer, and, if voided, any deposits tendered by the Buyer will be returned to the Buyer without any requirement for court action.

Zoning Classification: _____

ELECTED. Within 15 DAYS of the execution of this Agreement, Buyer will verify that the existing use of the Property as _____ is permitted. In the event the use is not permitted, **Buyer will, within the time given for verification**, notify Seller in writing that the existing use of the Property is not permitted and this Agreement will be VOID, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer. **Buyer's failure to respond within the time given will constitute a WAIVER of this contingency and all other terms of this Agreement remain in full force and effect.**

17. COAL NOTICE

NOT APPLICABLE

APPLICABLE

THIS DOCUMENT MAY NOT SELL, CONVEY, TRANSFER, INCLUDE OR INSURE THE TITLE TO THE COAL AND RIGHTS OF SUPPORT UNDERNEATH THE SURFACE LAND DESCRIBED OR REFERRED TO HEREIN, AND THE OWNER OR OWNERS OF SUCH COAL MAY HAVE THE COMPLETE LEGAL RIGHT TO REMOVE ALL SUCH COAL AND IN THAT CONNECTION, DAMAGE MAY RESULT TO THE SURFACE OF THE LAND AND ANY HOUSE, BUILDING OR OTHER STRUCTURE ON OR IN SUCH LAND. (This notice is set forth in the manner provided in Section 1 of the Act of July 17, 1957, P.L. 984.) "Buyer acknowledges that he may not be obtaining the right of protection against subsidence resulting from coal mining operations, and that the property described herein may be protected from damage due to mine subsidence by a private contract with the owners of the economic interests in the coal. This acknowledgement is made for the purpose of complying with the provisions of Section 14 of the Bituminous Mine Subsidence and the Land Conservation Act of April 27, 1966." Buyer agrees to sign the deed from Seller which deed will contain the aforesaid provision.

18. POSSESSION (1-02)

(A) Possession is to be delivered by deed, keys and:

1. Physical possession to vacant Property free of debris, with all structures broom-clean, at day and time of settlement, AND/OR
2. Assignment of existing lease(s), together with any security deposits and interest, at time of settlement, if Property is leased at the execution of this Agreement or unless otherwise specified herein. Buyer will acknowledge existing lease(s) by initialing said lease(s) at time of execution of this Agreement.

(B) Seller will not enter into any new leases, written extension of existing leases, if any, or additional leases for the Property without the written consent of Buyer.

19. RECORDING (3-85) This Agreement will not be recorded in the Office for the Recording of Deeds or in any other office or place of public record and if Buyer causes or permits this Agreement to be recorded, Seller may elect to treat such act as a breach of this Agreement.

20. ASSIGNMENT (3-85) This Agreement will be binding upon the parties, their respective heirs, personal representatives, guardians and successors, and to the extent assignable, on the assigns of the parties hereto, it being expressly understood, however, that Buyer will not transfer or assign this Agreement without the written consent of Seller.

21. DEPOSIT & RECOVERY FUND (1-02)

(A) Deposits paid by Buyer within 30 DAYS of settlement will be by cash, cashier's or certified check. Deposits, regardless of the form of payment and the person designated as payee, will be paid in U.S. Dollars to Broker or party identified in paragraph 3(B), who will retain them in an escrow account until consummation or termination of this Agreement in conformity with all applicable laws and regulations. Any uncashed check tendered as deposit monies may be held pending the acceptance of this offer.

(B) Upon termination of this Agreement, the Broker holding the deposit monies will release the deposit monies in accordance with the terms of a fully executed written agreement between Buyer and Seller.

(C) In the event of a dispute over entitlement to deposit monies, a broker holding the deposit monies is required by the Rules and Regulations of the State Real Estate Commission (49 Pa. Code §35.327) to retain the monies in escrow until the dispute is resolved. In the event of litigation for the return of deposit monies, a broker will distribute the monies as directed by a final order of court or the written Agreement of the parties. Buyer and Seller agree that, in the event any broker or affiliated licensee is joined in litigation for the return of deposit monies, the attorneys' fees and costs of the broker(s) and licensee(s) will be paid by the party joining them.

(D) A Real Estate Recovery Fund exists to reimburse any persons who have obtained a final civil judgment against a Pennsylvania real estate licensee owing to fraud, misrepresentation, or deceit in a real estate transaction and who have been unable to collect the judgment after exhausting all legal and equitable remedies. For complete details about the Fund, call (717) 783-3658, or (800) 822-2113 (within Pennsylvania) and (717) 783-4854 (outside Pennsylvania).

22. CONDOMINIUM/PLANNED COMMUNITY (HOMEOWNER ASSOCIATION) RESALE NOTICE (1-02)

NOT APPLICABLE

APPLICABLE: CONDOMINIUM. Buyer acknowledges that the Property is a unit of a condominium that is primarily run by a unit owners' association. §3407 of the Uniform Condominium Act of Pennsylvania requires Seller to furnish Buyer with a Certificate of Resale and copies of the condominium declaration (other than plats and plans), the bylaws, and the rules and regulations of the association.

APPLICABLE: PLANNED COMMUNITY (HOMEOWNER ASSOCIATION). Buyer acknowledges that the Property is part of a planned community as defined by the Uniform Planned Community Act. (See Definition of Planned Community Notice). §5407(a) of the Act requires Seller to furnish Buyer with a copy of the Declaration (other than plats and plans), the bylaws, the rules and regulations of the association, and a Certificate containing the provisions set forth in §5407(a) of the Act.

Buyer Initials: _____ A/S-2K Page 6 of 8 Seller Initials: _____

499 **THE FOLLOWING APPLIES TO PROPERTIES THAT ARE PART OF A CONDOMINIUM OR A PLANNED COMMUNITY.** 499

500 (A) Within 15 DAYS of the execution of this Agreement, Seller will submit a request to the association for a Certificate of Resale and the doc- 500
501 uments necessary to enable Seller to comply with the Act. The Act provides that the association is required to provide these documents within 501
502 10 days of Seller's request. 502

503 (B) Seller will promptly deliver to Buyer all documents received from the association. Under the Act, Seller is not liable to Buyer for the failure or 503
504 delay of the association to provide the Certificate in a timely manner, nor is Seller liable to Buyer for any erroneous information provided by 504
505 the association and included in the Certificate. 505

506 (C) Buyer may declare this Agreement VOID at any time before Buyer's receipt of the association documents and for 5 days thereafter, OR until 506
507 settlement, whichever occurs first. Buyer's notice declaring this Agreement void must be in writing; thereafter all deposit monies will be 507
508 returned to Buyer. 508

509 (D) In the event the association has the right to buy the Property (right of first refusal), and the association exercises that right, Seller will reimburse 509
510 Buyer for all monies paid by Buyer on account of purchase price and for any costs incurred by Buyer for: (1) Title search, title insurance and/or 510
511 mechanics lien insurance, or fee for cancellation of same, if any; (2) Flood insurance and/or fire insurance with extended coverage, mine sub- 511
512 sidence insurance, or fee for cancellation of same, if any; (3) Appraisal fees and charges paid in advance to mortgage lender, if any. 512

513 **23. MAINTENANCE & RISK OF LOSS (1-02)** 513

514 (A) Seller will maintain the Property, grounds, fixtures, and any personal property specifically scheduled herein in its present condition, normal 514
515 wear and tear excepted. 515

516 (B) In the event any system or appliance included in the sale of the Property fails and Seller does not repair or replace the item, Seller will promptly 516
517 notify Buyer in writing of Seller's choice to: 517

518 1. Repair or replace the failed system or appliance before settlement or credit Buyer at settlement for the fair market value of the failed sys- 518
519 tem or appliance (this option must be acceptable to the mortgage lender, if any). In each case, Buyer accepts the Property and agrees to 519
520 the RELEASE set forth in paragraph 25 of this Agreement, OR 520

521 2. Not repair or replace the failed system or appliance, and not credit Buyer at settlement for the fair market value of the failed system or 521
522 appliance. If Seller does not repair, replace or offer a credit for the failed system or appliance, **or if Seller fails to notify Buyer** 522
523 **of Seller's choice**, Buyer will notify Seller in writing within 5 DAYS or before settlement, whichever is sooner, that Buyer 523
524 will: 524

525 a. Accept the Property and agree to the RELEASE set forth in paragraph 25 of this Agreement, OR 525

526 b. Terminate this Agreement, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer 526
527 and this Agreement will be VOID. 527

528 (C) Seller will bear risk of loss from fire or other casualties until time of settlement. In the event of damage by fire or other casualties to any prop- 528
529 erty included in this sale that is not repaired or replaced prior to settlement, Buyer will have the option of rescinding this Agreement and 529
530 promptly receiving all monies paid on account of purchase price or of accepting the Property in its then condition together with the proceeds 530
531 of any insurance recovery obtainable by Seller. Buyer is hereby notified that Buyer may insure Buyer's equitable interest in this Property as of 531
532 the time of execution of this Agreement. 532

533 **24. WAIVER OF CONTINGENCIES (1-02)** 533

534 If this Agreement is contingent on Buyer's right to inspect and/or repair the Property, **Buyer's failure to exercise any of Buyer's options within** 534
535 **the time limits set forth in this Agreement will constitute a WAIVER of that contingency and Buyer accepts the Property and agrees to the** 535
536 **RELEASE set forth in paragraph 25 of this Agreement.** 536

537 **25. RELEASE (1-02)** 537

538 **Buyer hereby releases, quit claims and forever discharges SELLER, ALL BROKERS, their LICENSEES, EMPLOYEES, and any OFFI-** 538
539 **CER or PARTNER of any one of them and any other PERSON, FIRM, or CORPORATION who may be liable by or through them, from** 539
540 **any and all claims, losses or demands, including, but not limited to, personal injuries and property damage and all of the consequences there-** 540
541 **of, whether now known or not, which may arise from the presence of termites or other wood-boring insects, radon, lead-based paint haz-** 541
542 **ards, environmental hazards, any defects in the individual on-lot sewage disposal system or deficiencies in the on-site water service system,** 542
543 **or any defects or conditions on the Property. Should Seller be in default under the terms of this Agreement, this release does not deprive** 543
544 **Buyer of any right to pursue any remedies that may be available under law or equity. This release will survive settlement.** 544

545 **26. REPRESENTATIONS (1-02)** 545

546 (A) Buyer understands that any representations, claims, advertising, promotional activities, brochures or plans of any kind made by Seller, Brokers, 546
547 their licensees, employees, officers, or partners are not a part of this Agreement unless expressly incorporated or stated in this Agreement. It is 547
548 further understood that this Agreement contains the whole agreement between Seller and Buyer and there are no other terms, obligations, 548
549 covenants, representations, statements or conditions, oral or otherwise of any kind whatsoever concerning this sale. Furthermore, this 549
550 Agreement will not be altered, amended, changed, or modified except in writing executed by the parties. 550

551 (B) **It is understood that Buyer has inspected the Property before signing this Agreement (including fixtures and any personal property** 551
552 **specifically scheduled herein), or has waived the right to do so, and has agreed to purchase the Property in its present condition unless** 552
553 **otherwise stated in this Agreement. Buyer acknowledges that Brokers, their licensees, employees, officers or partners have not made** 553
554 **an independent examination or determination of the structural soundness of the Property, the age or condition of the components, envi-** 554
555 **ronmental conditions, the permitted uses, or of conditions existing in the locale where the Property is situated; nor have they made a** 555
556 **mechanical inspection of any of the systems contained therein.** 556

557 (C) Any repairs required by this Agreement will be completed in a workmanlike manner. 557

558 (D) Broker(s) may perform services to assist unrepresented parties in complying with the terms of this Agreement. 558

559 (E) The headings, captions, and line numbers in this Agreement are meant only to make it easier to find the paragraphs. 559

560 **27. DEFAULT (1-02)** 560

561 (A) Seller has the option of retaining all sums paid by Buyer, including the deposit monies, should Buyer: 561

562 1. Fail to make any additional payments as specified in paragraph 3; OR 562

563 2. Furnish false or incomplete information to Seller, Broker(s), or the mortgage lender, if any, concerning Buyer's legal or financial status, 563
564 or fail to cooperate in the processing of the mortgage loan application, which acts would result in the failure to obtain the approval of a 564
565 mortgage loan commitment; OR 565

566 3. Violate or fail to fulfill and perform any other terms or conditions of this Agreement. 566

567 (B) **Unless otherwise checked in paragraph 27 (C),** Seller may elect to retain those sums paid by Buyer, including deposit monies, in one of the 567
568 following manners: 568

569 1. On account of purchase price; OR 569

570 2. As monies to be applied to Seller's damages; OR 570

571 3. As liquidated damages for such breach. 571

572 (C) Seller is limited to retaining sums paid by Buyer, including deposit monies, as liquidated damages. 572

573 (D) If Seller retains all sums paid by Buyer, including deposit monies, as liquidated damages pursuant to paragraph 27 (B) or (C), Buyer and Seller 573
574 will be released from further liability or obligation and this Agreement will be VOID. 574

575 **28. MEDIATION (7-96)** 575

576 NOT AVAILABLE 576

577 WAIVED. Buyer and Seller understand that they may choose to mediate at a later date, should a dispute arise, but that there will be no obli- 577
578 gation on the part of any party to do so. 578

579 ELECTED 579

580 (A) Buyer and Seller will try to resolve any dispute or claim that may arise from this Agreement through mediation, in accordance with the Rules 580
581 and Procedures of the Home Sellers/Home Buyers Dispute Resolution System. Any agreement reached through a mediation conference and 581
582 signed by the parties will be binding. 582

583 (B) Buyer and Seller acknowledge that they have received, read, and understand the Rules and Procedures of the Home Sellers/Home Buyers 583
584 Dispute Resolution System (see Mediation Notice). 584

585 (C) This agreement to mediate disputes arising from this Agreement will survive settlement. 585

586 **Buyer Initials:** _____ **A/S-2K Page 7 of 8** **Seller Initials:** _____ 586

587 **29. SPECIAL CLAUSES (1-02)** 587
 588 (A) **The following are part of this Agreement if checked:** 588
 589 Sale & Settlement of Other Property Settlement of Other Property Contingency Addendum (PAR Form SOP) 589
 590 Contingency Addendum (PAR Form SSP) Tenant-Occupied Property Addendum (PAR Form TOP) 590
 591 Sale & Settlement of Other Property Contingency _____ 591
 592 with Right to Continue Marketing Addendum _____ 592
 593 (PAR Form SSP-CM) _____ 593
 594 (B) 594
 595 595
 596 596
 597 597
 598 598
 599 599
 600 600
 601 601
 602 602

603 **Buyer and Seller acknowledge receiving a copy of this Agreement at the time of signing.** 603
 604 604

605 **NOTICE TO PARTIES: WHEN SIGNED, THIS AGREEMENT IS A BINDING CONTRACT. Return by facsimile transmission (FAX) of this** 605
Agreement, and all addenda, bearing the signatures of all parties, constitutes acceptance of this Agreement. Parties to this transaction are advised 606
to consult an attorney before signing if they desire legal advice. 607
 608 608

- 609 Buyer has received the Consumer Notice as adopted by the State Real Estate Commission at 49 Pa. Code §35.336. 609
- 610 Buyer has received a statement of Buyer's estimated closing costs before signing this Agreement. 610
- 611 Buyer has read and understands the notices and explanatory information set forth in this Agreement. 611
- 612 Buyer has received a Seller's Property Disclosure Statement before signing this Agreement, if required by law (see Information Regarding 612
 the Real Estate Seller Disclosure Law). 613
- 614 Buyer has received the Deposit Money Notice (for cooperative sales when Broker for Seller is holding deposit money) before signing this 614
 Agreement. 615

616 **BUYER'S MAILING ADDRESS:** _____ 616
 617 _____ 617
 618 _____ 618

619 **BUYER'S CONTACT NUMBER(S):** _____ 619

620 620
 621 **WITNESS** _____ **BUYER** _____ **DATE** _____ 621
 622 _____ **SS#** _____ 622
 623 623
 624 **WITNESS** _____ **BUYER** _____ **DATE** _____ 624
 625 _____ **SS#** _____ 625
 626 626
 627 **WITNESS** _____ **BUYER** _____ **DATE** _____ 627
 628 _____ **SS#** _____ 628
 629 629

630 Seller hereby approves the above contract this (date) _____ 630
 631 and in consideration of the services rendered in procuring the Buyer, Seller agrees to pay the named Broker for Seller a fee of _____ 631
 632 of/from the herein specified sale price. In the event Buyer defaults hereunder, any monies paid on account will be divided _____, 632
 633 Seller, _____, Broker for Seller, but in no event will the sum paid to the Broker for Seller exceed the above specified Broker's fee. 633
 634 634

- 635 Seller has received the Consumer Notice as adopted by the State Real Estate Commission at 49 Pa. Code §35.336. 635
- 636 Seller has received a statement of Seller's estimated closing costs before signing this Agreement. 636
- 637 Seller has read and understands the notices and explanatory information set forth in this Agreement. 637

638 638
 639 **SELLER'S MAILING ADDRESS:** _____ 639
 640 _____ 640

641 **SELLER'S CONTACT NUMBER(S):** _____ 641

642 642
 643 **WITNESS** _____ **SELLER** _____ **DATE** _____ 643
 644 _____ **SS#** _____ 644
 645 645
 646 **WITNESS** _____ **SELLER** _____ **DATE** _____ 646
 647 _____ **SS#** _____ 647
 648 648
 649 **WITNESS** _____ **SELLER** _____ **DATE** _____ 649
 650 _____ **SS#** _____ 650
 651 651

- 652 **Broker's/Licensees' Certifications (check all that are applicable):** 652
- 653 **Regarding Lead-Based Paint Hazards Disclosure: Required if Property was built before 1978:** The undersigned Licensees involved in 653
 this transaction, on behalf of themselves and their brokers, certify that their statements are true to the best of their knowledge and belief. 654
Acknowledgement: The Licensees involved in this transaction have informed Seller of Seller's obligations under The Residential Lead-Based 655
 Paint Hazard Reduction Act, 42 U.S.C. §4852(d), and are aware of their responsibility to ensure compliance. 656
 657
 - 658 **Regarding FHA Mortgages:** The undersigned Licensees involved in this transaction, on behalf of themselves and their brokers, certify that 658
 the terms of this contract for purchase are true to the best of their knowledge and belief, and that any other agreement entered into by any of 659
 these parties in connection with this transaction is attached to this Agreement. 660
 661
 - 662 **Regarding Mediation:** The undersigned Broker for Seller Broker for Buyer agree to submit to mediation in accordance with 662
 paragraph 28 of this Agreement. 663
 664

665 **BROKER FOR SELLER (Company Name)** _____ 665
 666 **ACCEPTED BY** _____ **DATE** _____ 666
 667 667

668 **BROKER FOR BUYER (Company Name)** _____ 668
 669 **ACCEPTED BY** _____ **DATE** _____ 669
 670 670

- 587 **29. SPECIAL CLAUSES (1-02)** 587
- 588 (A) **The following are part of this Agreement if checked:** 588
- 589 Sale & Settlement of Other Property Settlement of Other Property Contingency Addendum (PAR Form SOP) 589
- 590 Contingency Addendum (PAR Form SSP) Tenant-Occupied Property Addendum (PAR Form TOP) 590
- 591 Sale & Settlement of Other Property Contingency _____ 591
- 592 with Right to Continue Marketing Addendum _____ 592
- 593 (PAR Form SSP-CM) _____ 593
- 594 (B) 594
- 595 595
- 596 596
- 597 597
- 598 598
- 599 599
- 600 600
- 601 601
- 602 602

603 **Buyer and Seller acknowledge receiving a copy of this Agreement at the time of signing.** 603

604 604

605 **NOTICE TO PARTIES: WHEN SIGNED, THIS AGREEMENT IS A BINDING CONTRACT. Return by facsimile transmission (FAX) of this** 605

606 **Agreement, and all addenda, bearing the signatures of all parties, constitutes acceptance of this Agreement. Parties to this transaction are advised** 606

607 **to consult an attorney before signing if they desire legal advice.** 607

608 608

- 609 Buyer has received the Consumer Notice as adopted by the State Real Estate Commission at 49 Pa. Code §35.336. 609
- 610 Buyer has received a statement of Buyer's estimated closing costs before signing this Agreement. 610
- 611 Buyer has read and understands the notices and explanatory information set forth in this Agreement. 611
- 612 Buyer has received a Seller's Property Disclosure Statement before signing this Agreement, if required by law (see Information Regarding 612
- 613 the Real Estate Seller Disclosure Law). 613
- 614 Buyer has received the Deposit Money Notice (for cooperative sales when Broker for Seller is holding deposit money) before signing this 614
- 615 Agreement. 615
- 616 616

617 **BUYER'S MAILING ADDRESS:** _____ 617

618 _____ 618

619 **BUYER'S CONTACT NUMBER(S):** _____ 619

620 _____ 620

621 **WITNESS** _____ **BUYER** _____ **DATE** _____ 621

622 _____ **SS#** _____ 622

623 623

624 **WITNESS** _____ **BUYER** _____ **DATE** _____ 624

625 _____ **SS#** _____ 625

626 626

627 **WITNESS** _____ **BUYER** _____ **DATE** _____ 627

628 _____ **SS#** _____ 628

629 629

630 Seller hereby approves the above contract this (date) _____ 630



- 634 634
- 635 Seller has received the Consumer Notice as adopted by the State Real Estate Commission at 49 Pa. Code §35.336. 635
- 636 Seller has received a statement of Seller's estimated closing costs before signing this Agreement. 636
- 637 Seller has read and understands the notices and explanatory information set forth in this Agreement. 637
- 638 638

639 **SELLER'S MAILING ADDRESS:** _____ 639

640 _____ 640

641 **SELLER'S CONTACT NUMBER(S):** _____ 641

642 _____ 642

643 **WITNESS** _____ **SELLER** _____ **DATE** _____ 643

644 _____ **SS#** _____ 644

645 645

646 **WITNESS** _____ **SELLER** _____ **DATE** _____ 646

647 _____ **SS#** _____ 647

648 648

649 **WITNESS** _____ **SELLER** _____ **DATE** _____ 649

650 _____ **SS#** _____ 650

651 651

- 652 **Broker's/Licensees' Certifications (check all that are applicable):** 652
- 653 **Regarding Lead-Based Paint Hazards Disclosure: Required if Property was built before 1978:** The undersigned Licensees involved in 653
- 654 this transaction, on behalf of themselves and their brokers, certify that their statements are true to the best of their knowledge and belief. 654
- 655 **Acknowledgement:** The Licensees involved in this transaction have informed Seller of Seller's obligations under The Residential Lead-Based 655
- 656 Paint Hazard Reduction Act, 42 U.S.C. §4852(d), and are aware of their responsibility to ensure compliance. 656
- 657 657
- 658 **Regarding FHA Mortgages:** The undersigned Licensees involved in this transaction, on behalf of themselves and their brokers, certify that 658
- 659 the terms of this contract for purchase are true to the best of their knowledge and belief, and that any other agreement entered into by any of 659
- 660 these parties in connection with this transaction is attached to this Agreement. 660
- 661 661
- 662 **Regarding Mediation:** The undersigned Broker for Seller Broker for Buyer agree to submit to mediation in accordance with 662
- 663 paragraph 28 of this Agreement. 663
- 664 664

665 **BROKER FOR SELLER (Company Name)** _____ 665

666 **ACCEPTED BY** _____ **DATE** _____ 666

667 667

668 **BROKER FOR BUYER (Company Name)** _____ 668

669 **ACCEPTED BY** _____ **DATE** _____ 669

670 670

NOTICES AND INFORMATION

INFORMATION REGARDING TAX PRORATION

For purposes of prorating real estate taxes, the "periods covered" by the tax bills are as follows: for all counties and municipalities in Pennsylvania, and for the Philadelphia, Pittsburgh, and Scranton school districts, the tax bills are for the period January 1 to December 31. For all other school districts, the period covered by the tax bill is July 1 to June 30.

COMMUNICATIONS WITH BUYER AND/OR SELLER

Wherever this Agreement contains a provision that requires or allows communication/delivery to a Buyer, said provision shall be satisfied by communication/delivery to the Broker for Buyer, if any. If there is no Broker for Buyer, all such provisions may be satisfied only by communication/delivery being made directly to the Buyer, unless otherwise agreed to by the parties.

Wherever this Agreement contains a provision that requires or allows communication/delivery to a Seller, said provision shall be satisfied by communication/delivery to the Broker for Seller, if any. If there is no Broker for Seller, all such provisions may be satisfied only by communication/delivery being made directly to the Seller, unless otherwise agreed to by the parties.

NOTICE TO BUYERS SEEKING MORTGAGE FINANCING

The appraised value of the Property is used in determining the maximum amount of the loan and may be different from the purchase price and/or market value.

NOTICES AND INFORMATION ON PROPERTY CONDITION INSPECTIONS

U.S. Department of Housing and Urban Development

FHA Loans:

For Your Protection: Get a Home Inspection

Why a Buyer Needs a Home Inspection

A home inspection gives the buyer more detailed information about the overall condition of the home prior to purchase. In a home inspection, a qualified inspector takes an in-depth, unbiased look at your potential new home to:

- evaluate the physical condition: structure, construction, and mechanical systems
- identify items that need to be repaired or replaced
- estimate the remaining useful life of the major systems, equipment, structure, and finishes

Appraisals are Different from Home Inspections

An appraisal is different from a home inspection. Appraisals are for lenders; home inspections are for buyers. An appraisal is required for three reasons:

- to estimate the market value of a house
- to make sure that the house meets FHA minimum property standards/requirements
- to make sure that the house is marketable

FHA Does Not Guarantee the Value or Condition of your Potential New Home

If you find problems with your new home after closing, FHA can not give or lend you money for repairs, and FHA can not buy the home back from you.

Radon Gas Testing

The United States Environmental Protection Agency and the Surgeon General of the United States have recommended that all houses should be tested for radon. For more information on radon testing, call the National Radon Information Line at 1-800-SOS-Radon (1-800-644-6999). As with a home inspection, if you decide to test for radon, you may do so before signing your contract, or you may do so after signing the contract as long as your contract states the sale of the home depends on your satisfaction with the results of the radon test.

Be an Informed Buyer

It is your responsibility to be an informed buyer. Be sure that what you buy is satisfactory in every respect. You have the right to carefully examine your potential new home with a qualified home inspector. You may arrange to do so before signing your contract, or may do so after signing the contract as long as your contract states that the sale of the home depends on the inspection.

PROPERTY INSPECTION NOTICES

Property Inspection: Inspections of the Property can be performed by professional contractors or a home inspector, and may include inspections of: structural components; roof; exterior windows and exterior doors; exterior siding, fascia, gutters, and downspouts; appliances; electrical, plumbing, heating, and cooling systems; water penetration; and any other items Buyer may select. Other inspections or certifications might include: Environmental Hazards (e.g., Mold, Indoor Air Quality, Asbestos, Underground Storage Tanks, etc.), Electromagnetic Fields, Wetlands Inspection, Flood Plain Verification, Property Boundary/Square Footage Verification, and any other items Buyer may select. Buyer is advised to investigate easements, deed and use restrictions (including any historic preservation restrictions or ordinances) that apply to the Property and to review local zoning ordinances.

Flood Plains: If the Property is located in a flood plain, Buyer may be required to carry additional insurance.

Property Boundary / Square Footage: Buyer is advised that Seller has not had the Property surveyed and that any fences, hedges, walls and other natural or constructed barriers may or may not represent the true boundary lines of the Property. Buyer is also advised that any numerical representations of square footage of the structure(s) and/or lot size are approximations only and may be inaccurate. Buyer is advised to engage a professional surveyor or obtain an independent measurement of the structure(s) and/or lot size if Buyer wishes to make this sale contingent on Buyer's approval of the Property's boundaries or square footage.

Water Service: Buyer may elect to have the water service inspected by a professional water testing company. In addition, on-site water service systems may have to meet certain quality and/or quantity requirements set by the municipality or the mortgage lender.

Wood-Destroying Insect Infestation: Insects whose primary source of food is wood, such as termites, wood-boring beetles, carpenter ants, carpenter bees, and certain other insects, can cause damage to the wood structure of a residence. Termite and Pest Control companies are available to make inspections to determine whether wood-destroying insects are present. Because of the way these insects function, damage to wood may be hidden. Careful selection should be made of skilled experts in the termite/pest control field to insure a proper determination of whether wood-boring insects or resultant damage is present.

Exterior Insulation and Finish Systems (EIFS): Exterior Insulation and Finish Systems — sometimes referred to as synthetic stucco — are multi-layered wall systems that are applied to the exterior of some homes. Poor or improper installation of EIFS may result in moisture penetrating the surface of a structure where it may cause damage to the building's frame. Leakage most frequently occurs near doors and windows, gutters, the roof connection, and at the lowermost edge of the exterior surface. Vulnerability to leakage depends on structure design as well as the expertise and application skills of the contractor. Damage caused by water intrusion may be both extensive and expensive to repair but may go undetected in the absence of an adequate inspection. Buyers purchasing homes with EIFS construction may seek to engage an inspector experienced in testing for EIFS related problems who can determine the moisture content of the building's frame.

INFORMATION REGARDING THE HOME INSPECTION LAW 68 Pa. C.S.A. §7501, et. seq.

Applicability: In general, the Home Inspection Law applies to residential real estate transfers. A residential real estate transfer is defined as a sale, exchange, installment sales contract, lease with an option to buy, grant or other transfer of an interest in real property where **NOT LESS THAN ONE AND NOT MORE THAN FOUR RESIDENTIAL DWELLING UNITS** are involved. See Information Regarding The Real Estate Seller Disclosure Law (exceptions 1-8) for a list of exceptions to this general rule.

Home Inspection: A noninvasive, visual examination of some combination of the mechanical, electrical or plumbing systems or the structural and essential components of a residential dwelling designed to identify material defects in those systems and components, and performed for a fee in connection with or preparation for a proposed or possible residential real estate transfer. The term also includes any consultation regarding the property that is represented to be a home inspection or that is described by any confusingly similar term. The term does not include an examination of a single system or component of a residential dwelling such as, for example, its electrical or plumbing system or its roof. The term also does not include an examination that is limited to inspection for, or of, one or more of the following: wood destroying insects, underground tanks and wells, septic systems, swimming pools and spas, alarm systems, air and water quality, tennis courts and playground equipment, pollutants, toxic chemicals and environmental hazards. The scope of a home inspection, the services to be performed and the systems and conditions to be inspected or excluded from inspection may be defined by a contract between the home inspector and the client.

Home inspection report: A written report on the results of a home inspection.

A home inspection report shall include:

- (1) A description of the scope of the inspection, including without limitation an identification of the structural elements, systems and subsystems covered by the report.
- (2) A description of any material defects noted during the inspection, along with any recommendation that certain experts be retained to determine the extent of the defects and any corrective action that should be taken. A "material defect" that poses an unreasonable risk to people on the property shall be conspicuously identified as such.

A home inspector shall not express either orally or in writing an estimate of the cost to repair any defect found during a home inspection, except that such an estimate may be included in a home inspection report if:

- (1) the report identifies the source of the estimate;
- (2) the estimate is stated as a range of costs; and
- (3) the report states that the parties should consider obtaining an estimate from a contractor who performs the type of repair involved.

Seller shall have the right, upon request, to receive without charge a copy of any inspection report from the party for whom it was prepared.

Home inspector: An individual who performs a home inspection.

National home inspectors association: Any national association of home inspectors that:

- (1) Is operated on a not-for-profit basis and is not operated as a franchise.
- (2) Has members in more than ten states.
- (3) Requires that a person may not become a full member unless the person has performed or participated in more than 100 home inspections and has passed a recognized or accredited examination testing knowledge of the proper procedures for conducting a home inspection.
- (4) Requires that its members comply with a code of conduct and attend continuing professional education classes as an ongoing condition of membership.

A buyer shall be entitled to rely in good faith, without independent investigation, on a written representation by a home inspector that the home inspector is a full member in good standing of a national home inspection association.

Material defect: A problem with a residential real property or any portion of it that would have a significant adverse impact on the value of the property or that involves an unreasonable risk to people on the property. The fact that a structural element, system or subsystem is near, at or beyond the end of the normal useful life of such a structural element, system or subsystem is not by itself a material defect.

ENVIRONMENTAL NOTICES

Asbestos: The heat-resistant and durable nature of asbestos makes it useful in construction and industry. The physical properties that give asbestos its resistance to heat and decay are linked with several adverse human health effects. Asbestos can easily break into microscopic fibers that can remain suspended in the air for long periods of time. When inhaled, these fibers easily penetrate body tissue. Asbestos is known to cause Asbestosis and various forms of cancer. Inquiries or requests for more information about asbestos can be directed to the U.S. Environmental Protection Agency, Ariel Rios Building, 1200 Pennsylvania Ave., N.W., Washington, D.C. 20460, and/or the Department of Health, Commonwealth of Pennsylvania, Division of Environmental Health, Harrisburg, PA 17120.

Electromagnetic Fields: Electromagnetic Fields (EMFs) occur around all electrical appliances and power lines. Conclusive evidence that EMFs pose health risks does not exist at present, and Pennsylvania has no laws regarding this issue.

Environmental Hazards: The U.S. Environmental Protection Agency has a list of hazardous substances, the use and disposal of which are restricted by law. Generally, if hazardous substances are found on a property, it is the property owner's responsibility to dispose of them properly. For more information and a list of hazardous substances, contact U.S. Environmental Protection Agency, Ariel Rios Building, 1200 Pennsylvania Ave., N.W., Washington, D.C. 20460, (202) 260-2090.

Wetlands: Wetlands are protected by both the federal and state governments. Buyer may wish to have the Property inspected for wetlands by an environmental engineer to determine if permits for plans to build, improve, or develop the property would be affected or denied because of wetlands.

Lead: (For Properties built before 1978)

Lead Warning Statement: Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

Lead Hazards Disclosure Requirements: In accordance with the Residential Lead-Based Paint Hazard Reduction Act, any seller of property built before 1978 must provide the buyer with an EPA-approved lead hazards information pamphlet titled *Protect Your Family From Lead in Your Home* and must disclose to the buyer and the Broker(s) the known presence of lead-based paint and/or lead-based paint hazards in or on the property being sold, including the basis used for determining that lead-based paint and/or lead-based paint hazards exist, the location of lead-based paint and/or lead-based paint hazards, and the condition of painted surfaces. Any seller of a pre-1978 structure must also provide the buyer with any records or reports available to the seller pertaining to lead-based paint and/or lead-based paint hazards in or about the property being sold, the common areas, or other residential dwellings in multi-family housing. The Act further requires that before a buyer is obligated to purchase any housing constructed prior to 1978, the seller will give the buyer 10 days (unless buyer and seller agree in writing to another time period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards. The opportunity to conduct a risk assessment or inspection may be waived by the buyer, in writing. Neither testing nor abatement is required of the seller. Housing built in 1978 or later is not subject to the Act.

Radon: Radon is a natural, radioactive gas that is produced in the ground by the normal decay of uranium and radium. Studies indicate that extended exposure to high levels of radon gas can increase the risk of lung cancer. Radon can find its way into any air-space, including basements and crawl spaces and can permeate a structure. The U.S. Environmental Protection Agency (EPA) advises corrective action if the annual average exposure to radon exceeds 0.02 working levels or 4 picocuries/liter. If a house has a radon problem, it usually can be cured by increased ventilation and/or by preventing radon entry. Any person who tests, mitigates, or safeguards a building for radon in Pennsylvania must be certified by the Department of Environmental Protection. Information about radon and about certified testing or mitigation firms is available through Department of Environmental Protection, Bureau of Radiation Protection, 13th Floor, Rachel Carson State Office Building, P.O. Box 8469, Harrisburg, PA 17105-8469, (800) 23RADON or (717) 783-3594.

Mold/Fungi and Indoor Air Quality: Indoor mold contamination and the inhalation of bioaerosols (bacteria, mold spores, pollen, and viruses) have been associated with allergic responses including upper respiratory congestion, cough, mucous membrane irritation, fever, chills, muscle ache or other transient inflammation or allergy. Claims have been asserted that exposure to mold contamination and bioaerosols has led to serious infection, immunosuppression and illnesses of neuro or systemic toxicity. Sampling of indoor air quality and other methods exist to determine the presence and scope of any indoor contamination. Because individuals may be affected differently, or not affected at all, by mold contamination, the surest approach to determine the presence of contamination is to engage the services of a qualified professional to undertake an assessment and/or sampling. Assessments and samplings for the presence of mold contamination can be performed by qualified industrial hygienists, engineers, laboratories and home inspection companies that offer these services. Information pertaining to indoor air quality is available through the United States Environmental Protection Agency and may be obtained by contacting IAQ INFO, P.O. Box 37133, Washington, D.C. 20013-7133, 1-800-438-4318.

SEWAGE NOTICES

NOTICES PURSUANT TO THE PENNSYLVANIA SEWAGE FACILITIES ACT

- NOTICE 1: THERE IS NO CURRENTLY EXISTING COMMUNITY SEWAGE SYSTEM AVAILABLE FOR THE SUBJECT PROPERTY.** Section 7 of the Pennsylvania Sewage Facilities Act provides that no person shall install, construct, request bid proposals for construction, alter, repair or occupy any building or structure for which an individual sewage system is to be installed, without first obtaining a permit. Buyer is advised by this notice that, before signing this Agreement, Buyer should contact the local agency charged with administering the Act to determine the procedure and requirements for obtaining a permit for an individual sewage system. The local agency charged with administering the Act will be the municipality where the Property is located or that municipality working cooperatively with others.
- NOTICE 2: THIS PROPERTY IS SERVICED BY AN INDIVIDUAL SEWAGE SYSTEM INSTALLED UNDER THE TEN-ACRE PERMIT EXEMPTION PROVISIONS OF SECTION 7 OF THE PENNSYLVANIA SEWAGE FACILITIES ACT.** (Section 7 provides that a permit may not be required before installing, constructing, awarding a contract for construction, altering, repairing or connecting to an individual sewage system where a ten-acre parcel or lot is subdivided from a parent tract after January 10, 1987). Buyer is advised that soils and site testing were not conducted and that, should the system malfunction, the owner of the Property or properties serviced by the system at the time of a malfunction may be held liable for any contamination, pollution, public health hazard or nuisance which occurs as a result.
- NOTICE 3: THIS PROPERTY IS SERVICED BY A HOLDING TANK (PERMANENT OR TEMPORARY) TO WHICH SEWAGE IS CONVEYED BY A WATER CARRYING SYSTEM AND WHICH IS DESIGNED AND CONSTRUCTED TO FACILITATE ULTIMATE DISPOSAL OF THE SEWAGE AT ANOTHER SITE.** Pursuant to the Pennsylvania Sewage Facilities Act, **Seller must provide** a history of the annual cost of maintaining the tank from the date of its installation or December 14, 1995, whichever is later.
- NOTICE 4: AN INDIVIDUAL SEWAGE SYSTEM HAS BEEN INSTALLED AT AN ISOLATION DISTANCE FROM A WELL THAT IS LESS THAN THE DISTANCE SPECIFIED BY REGULATION.** The regulations at 25 Pa. Code §73.13 pertaining to minimum horizontal isolation distances provide guidance. Subsection (b) of §73.13 states that the minimum horizontal isolation distance between an individual water supply or water supply system suction line and treatment tanks shall be 50 feet. Subsection (c) of §73.13 states that the horizontal isolation distance between the individual water supply or water supply system suction line and the perimeter of the absorption area shall be 100 feet.
- NOTICE 5: THIS LOT IS WITHIN AN AREA IN WHICH PERMIT LIMITATIONS ARE IN EFFECT AND IS SUBJECT TO THOSE LIMITATIONS. SEWAGE FACILITIES ARE NOT AVAILABLE FOR THIS LOT AND CONSTRUCTION OF A STRUCTURE TO BE SERVED BY SEWAGE FACILITIES MAY NOT BEGIN UNTIL THE MUNICIPALITY COMPLETES A MAJOR PLANNING REQUIREMENT PURSUANT TO THE PENNSYLVANIA SEWAGE FACILITIES ACT AND REGULATIONS PROMULGATED THEREUNDER.**

DEFINITION OF A PLANNED COMMUNITY

The Uniform Planned Community Act defines “planned community” as real estate with respect to which a person, by virtue of ownership of an interest in any portion of the real estate, is or may become obligated by covenant, easement or agreement imposed on the owner’s interest to pay any amount for real property taxes, insurance, maintenance, repair, improvement, management, administration or regulation of any part of the real estate other than the portion or interest owned solely by the person. The term excludes a cooperative and a condominium, but a cooperative or condominium may be part of a planned community. For the purposes of this definition, “ownership” includes holding a leasehold interest of more than 20 years, including renewal options, in real estate. The term includes non-residential campground communities.

Exemptions from the Uniform Planned Community Act – When a Certificate of Resale Is Not Required

The owner of a property located within a planned community is not required to furnish the buyer with a certificate of resale under the following circumstances:

- A. The Planned Community contains no more than 12 units, provided there is no possibility of adding real estate or subdividing units to increase the size of the planned community.
- B. The Planned Community is one in which all of the units are restricted exclusively to non-residential use, unless the declaration provides that the resale provisions are nevertheless to be followed.
- C. The Planned Community or units are located outside the Commonwealth of Pennsylvania.
- D. The transfer of the unit is a gratuitous transfer.
- E. The transfer of the unit is required by court order.
- F. The transfer of the unit is by the government or a governmental agency.
- G. The transfer of the unit is the result of foreclosure or in lieu of foreclosure.

Notices Regarding Public Offering Statements and Right to Rescission

If Seller is a Declarant of the condominium or planned community, Seller is required to furnish Buyer with a copy of the Public Offering Statement and its amendments. For condominiums, the delivery of the Public Offering Statement must be made no later than the date the buyer executes this Agreement. Buyer may cancel this Agreement within 15 days after receiving the Public Offering Statement and any amendments that materially and adversely affect Buyer. For planned communities, the Declarant must provide the Buyer with a copy of the Public Offering Statement and its amendments no later than the date the Buyer executes this Agreement. Buyer may cancel this Agreement within 7 days after receiving the Public Offering Statement and any amendments that materially and adversely affect Buyer.

INFORMATION REGARDING THE REAL ESTATE SELLER DISCLOSURE LAW

Generally speaking, the Real Estate Seller Disclosure Law requires that before an agreement of sale is signed, the seller in a residential real estate transfer must make certain disclosures regarding the property to potential buyers in a form defined by the law. A residential real estate transfer is defined as a sale, exchange, installment sales contract, lease with an option to buy, grant or other transfer of an interest in real property where **NOT LESS THAN ONE AND NOT MORE THAN FOUR RESIDENTIAL DWELLING UNITS** are involved.

The Law defines a number of exceptions where the disclosures do not have to be made:

1. Transfers that are the result of a court order.
2. Transfers to a mortgage lender that result from a buyer’s default and subsequent foreclosure sales that result from default.
3. Transfers from a co-owner to one or more other co-owners.
4. Transfers made to a spouse or direct descendant.
5. Transfers between spouses that result from divorce, legal separation, or property settlement.
6. Transfers by a corporation, partnership or other association to its shareholders, partners or other equity owners as part of a plan of liquidation.
7. Transfer of a property to be demolished or converted to non-residential use.
8. Transfer of unimproved real property.
9. Transfers by a fiduciary during the administration of a decedent estate, guardianship, conservatorship or trust.
10. Transfers of new construction that has never been occupied when:
 - a. The buyer has received a one-year warranty covering the construction;
 - b. The building has been inspected for compliance with the applicable building code or, if none, a nationally recognized model building code; and
 - c. A certificate of occupancy or a certificate of code compliance has been issued for the dwelling.

In addition to these exceptions, disclosures for condominiums and cooperatives are limited to the seller’s particular unit(s). Disclosures regarding common areas or facilities are not required, as those elements are already addressed in the laws that govern the resale of condominium and cooperative interests.

EXECUTION DATE

All changes to the Agreement should be initialed and dated. The date of execution is the date when Buyer and Seller have indicated full acceptance of this Agreement by signing and/or initialing it.

MEDIATION

DISPUTE RESOLUTION SYSTEM RULES AND PROCEDURES

1. **Agreement of Parties** The Rules and Procedures of the Dispute Resolution System (DRS) apply when the parties have agreed in writing to mediate under DRS. The written agreement can be achieved by a standard clause in an agreement of sale, an addendum to an agreement of sale, or through a separate written agreement.
2. **Initiation of Mediation** If a dispute exists, any party may start the mediation process by submitting a completed Request to Initiate Mediation DRS Transmittal Form (Transmittal Form) to the local Association of REALTORS® (hereafter “Administrator”). The Transmittal Form should be available through the Administrator’s office. The initiating party should try to include the following information when sending the completed Transmittal Form to the Administrator:
 - a. A copy of the written agreement to mediate if there is one, OR a request by the initiating party to have the Administrator contact the other parties to the dispute to invite them to join the mediation process.
 - b. The names, addresses and telephone numbers of the parties involved in the dispute, including the name of every insurance company known to have received notice of the dispute or claim and the corresponding file or claim number.
 - c. A brief statement of the facts of the dispute and the damages or relief sought.

3. **Selection of Mediator** Within five days of receiving the completed Transmittal Form, the Administrator will send each party to the dispute a copy of the Transmittal Form and a list of qualified mediators and their fee schedules. Each party then has ten days to review the list of mediators, cross off the name of any mediator to whom the party objects, and return the list to the Administrator. The Administrator will appoint the first available mediator who is acceptable to all parties involved.

A mediator who has any financial or personal interest in the dispute or the results of the mediation cannot serve as mediator to that dispute, unless all parties are informed and give their written consent.

4. **Mediation Fees** Mediation fees will be divided equally among the parties and will be paid *before* the mediation conference. The parties will follow the payment terms contained in the mediator’s fee schedule.
5. **Time and Place of Mediation Conference** Within ten days of being appointed to the dispute, the mediator will contact the parties and set the date, time and place of the mediation conference. The mediator must give at least twenty days’ advance notice to all parties. The mediation conference should not be more than sixty days from the mediator’s appointment to the dispute.
6. **Conduct of Mediation Conference** The parties attending the mediation conference will be expected to:
 - a. Have the authority to enter into and sign a binding settlement to the dispute.
 - b. Produce all information required for the mediator to understand the issues of the dispute. The information may include relevant written materials, descriptions of witnesses and the content of their testimony. The mediator can require the parties to deliver written materials and information before the date of the mediation conference.

The mediator presiding over the conference:

- a. Will impartially conduct an orderly settlement negotiation.
- b. Will help the parties define the matters in dispute and reach a mutually agreeable solution.
- c. Will have no authority to render an opinion, to bind the parties to his or her decision, or to force the parties to reach a settlement.

Formal rules of evidence will not apply to the mediation conference.

7. **Representation by Counsel** Any party who intends to be accompanied to the mediation conference by legal counsel will notify the mediator and the other parties of the intent at least ten days before the conference.
8. **Confidentiality** No aspect of the mediation can be relied upon or introduced as evidence in any arbitration, judicial or other proceeding. This includes, but is not limited to, any opinions or suggestions made by any party regarding a possible settlement; any admissions made during the course of the mediation; any proposals or opinions expressed by the mediator; and any responses given by any party to opinions, suggestions, or proposals.

No privilege will be affected by disclosures made in the course of the mediation.

Transcripts or recordings of the mediation will not be allowed without the prior, written consent of all parties and the mediator.

Records, reports, and other documents received or prepared by the mediator or Administrator cannot be compelled by an arbitration, judicial, or other proceeding, with the exception of an agreement that was reached in the course of mediation and signed by all the parties.

Neither the mediator nor the Administrator can be compelled to testify in any proceeding regarding information given or representations made either in the course of the mediation or in any confidential communication.

9. **Mediated Settlement** When a dispute is resolved through mediation, the mediator will put the complete agreement in writing and all parties will sign the written agreement within ten days of the conclusion of the mediation conference. Every reasonable effort will be made to sign the written agreement at the end of the conference.

10. **Judicial Proceedings and Immunity** NEITHER THE ADMINISTRATOR, THE MEDIATOR, THE NATIONAL ASSOCIATION OF REALTORS®, THE PENNSYLVANIA ASSOCIATION OF REALTORS®, NOR ANY OF ITS MEMBER BOARDS, WILL BE DEEMED NECESSARY OR INDISPENSABLE PARTIES IN ANY JUDICIAL PROCEEDINGS RELATING TO MEDIATION UNDER THESE RULES AND PROCEDURES, NOR WILL ANY OF THEM SERVING UNDER THESE PROCEDURES BE LIABLE TO ANY PARTY FOR ANY ACT, ERROR OR OMISSION IN CONNECTION WITH ANY SERVICE OR THE OPERATION OF THE HOME SELLERS/HOME BUYERS DISPUTE RESOLUTION SYSTEM.