

# YOUR GUIDE TO BUYING A HOME



Comfort

Home

Value



Honesty, Integrity & Unparalleled Service

Compliments of:



Team Pepka Home Office  
16218 18th Avenue E.  
Bradenton, FL 34212  
Buyers Hotline 941-708-3555  
Seller Inquiries 941-708-3455

*What Can  
Our Family  
Do For Yours?*

# Welcome to ...

## Team Pepka's

### Home Buyer's Guide!



*In our experience, a home isn't a dream home because of its room dimensions. It's about how you feel when you walk through the front door. And the way you can instantly envision your life unfolding there.*

*This is about more than Real Estate. It's about your life and your dreams.*

*We understand you are looking for a new home. And we want to be the Real Estate professionals to help you. We work with each of our clients individually, taking the time to understand their unique needs and lifestyle and we want to do the same for you.*

*We love matching our clients with the home they have always imagined. It's incredibly fulfilling to know we are helping them open a new chapter of their lives. That's why we work so hard to not only find that perfect home, but also to handle every last detail of the purchase process, from negotiating the terms of sale to recommending moving companies.*

*Most people will decide on only a few homes in their lifetime. Therefore, this is a big undertaking. We believe that in order for you to feel comfortable during the process you will need to be well equipped with up-to-date information. This guide contains information about us, our team, the home buying process, as well as other information we think you will find helpful. You will know what to expect every step of the way.*

*Please keep this booklet with you during the home buying process.*

*We appreciate the opportunity to earn your business.*

*Best wishes for your exciting journey!*

*~Ron & Cathy Pepka*



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## Step 1. Choosing An Agent - Salesperson vs Consultant

### Salesperson vs Consultant

Do you like to be pressured into making a decision? Nobody does. At Team Pepka we are fully committed to the consultative approach to selling real estate which means we will present you options and you will make educated and informed decisions.

Salesperson (Functionary)	Consultant (Fiduciary)
Delivers information	Advises and Consults
Tells and Sells	Educates and Guides
Stays out of Decision Process	Involved in Decision Process
Follows the Rules and Procedures	Uses Judgment and Experience
Replaceable	Irreplaceable
They are driven by making the sale and making it as quick as possible. They just want a fast decision from you so they can move on to the next Buyer.	Truly wants to help client find the best home to suit needs. Asks questions prior to discussing what they have to offer.
The amount of knowledge is amazing, however they don't try and to relate that knowledge back to your needs or lifestyle.	Expert in market knowledge, informing you in the context of your needs.
Fails to ask you about your needs or lifestyle. Takes the first one or two bits of information given, then goes for the kill selling you the first thing that seemed like it might fit.	The goal is for the sale to be a positive experience and the beginning of a relationship. Strong desire to get you to purchase the product that is going to make you the happiest so that you will keep using the Team and refer friends and family members.



## Steps To The Home Buying Process

### Step 2. Getting Pre-Approval for Mortgage Benefits to Buyer

#### 1. Turns you into a Cash Buyer - Win Multiple Offer Situations:

Let us say for a moment that you were a motivated Seller and you had 2 offers come in on your home. The first one is a CASH offer \$1,000 under asking price and the other is \$1,000 over asking price; however, the Buyers haven't even spoken to a lender yet. Their Real Estate Agent doesn't even know if they can qualify for a mortgage. If you were the seller, which offer would you take? In essence, by being pre-approved for your financing it turns you into a **cash buyer**, saves you money and gives you **leverage** in multiple offer situations.



#### 2. The Price is Right:

Obtaining your mortgage pre-approval gives you the confidence knowing that every home we show you, you can qualify for and purchase. There is nothing worse than falling in love with a home, only to discover that its out of your price range. Conversely, without mortgage loan pre-approval, you could possibly short change yourself, and end up missing out on a home that you could qualify for.

#### 3. Greater Negotiation Ability:

Buyers who have their mortgage loan pre-approval can typically negotiate better terms and pricing than Buyers who are not pre-approved.

#### 4. Fastrack To Closing:

Once you are under contract, your mortgage loan pre-approval can actually help to speed up the closing process since much of your financial information is already in the lender's system.





## Steps To The Home Buying Process

### Step 3. Needs Analysis

#### It's All About You!

The next step is the "Needs Analysis", defined as our systematic process of collecting information about your needs, wants and desires that will be used to establish and define your home buying goals.

Only when we understand what is ultimately important to you can we deliver it.

Discovering your core wants, needs and values is a process.

Thank you in advance for your patience.





## Step 4. Selection Process

### 1. Buyer Instant Notification System

One of the tools that we use to make certain that **nothing** slips between the cracks is our "Buyer Instant Notification System". We will input your criteria into our system and the **very moment** a home comes on the market that's a match it's immediately emailed to you. No more scouring the internet all hours of the night! **Nothing will slip between the cracks** and we all know the early bird gets the worm!

### 2. Other Agents Listings

All Brokers have access to the same information, the difference in Brokers is the **speed** in which they get you the information and whom they represent. We can show you any listing from any brokerage.

### 3. For Sale By Owner

Many Buyers feel that they can negotiate a better deal with a For Sale By Owner. However, For Sale By Owners **will** pay our Brokerage Fee. They either hire an Attorney to draft the contract and represent them or they hire a Real Estate Broker. However, attorneys get paid by the hour. Buyers and Sellers can get into disputes which can lead to attorney bills. We only get paid if we get you the home. Please call, text or email us **first** if you see a For Sale By Owner.



### 4. New Construction

The builder pays all of our fees as well. It's part of their marketing budget. Real Estate Agents sell 70% of all new home construction and the builders love working with the real estate community. We will give you some Open House Guest Passes. When you use them, the on site sales person at the builders model or the agent sitting the open house will call us instead of you.



## Steps To The Home Buying Process

### Step 5. Shopping For Your Home

#### 1. How Many Homes?

When shopping for a home the average buyer looks at **5 homes** before finding the right one. This may be a little less than you anticipated, but considering your Buyers Specialist works with only buyers and previews up to 200 homes per month; with a proper needs analysis they should be able to take you right to it. This saves you time throughout the process. Please don't be surprised if the very first home you see is the one that you buy!



#### 2. Keys to Finding Your Home

The most important key to finding your home is your **feedback**. When you're viewing homes, be sure and give your Buyers Specialist direct feedback. Don't be shy—open up with your agent. You will not hurt anyone's feelings. More will be learned about what you don't like vs what you do like.

#### 2. The Perfect Home

We have discovered that there is no such thing as the "Perfect Home". You will find a home that may have the perfect back yard, but the kitchen is too small. Or the kitchen is perfect but the family room is not exactly what you are looking for. Even the people that have built totally custom homes find things that they want to change after the home is completed. Our strategy is to find the home with the very least amount of concessions.





## Steps To The Home Buying Process

### Step 6. The Offer to Purchase Contract

#### Making an Offer

Once we find the home we will be submitting an offer. Normally the listing Brokers will control the type of contract used. It is typically one of two:

1. The "AS-IS" contract with right to inspect.
2. The Far/Bar 5 with repair limits.



Both Contracts are standard approved forms through the Florida Association of Realtors.

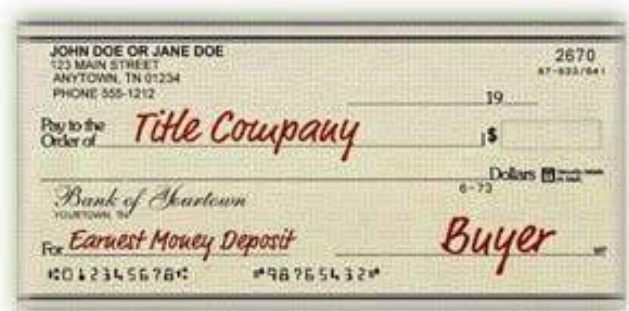
There are copies of both contracts within your home buyer handbook (pages 110 - 136). Please review the contracts at your convenience to get a comfort level with these documents so we can move quickly when we find the right home. We will answer any questions you have prior to endorsements.

\*more details on page 40

#### Earnest Money

Along with the offer you will need to submit earnest money.

- This is a check you will write with the offer.
- The check **will be cashed** within 24 hours after the offer is accepted.
- The amount of earnest money check will be about **2% of the offer price**.
- In multiple offer situations we will encourage you to increase the amount of the earnest money deposit to give you leverage in negotiations.





## Steps To The Home Buying Process

### Step 7. Inspections

#### The Big Stuff

Once we find the home and get it under contract the very next step is to complete a professional home inspection. The Inspection is for **Major** items only. Such as roof, structural integrity, heating, cooling, electrical and plumbing.

It's not for cosmetic items like dirty carpets, linoleum coming up in the corner or a loose tile in the shower.

If we are able to negotiate a very good price on the home, generally speaking we can win negotiations on the sales price or we can win negotiations on repairs; it can be difficult to win both. Chances are the sale might blow up if we ask for too many little things.



\*\*\*See more details about inspections on pages 59 - 61.



## Step 8. Appraisal

### You're Protected

The next step is the Appraisal. The cost of the appraisal is paid for by the buyer and normally runs between \$425 to \$500. Per the terms of a contract, with a financing contingency, if the home does not appraise for at least purchase price the seller must come down to the appraised value or you as the buyer can terminate the contract and receive your earnest money back. You will never overpay for the property! \*more details on page 40



## Step 9. Full Loan Commitment

### Final Contingency

There is a difference between being pre-approved and full loan commitment. Once you get full loan commitment you will really have reason to celebrate. Generally speaking, it's the last contingency in any contract. That is the time to start packing!



## Steps To The Home Buying Process

### Step 10. Final Walk Through

#### One Last Check

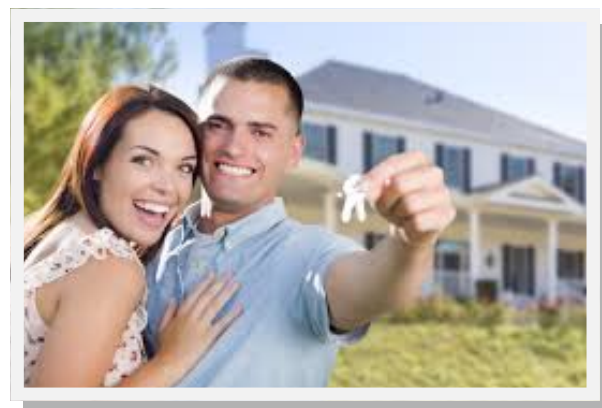
This will be your final look at your new home prior to the closing. We will check to make sure any contractually required repairs identified by a professional home inspector have been addressed and also verify that the property is in the same condition as it was when you originally viewed it.

Final Walk-through Checklist	
<b>REPAIRS</b> <input type="checkbox"/> Have the repairs been completed? <input type="checkbox"/> Did the seller provide all warranties and bills for repairs?	<b>WHAT TO BRING TO CLOSING</b> <input type="checkbox"/> Photo ID's <input type="checkbox"/> Wired Funds Receipt <input type="checkbox"/> The Address of The Title Company <input type="checkbox"/> Your Agent
<b>GENERAL</b> <input type="checkbox"/> Are all the items that convey with the sale present? <input type="checkbox"/> Have unwanted items been removed? <input type="checkbox"/> Have garbage & construction debris been removed? <input type="checkbox"/> Is there any damage to floors or walls caused by movers?	
<b>KITCHEN</b> <input type="checkbox"/> Do the appliances appear to be in working order?	<b>APPLIANCES</b> <input type="checkbox"/> Stove/Oven <input type="checkbox"/> Garbage Disposal <input type="checkbox"/> Refrigerator/Freezer <input type="checkbox"/> Dishwasher <input type="checkbox"/> Microwave <input type="checkbox"/> Washer <input type="checkbox"/> Dryer
<b>BATHROOMS</b> <input type="checkbox"/> Are the toilets running or nonfunctional? <input type="checkbox"/> Do the faucets leak? <input type="checkbox"/> Fill the sinks and tubs. Do they drain properly? <input type="checkbox"/> Do you see any leaks under the sinks or by toilets?	
<b>WINDOWS AND DOORS</b> <input type="checkbox"/> Are all the latches and locks functional? <input type="checkbox"/> Are there any broken windows or missing screens?	<b>Systems</b> <input type="checkbox"/> HVAC <input type="checkbox"/> Garage Door Opener <input type="checkbox"/> Doorbell <input type="checkbox"/> Security System
<b>ELECTRICITY</b> <input type="checkbox"/> Turn all lights on and off. Do they work properly?	
<b>EXTERIOR</b> <input type="checkbox"/> Are all shrubs intact? <input type="checkbox"/> Does the irrigation system work (if applicable)?	

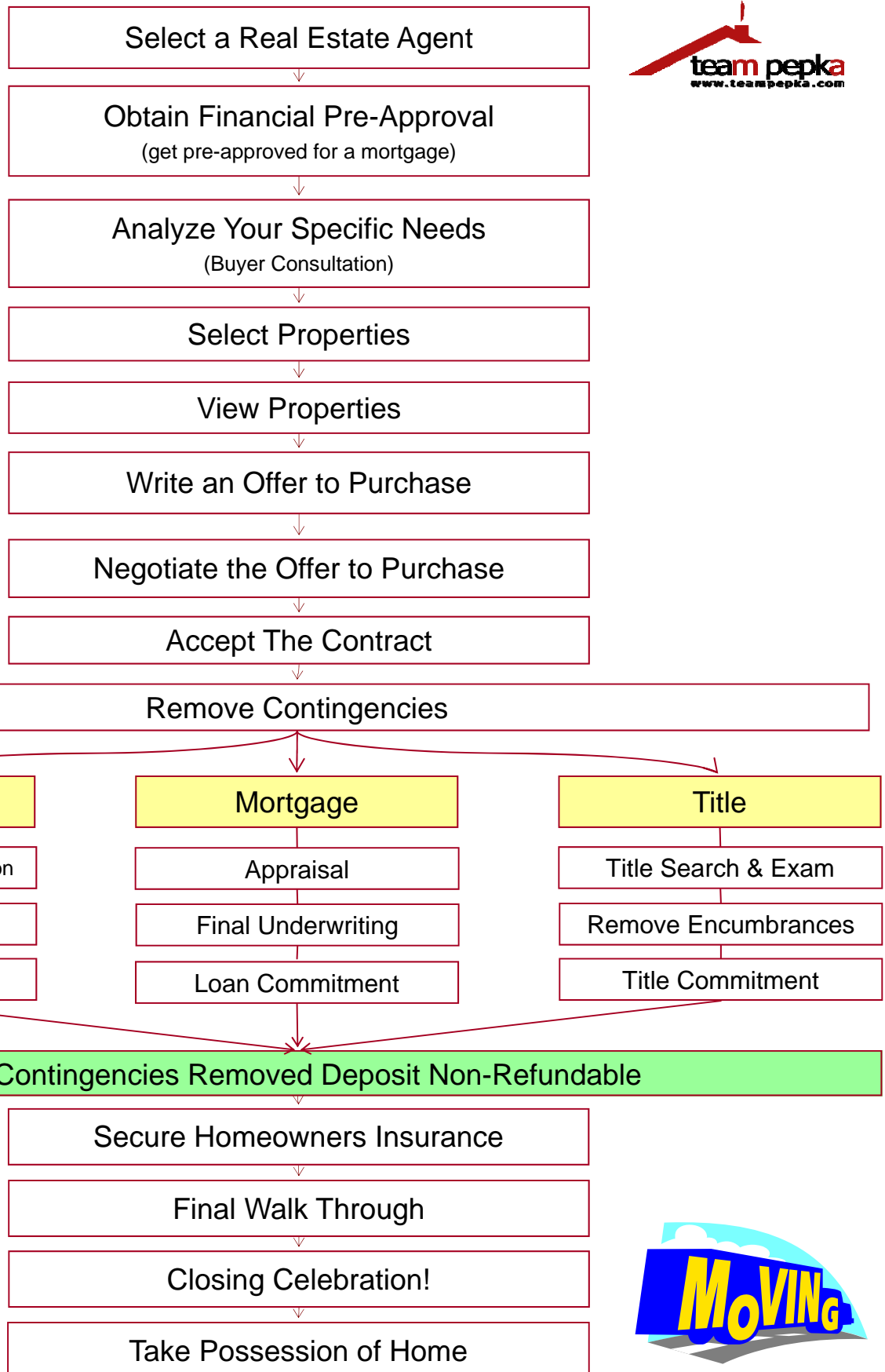
### Step 11. The Closing

#### Celebration!

There will be numerous documents. Our team has attended thousands of closings. If there is something that you should not be signing we will stop the closing and resolve the issues prior to proceeding.



# The Home Buying Process





## Benefits

Working with our team you're always working with a **Specialist**

The **Benefits** to you are:

**Knowledge**



**Availability**



**Communication**



# A Traditional Realtors Model



Traditional Real Estate Agents.....  
*attempt to manage ALL of the*  
duties required to run an **entire** Real  
Estate Office. Their Focus is keeping  
everything moving.



## Our Team is Comprised of Specialists Whose Focus is on YOU!

At Team Pepka, our focus is on you. We surround you with a team of **Specialists** that really make your life much easier.



**Buyer Specialists...** Work exclusively with buyers. They preview at least 200 homes per month and know the market better than anyone!



## Our Mission & Goals

**To Exceed The Expectations of Those We Serve Through:  
Honesty, Integrity and Unparalleled Service!**

**Our goals for the transaction:**

**Get you the *Best Price Possible*.**

**Get you to the closing table with the *Fewest Hassles Possible*.**

**Do it within the *Time Frame You Desire*.**

Our business has been built around one guiding principle:

**Its All About You!**

**Your Needs - Your Dreams - Your Concerns**

**Your Questions**

**Your Finances**

**Your Time**

**Your Life**

**Our focus is on your complete satisfaction.**

Maybe that's why over 50% of our business comes from  
repeat customers and referrals.

Good service speaks for itself.



## Our Life's Blood

### We Strive To Earn It.

Our team's success is not based on just selling you a home. Our success is based on making sure that you're so happy with our service that you are going to pick up the phone and call us anytime you have a friend or family member that is thinking about buying, selling or investing real estate.

Referrals really are the lifeblood of our business.

Who do you know?





Added Value

## What Added Value Our Team Brings The Table

### The TEAM

No one person can do as much as a TEAM can do, which will lead to a smoother transaction.



### Home Warranty

For all of our Team Pepka Buyer Agency Clients, we include a **Premium Extended 18 Month Best Florida Home Warranty**. A \$700.00 Value!

### Sell It For Free Guarantee

If you're not completely satisfied with your home at any time during the first 12 months, Team Pepka will sell it for FREE! (A \$9,000 Value). The only stipulations are you have to pay the other agents brokerage fee and you get to buy your next home with Team Pepka.



### Team Pepka VIP Performance Guarantee

If you're not completely satisfied with **our service** as promised you can terminate your agreement with our team and brokerage.

### Moving Boxes

Your first 30 moving boxes are on us! Free Delivery. \*Local Moves Only.

### 10% Discount on all Flooring at Georgia Carpet World

Bring this book and receive a 10% discount on any item in the store.



### Convenience of One Stop Shopping

We have it all, Lender, Home Inspector, Pest Inspector, Surveyor and Title Company.

\*18 month coverage if buyer uses SWF Home Inspections 12 months if not.



## So Much For So Little

### Cost

Our Brokerage charges 3.5% of the purchase price plus a \$495.00 Brokerage Transaction Fee for our services.

The very best part about our service is the 3.5% is paid by the seller!

Should the seller be offering less than our full fee we are asking your permission today to negotiate any deficiency as part of a Seller concession so it does not have to come out of your pocket.

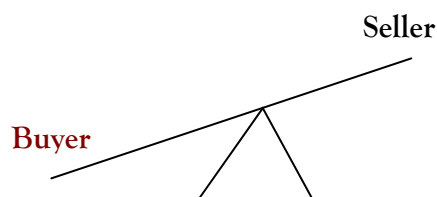
We will also make every effort to negotiate the \$495.00 Brokerage Transaction Fee within that concession however, if the Seller refuses, this is the **only** cost that you will pay the Brokerage and it will be included in your normal costs to close on your closing statement.





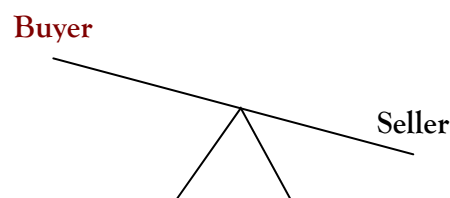
## Who Works For Whom

### Buyer Agency (Single Agency)



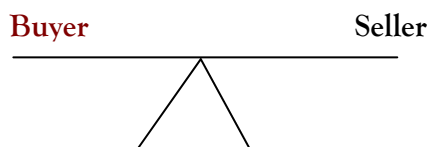
- Agent will represent the best interests of the **Buyer**
- Agent will owe the buyer fiduciary duties
- Agent owes seller honesty
- Agent must give seller all material facts to make an educated decision

### Seller Agency (Single Agency)



- Agent will represent the best interests of the **Seller**
- Agent will owe the seller fiduciary duties
- Agent owes buyer honesty
- Agent must give buyer all material facts to make an educated decision

### Transaction Broker



- Agents represent both **Buyer** and **Seller** equally
- Objective is to get a mutually satisfactory agreement among all parties
- All options will be given to buyers and sellers
- All parties may be present at contract presentation to negotiate on their own behalf
- Confidentiality to all parties. Agent may do nothing to the detriment of either buyer or seller
- Right to counsel. Before making any decision, both parties have the right to seek family, religious, legal or financial counsel



## Why Buyer Agency?

### Advantages of a Buyer Loyalty Agreement

#### Your Interests are Professionally Represented

Enlisting the services of a professional Exclusive Buyer's Specialist is similar to using an accountant to help you with your taxes, a doctor to help you with your health or a mechanic to help you with your car. So, the first advantage is pretty obvious. If you had the time to devote to learning all you need to know about accounting, medicine and auto mechanics, you could probably manage these services yourself. But who has the time? You probably already have something that you devote your full attention to and to which you are committed. Whether it is being a homemaker, full-time mother/father or having a full-time career. This is why you allow other professionals to help you in specific areas of expertise.

We have devoted our careers to perfecting your Real Estate experience. Continuous education, market research and vast experience are combined with an excellent team of Real Estate professionals to find you the perfect home quickly. Team Pepka will guide you through the home buying process and exclusively represent your interests as we help find you a home, present your contract offer, negotiate and close.

It is always better to make an informed decision to buy something than it is to be sold something. When you have a Buyer's Specialist, your interests are professionally represented and you have more control and peace of mind than if you are simply sold a home you find. Buying a home is a big decision. Let your agent act as your specialist, even if you happen to find the perfect home yourself.

**Finding the home is only one step in the home buying process.**





## Advantages of a Buyer Loyalty Agreement

### You Can Get a Great Home Quickly and Conveniently

Another advantage to signing a Buyer Loyalty Agreement with Team Pepka is that you will have an entire team of Real Estate professionals working to find and secure the perfect home for you exactly when you need it.

It is nearly impossible to find a home that meets your needs, get a contract negotiated and close the transaction without an experienced agent. Team Pepka has vast computer networks to make sure you only tour the homes that meet your needs. You won't need to spend endless evenings and weekends driving around looking for homes for sale.

When you tour homes with your **personal Buyer's Specialist**, you will already know that the homes meet your criteria for bedrooms, bathrooms, garage space, square footage, neighborhood, etc. Also, your agent will ensure you are looking at homes that are in your price range.

### You get a Personal Specialist That Knows Your Needs!

Just as your accountant, doctor and mechanic get to know your needs through a steady relationship, your Buyer's Specialist also gets to know your Real Estate needs and concerns. This type of relationship is built by open communication at all times and by touring homes with your Buyer's Specialist so that they understand your opinions and concerns about each home visited.



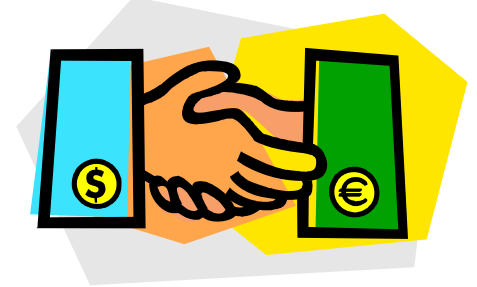
If you jump from one agent to another agent, you will not receive the best Real Estate service possible and you will be violating your agreement with your Buyer's Specialist. Your own **personal Buyer's Specialist** can tell you important facts about any home **before** you see it.

## What Is Buyer Loyalty Agreement?

### Buyer Loyalty Agreement Defined

Entering into a Buyer Loyalty Agreement has countless advantages and no disadvantages. When you sign a Buyer Loyalty Agreement with Team Pepka, you are simply agreeing to “hire” a personal representative who, by law, must represent your best interests to the best of his/her ability. All of this personal service is available and paid for by the seller's commission. With Team Pepka you get an entire team of Real Estate professionals devoted to protecting your needs, to help you make one of the most important investment decisions of your life!

About this time you are probably saying to yourself, “this sounds too good to be true! What is the catch?” The “catch” is that you are signing a legal document between you and the Buyer's Specialist that will establish a legal relationship with duties and obligations on the part of both parties.



Your Buyer's Specialist obligations are set forth by law, as is your obligation. Your obligation is merely this: you agree to let your Buyer's Specialist represent your home buying needs exclusively throughout the duration of the agreement until you find a home and take title. The duration is a variable you decide. This is to guarantee that your Buyer's Specialist receives compensation from the Seller for the work he/she has been doing for you.

# The Team Pepka VIP

## Buyer Loyalty Agreement



### **As Your Buyer Specialist Our Team will: (Broker's Obligations)**

1. Conduct an in-depth needs analysis of your wants, needs and desires so that we can find you the **right home**, at the **lowest price**, in the shortest amount of time, with the least inconvenience to you.
2. Secure the very **best financing program** for your specific situation with the **lowest interest rate** and the least amount of closing costs. Obtain a pre-qualification/approval certificate to submit with your offer which will give you a competitive advantage during negotiations in today's market.
3. Provide you with up to the minute market updates from our customized interactive **Home Finder Service** of all properties that match **your** specific home buying criteria. This will allow you to drive by homes at your convenience to determine which properties you would like to schedule private showings.
4. Arrange private showings for homes you wish to see, including **Other REALTORS Listings**, **Open Houses**, **New Construction** and **For Sale By Owners**.
5. Apply our **Specialized Knowledge** to formulate the best strategy for making an offer including: price, financing terms, buyers cost to close, possession date, inspections, termite/mold reports, survey, deed restrictions, CDD Fees, HOA Fees, special assessments, what other similar homes are selling for in the area as well as finding answers to all your questions.
6. **Prepare an offer** with terms, provisions, special stipulations, amendments, exhibits and addendums weighted in **your** best interest.
7. **Present the offer** on your behalf and negotiate in your favor to help you win the property at the best possible price and terms.
8. **Recommend** experienced and competent **vendors** with respect to your total home purchase including: lenders, home inspectors, appraisers, title companies, qualified repairmen, insurance companies as well as services after the sale.
9. Schedule and coordinate **all inspections** including: Professional Home inspection, Termite Inspection, Survey, Water, Septic Tank, Mold. Be present for the last 20 minutes of home inspection upon request.
10. **Negotiate repairs** or Seller credits after inspections on your behalf.
11. **Walk through** your new home prior to closing to insure home condition and that contract requirements have been met.
12. Arrange for Title services, **review the HUD-1 Closing Statement** and be present to represent you at the closing.
13. **Represent your best interests throughout the entire transaction**, Single Agency with Consent to Transactional.
14. Give you our most precious asset, **our time**. Showings tend to be on nights and weekends, this time is normally spent with friends and family members. As long as we do an exceptional job for you we ask only one thing in return...that you work with us and only us, including For Sale By Owners, New Construction, Open Houses and other agents listings....**Your Loyalty**.

## Feel Secure With Your Agent & Your Purchase!

As Our Client, You're Entitled to the Following **BENEFITS:**



**BENEFIT #1 - A Premium Extended 18 Month Best Florida Home Warranty (\$700 value).** We will negotiate this warranty on your behalf **at no cost to you.\***

**BENEFIT #2 - Team Pepka's Sell for Free Guarantee.** If you are unsatisfied, unhappy or you just don't like the people next door we will sell your home for FREE! **A \$7,500 Value!\*\***

**BENEFIT #3 - Our VIP Performance Guarantee,** if your not completely satisfied with our service as promised, you can terminate this agreement with our team and brokerage.\*

### What would be expected of you as our client.

**Buyer's Obligations:** (You agree to:)

1. Seek Pre-Approval from a lender **prior** to viewing any properties.
2. Notify **us** of any and all listed properties, New Construction, For Sale By Owners or Open Houses where that you desire a private showing.
3. When coming in contact with other REALTORS, New Homebuilders, or For Sale By Owners inform them that Team Pepka of Keller Williams Realty is representing you.

**Our Fee is paid by the Seller:** Team Pepka of Keller Williams Realty is due a Brokerage Fee of no less than 3.5% of the purchase price of the home/land that you close on (\$2,500 minimum). The Brokerage Fees that are paid by the Seller are published in the MLS. Any shortages to the 3.5% will be negotiated by us as part of the purchase agreement through a seller credit towards buyers cost to close, prepaid items and settlement fees. You are giving us permission now to negotiate with the Seller to pay for any shortage on your behalf so you don't have to. Should negotiations fail to glean a seller credit, you will not be responsible for any shortfalls.

A \$495 records/processing/brokerage fee is due at closing to Keller Williams Realty for the internal processing of your transaction. You are giving us permission to ask the Seller to pay this on your behalf. If the Seller refuses, to pay this, you will compensate Keller Williams Realty at closing as part of your normal closing costs.

This agreement is valid for 1 year from today's date and relates to any property that is called to the Buyer's attention by agent, buyer or any other person unless buyer(s) exercise early termination guarantee.

**You are not under any obligation at any time to buy or build a property.**

**\*\*Qualifications:** 12 month time limit from original purchase date. Home must be owner occupied (no investor flips). Client agrees to Team Pepka buyer representation on their next home purchase. Next home must be in Team Pepka Service area. A 3% credit of the listing side of the brokerage fee (3%) will be credited to client at the closing of their next home purchase. Value Calculation based on the 3% listing side of a \$300,000 home sale. 12 Month warranty included if buyer does not use SWF Home Inspections.

## \*The Team Pepka VIP Performance Guarantee

### Your Agreement With Us Is Risk-Free!

As your Buyer Specialist our Team promises to give it our all. We are committed to finding you the right home as quickly as possible, before the competition finds it. We can say that because our Team has already helped hundreds of families just like yours.

Our pledge is to provide you with the highest level of service the real estate industry can provide and our commitment to this pledge is 100%. If you're not completely satisfied with our service as promised, you can terminate this agreement with us. Buyer may terminate this Agreement at any time by written notice to Broker. Brokerage fee would be due and payable for **any** property Buyer became aware of prior to termination. Fee is due at the time of closing of said property.



Buyer has read this Agreement and understands its contents.

\_\_\_\_\_/\_\_\_\_\_ Date:\_\_\_\_\_  
Buyer (signature) (print)

\_\_\_\_\_/\_\_\_\_\_ Date:\_\_\_\_\_  
Buyer (signature) (print)

Agreed and accepted by:

\_\_\_\_\_/\_\_\_\_\_ Date:\_\_\_\_\_  
Broker/Sales Associate (signature) (print)

***From today forward we will use a diligent effort to meet or exceed your expectations through  
Honesty, Integrity and Unparalleled service.***

**To Lender:** Buyer gives Mortgage Broker/Lender permission to discuss; Application Status, Loan Status, Credit Information and Commitment Issues with Agent. Buyer authorizes Mortgage Broker/Lender to disclose this information to Agent.

**To Title Agent: Buyer Authorizes -** In the event that the contract terms provide for a seller concession to cover closing costs, such credit will be used to credit buyer for their responsibility of buyers broker fee of 3.5% & \$495 records/processing/brokerage fees. **Noted on Final HUD-1 Statement and payable to Keller Williams Realty on The Water.**

**Dispute Resolution:** In any litigation permitted by this Agreement, the prevailing party shall be entitled to recover from the non-prevailing party costs and fees, including reasonable attorney's fees, incurred in conducting the litigation.

**Early Termination Instructions:** Email Broker Ron Pepka at [Ron@TeamPepka.com](mailto:Ron@TeamPepka.com) your name, the name of your Buyer Specialist, how or why you feel we have not met your expectations and that you wish to early terminate this agreement. We will first try and resolve the problem or replace the agent with another Team Pepka representative.



Buyers Hotline: 941-708-3555  
Team Email: [TeamPepka@TeamPepka.com](mailto:TeamPepka@TeamPepka.com)





## Picture Perfect 10+

The word "Home" brings to mind oh so many things and can be connected to so many different emotions. This is about more than a certain number of bedrooms or a particular zip code. Its about your life and it's important to us. We want your purchase to be a 10+ experience. Please take a moment to ponder what we could do to accomplish that.

1. What one thing would have to happen to make this a perfect experience for you?

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2. Why is this important to you?

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3. How does someone win with you?

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4. What do you feel you have the right to expect from our Team as Real Estate Professionals?

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5. What do you feel we have the right to expect from you as our client?

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## Your Home Wish List

Creating a list of the desired **features** and **amenities** for your new home will help us target properties that meet your criteria.

**Home Style Interested in:** Single Family Residential Condo Vacant Land New Construction

**Minimum # of Bedrooms:** 2 3 4 5 **Minimum # of Bathrooms:** 1 2 3 4

**Minimum Size of Garage:** 2 3 4 **Minimum Square Feet:** \_\_\_\_\_

**Maximum Price:** \$ \_\_\_\_\_ **Lot Size:** Standard 1/2 - 1 acre 2 - 5 acres 5 acres+

**Pool:** Yes No Maybe **Waterfront:** Yes No Maybe **Maximum Age of Home:** \_\_\_\_\_  
Years Old

**Other wants:** Granite Countertops Stainless Steel Appliances Wood Cabinets Hardwood Flooring

Crown Molding Fireplace Walk in Closets Roman Shower Garden Tub Workshop/Outbuildings

**Community Features:** Golf Course Boating Maintenance Free 55+ Other: \_\_\_\_\_

**Regarding the Location of the home, where would you like it to be and why?**

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We know there are many things that you would like to have, if you had to narrow it down to just **must have's**, what would they be?

Must Have #1 \_\_\_\_\_

Must Have #2 \_\_\_\_\_

Must Have #3 \_\_\_\_\_

YOUR GUIDE  
TO BUYING  
A HOME



Location - Location - Location

## You Can Pick Your Neighbors

More than just the home, it's important to think about the type of neighborhood that is right for you. Please consider the following and record any notes or preferences:

1. Areas You Would Like to Live: \_\_\_\_\_

2. Specific Subdivisions You Like: \_\_\_\_\_

3. School District(s) You Prefer: \_\_\_\_\_

4. Proximity to Your Work Location(s): \_\_\_\_\_

5. Your Favorite Shops/Conveniences: \_\_\_\_\_

6. Recreational Facilities You Enjoy: \_\_\_\_\_

7. Proximity to I-75: \_\_\_\_\_

Any Additional Items to Consider When Selecting Our Target Neighborhoods: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

# Time Is Of The Essence

A successful Real Estate transaction hinges on numerous details involving deadlines that must be met so you can successfully close and move into your dream home as soon as possible.



## Mark These Dates!

Signing of Purchase & Sale Agreement \_\_\_\_\_

Formal Loan Application Due Date \_\_\_\_\_

Home Inspection Date & Time \_\_\_\_\_

Termite Inspection Date & Time \_\_\_\_\_

Appraisal Date & Time \_\_\_\_\_

Homeowners Insurance Application \_\_\_\_\_

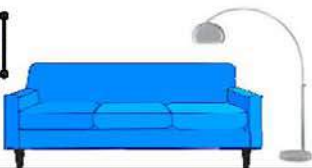
Homeowners Insurance Binder Issued \_\_\_\_\_

**Loan Commitment Due** \_\_\_\_\_

Final Walk-Thru Inspection \_\_\_\_\_

Closing Date - Time \_\_\_\_\_

Location of Closing \_\_\_\_\_



# Final Walk-through Checklist



## REPAIRS

- ☐ Have the repairs been completed?
- ☐ Did the seller provide all warranties and bills for repairs?

## GENERAL

- ☐ Are all the items that convey with the sale present?
- ☐ Have unwanted items been removed?
- ☐ Have garbage & construction debris been removed?
- ☐ Is there any damage to floors or walls caused by movers?

## KITCHEN

- ☐ Do the appliances appear to be in working order?

## BATHROOMS

- ☐ Are the toilets running or nonfunctional?
- ☐ Do the faucets leak?
- ☐ Fill the sinks and tubs. Do they drain properly?
- ☐ Do you see any leaks under the sinks or by toilets?

## WINDOWS AND DOORS

- ☐ Are all the latches and locks functional?
- ☐ Are there any broken windows or missing screens?

## ELECTRICITY

- ☐ Turn all lights on and off. Do they work properly?

## EXTERIOR

- ☐ Are all shrubs intact?
- ☐ Does the irrigation system work (if applicable)?

## WHAT TO BRING TO CLOSING

- ☐ Photo ID's
- ☐ Wired Funds Receipt
- ☐ The Address of The Title Company
- ☐ Your Agent

## APPLIANCES

- ☐ Stove/Oven
- ☐ Garbage Disposal
- ☐ Refrigerator/Freezer
- ☐ Dishwasher
- ☐ Microwave
- ☐ Washer
- ☐ Dryer

## Systems

- ☐ HVAC
- ☐ Garage Door Opener
- ☐ Doorbell
- ☐ Security System



# What Our Clients Say ...

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"Our Team Pepka Buyer's Specialist provided service that was second to none. She kept us informed, answered all our concerns and is very professional." *John & Wanda Putnam*

**"Thank you for your patience & knowledge. This was a difficult process for us, but with your help we survived. I don't know how you can improve your service and I have already recommended your Team. Thanks Again."** *Chuck & Tammy Hardesty*

"Your patience and work was above and beyond "business as usual". My Buyer's Specialist worked hard to find this home and it is the perfect fit, I love it! Your kindness was an answer to my prayers. *Donna Langer*

"Your Team is very knowledgeable and took the time to find a lot of information for each house we saw. Thank you so much for all your help with the tricky closing! I am very Happy!" *James Lynch*

"Each member of the Team was very professional and cooperative. We were extremely pleased with the service and would highly recommend Team Pepka!"  
*George & Donna Ellington*

"Your Team was very professional and provided us with great service!" *James Petrinovich*

**"You are extremely easy to talk to and your expert knowledge made everything easy for us."** *Vickie & Dr. Phil Jones*

I was "very happy" with the service Team Pepka provided. I would "Absolutely!" recommend Team Pepka to friends and family. "Everything was wonderful, thank you for everything." *Nadja Gooddarzi*

**After being in the Banking, Title Insurance and Real Estate industry for 25 years... You are, by far, the most professional Real Estate agent I have ever dealt with."**  
*Michael Dzurilla*

**Our Team Pepka Buyer's Specialist "found exactly what we needed for the price we wanted."** *Sandy & Joe Esquivel*

**"Team Pepka provided me with reliable and professional information. I will use them in my next transaction. They are highly appreciated."** *C.L. Joyce*

"As a 1st time homebuyer we didn't know what to expect or what we needed to do. You explained everything and walked us through it all, it made us feel at ease. You guys exceeded any of our expectations. We are truly grateful for all of your help." *Dana & Troy Corentz*

**"Our Team Pepka Buyer's Specialist provided top-notch service from beginning to end and the Contract to Close Specialist stayed on top her functions." The service we received was "The best we have ever experienced!!!" We would recommend Team Pepka "Without Reservation" to our friends and family. *George & Barb Case***

"Team Pepka, as a group, made my home purchase nearly painless. This in spite of a difficult seller. As issues arose, the Administrative Team addressed each situation, expeditiously, never leaving me wondering what was happening." Team Pepka "made me feel important as a client, not just another buyer. The attention to detail, the aggressive searching by my Buyer's Specialist and the cordiality of the office folks made the total experience wonderful. Happy is an understatement" *Don Edgar*

# Meet Team Pepka's Administrative Staff

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Ron can be described as the “rock” that every successful business needs. With twenty-two years of local Real Estate experience, Ron has acquired a can do attitude and a set of finely tuned skills known to get homes sold for the most money with the least amount of inconvenience. Twenty-two years ago Ron planted a seed of hope for his new business, and now Team Pepka has blossomed into one of Manatee County's highest ranked Real Estate teams. When he is out of the office, Ron enjoys competing on the beautiful Florida golf courses as well as scuba diving and other family activities.



**Ron Pepka—Listings Specialist & Broker/Owner**

**Ron@TeamPepka.com**

**941-708-3455**

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**Cathy Pepka—Contract To Close Specialist Agent/Owner**

**Cathy@TeamPepka.com**

**941-708-3455**



Selling or Buying a home is like taking an airline flight across the country. Like any trip, you're bound to run into a little turbulence. With Cathy piloting your flight from contract to closing, she will utilize her expertise and experience to take you on the smoothest flight possible. Cathy coordinates with Loan officers, Surveyors, Appraisers, Home Inspectors, Pest Inspectors, Title Agents and other Real Estate Agents simultaneously to orchestrate a successful and stress-free closing.

## Meet Team Pepka's Administrative Staff (Continued)



**Christina  
De Giovanni**

**Team Leader**

**941-708-3455**

**Christina@TeamPepka.com**

Christina lets nothing get in her way when it comes to the team being dynamically successful. In charge of hiring, training & accountability, Christina defines leadership by creating an inspiring vision of the future for our team and motivating team members to follow that vision on the way to achieving their own goals. Christina also is in charge of our innovative marketing. While most teams struggle to keep up, Christina is immersed in the very latest technology to insure our clients have an unfair advantage in the real estate market place. When not working Christina devotes herself to her family, Husband 3 Children & beloved Mother.



**Ben  
Pepka**

**Listings  
Manager**

**941-708-3455**

**Ben@TeamPepka.com**

Ben is the right-hand to all members of Team Pepka. He does everything from answering the phones to assisting in closing homes, but his main job is managing every aspect of Team Pepka's listings. Ben works extremely hard to exceed the expectations of all the Team Pepka clients. He is the guiding force behind the scenes that keeps everything running smoothly. Having lived here since a toddler, he is a Florida native and loves everything about this area. When he is not working some of his favorite activities include spending time with his fiancé and playing with his adorable boxer puppy siblings, Obie & Nera.

## Chloe, Pepper, Mr. Finn, Po, Obie & Nera Pepka - Employee Relations

Chloe, Pepper, Mr. Finn, Po, Obie & Nera are in charge of office morale. Their duties are to greet each employee at the door making them feel very loved and welcomed. They have a very important role at Team Pepka Headquarters.



# Meet Team Pepka's Talented Agents!

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Christina is a New England native who moved to Florida over 10 years ago to work for The Walt Disney Company. She graduated from Southern Connecticut State University with a Bachelor's Degree in Communication and Marketing. She started her career in real estate working in new home construction and has been a REALTOR® working primarily with buyers from all over the world since 2013. Christina is fluent in Portuguese and enjoys making dreams come true when it comes to home ownership. In her free time, she enjoys traveling, cheering on her favorite sports teams, and spending time with family, friends, and her dog Max.

## Christina Lameirao | Buyer Specialist

Christinalameirao@TeamPepka.com | 407-580-6437

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Cindy is a Miami native, but has strong roots in Atlanta, Georgia as that's where she grew up. Cindy now calls Apollo Beach home with her 2 girls and 2 dogs! She brings a lot to the table when it comes to real estate. Previous to her career as Real Estate Agent she was a closing coordinator on the title side. Her vast array of knowledge means that from start to finish, she will provide you with the best possible experience. Cindy understands that buying or selling a home is more than just a transfer of ownership, it's a life-changing experience. With her attention to detail, strong desire for client satisfaction, and her drive for success; you'll always be in great hands!

## Cindy Robinson | Buyer Specialist

Cindy@TeamPepka.com | 941-200-0798

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Bill has been in banking and real estate for over 20 years and has financed properties all over the country. This experience allows him to provide expert advice in regards to real estate, financing, credit, budgeting and investment property cash flow. In addition to his Florida Real Estate license, Bill remains certified with NMLS (Nationwide Mortgage Licensing System), holds a CLBB (Certified Lender Business Banker) designation with the American Bankers Association and is a Florida notary. Bill lives in Palmetto with his wife and three children. They attend the 53rd Ave Church of Christ and enjoy family trips to Disney World. His personal and business philosophy can be summed up by this quote from Walt Disney: "Do what you do so well that they will want to see it again and bring their friends."

## Bill Warrell | Buyer Specialist

Bill@TeamPepka.com | 941-500-9670

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# Meet The Founding Members: Ron and Cathy Pepka

## Awards & Professional Achievements

2015-18 Keller Williams Mega Platinum Award  
 2014 #1 Non-REO Agent in Manatee County  
 2013 Keller Williams Mega Quad Award  
 2012 #2 *Top Producing* Keller Williams Agent, Manatee County  
 2011 #2 *Top Producing* Keller Williams Agent, Manatee County  
 2010 #1 *Top Producing* Keller Williams Agent, Manatee County  
 2009 #1 *Top Producing* Keller Williams Agent, Manatee County  
 2008 #1 *Top Producing* Agent, All Manatee County  
 #4 Keller Williams Agent, for North Florida Region  
 2007 #1 *Top Producing* Keller Williams Agent, Manatee County  
 #7 Keller Williams Agent, for North Florida Region  
 2006 #1 *Top Producing* Agent, for Manatee County  
 #4 Keller Williams Agent, for North Florida Region  
 Opened Keller Williams On The Water Broker  
 2005 #1 *Top Producing* Keller Williams Agent, Manatee County  
 #10 Keller Williams Agent, for North Florida Region  
 2004 #1 *Top Producing* Keller Williams Agent, Manatee County  
 2004-2009, 2014 Platinum Mega Agent Award (\$500K + GCI)  
 2003 #1 *Top Producing* Agent, Manatee County  
 #1 Keller Williams Agent, for Manatee County  
 2002 #1 *Top Producing* Re/Max, Agent Manatee County  
 Top 100 out of 5,000+ agents in Florida  
 #2 Agent in all of Manatee County  
 Hall of Fame Award (1+ Million in Commissions)  
 2001 #1 *Top Producing* Re/Max Agent, Manatee County  
 Ranked 27th of all Florida Re/Max Agents  
 2000 #1 *Top Producing* Re/Max Agent, Manatee County  
 Ranked 35th of all Florida Re/Max Agents  
 1999 #1 *Top Producing* Re/Max Agent, Manatee County  
 First Re/Max Gulfstream Agent to receive Platinum  
 Club Award in company history  
 1998 Re/Max 100% Club  
 1996 & 1997 *Top Producer* Century 21 Scotland Yard

## Personal Achievements

2010 Current USGA Golf Handicap Index 8.3  
 2002 Advanced Scuba Certification  
 1993 Won the Clark County Amateur, Score 72 par round  
 1992 Hannah Born  
 1990 Benjamin Born  
 1983-1985 Track Champion Las Vegas Speedrome Heavy  
 & Motorcycle Divisions  
 1983 Ron and Cathy Married



## Ron & Cathy Pepka

Year	Transactions	GCI	Millions
2017	78	\$531,144	\$18.76
2016	86	\$722,327	\$22.90
2015	76	\$483,993	\$16.28
2014	108	\$754,703	\$25.66
2013	75	\$433,401	\$14.47
2012	91	\$486,333	\$16.20
2011	93	\$416,504	\$13.68
2010	88	\$463,843	\$15.42
2009	92	\$526,013	\$17.21
2008	100	\$629,986	\$20.67
2007	53	\$438,228	\$14.56
2006	81	\$731,057	\$27.77
2005	97	\$771,179	\$27.06
2004	91	\$632,612	\$21.45
2003	75	\$434,680	\$14.49
2002	60	\$268,238	\$8.94
2001	66	\$338,658	\$11.29
2000	67	\$304,372	\$10.14
1999	59	\$257,086	\$8.56
1998	41	\$143,894	\$4.07
1997	34	\$102,302	\$3.41
1996	13	\$44,220	\$1.4

## Education

Mortgage Loan Originator 2012  
 Ed Klopfer Real Estate Broker License Course 2004  
 All Keller Williams Management Courses (8 Total)  
 C-21 Plus Training & Effective Finance Programs  
 C-21 Academy of Real Estate 88% Florida Exam  
 Southern Nevada School of R. E 98% NV Exam  
 University of Nevada Las Vegas  
 North Penn High School 3.2 GPA



## Choosing The Right Loan Officer

Team Pepka strives to offer core services that will meet your needs throughout the home buying process. Enjoy the convenience of one-stop shopping through our preferred partners, which meet our rigorous standards in the following areas:

**Integrity   Experience   Operations   Customer Service   Communication**

The loan officer you choose should have a successful track record not only in closing loans, but closing them on time. They should be well known in the Financial and Realtor communities. He/she should have a variety of mortgage programs for you to choose from and be able to provide you with full loan commitment within a short period of time.

Don't be fooled by deceptive advertising! Many mortgage companies and loan officers advertise rates and mortgage programs that simply don't exist. They say "Yes-Yes-Yes" on the telephone and "No-that's not the rate we quoted" at the closing. Choosing a loan officer on rate alone can have devastating consequences such as a delayed closing, junk fees, higher interest rates or no closing at all just to name a few.

## Recommended Loan Officer



### **Natalie Rupert**

**Mortgage Loan Officer**

941-720-3124 Direct

Email: [natalie.rupert@lionbank.com](mailto:natalie.rupert@lionbank.com)

Website: [www.rupertteam.com](http://www.rupertteam.com)

NMLS# 1042188

***"The Rupert Lending Team  
helps you make the most of  
your home mortgage  
opportunities and is  
one of Southwest Florida's  
Top Producing Mortgage  
Lending Teams"***



**FIDELITY BANK  
MORTGAGE**





## Funding Your Home Purchase

### 1. Financial Pre-Qualification or Pre-Approval

Application & interview

Buyer provides pertinent documentation, including verification of employment

Loan officer collects check for appraisal and credit report \$443.00 to \$500.00

Credit report is requested

After contract appraisal is scheduled

### 2. Underwriting

Loan package is submitted to underwriter for approval

### 3. Loan Approval

Parties are notified of approval

Loan documents are completed and sent to title

### 4. Title Company

Title exam, insurance and title survey conducted

Borrowers come in for final signatures

### 5. Funding

Lender reviews the loan package

Funds are transferred by wire

## Why Get Pre-Approved?

We recommend our buyers get pre-approved before beginning their home search. Knowing exactly how much you can comfortably spend on a home reduces the potential frustration of looking at homes that you may not be able to qualify for.

In today's market, a pre-approval can be a **powerful negotiating tool**. You deserve peace of mind and negotiating power by getting an approved loan before you make an offer.



## Mortgage Application Checklist

The following checklist includes all the information and preparations you should make before you meet with your Mortgage Professional. With the right information in hand, the application process should be quick and easy.

### Residence History:

You will need to provide the street address for every residence you have lived in during the past two years.

If you are currently renting, please bring:

- Landlord's name
- Landlord's address
- Landlord's phone number

If you own your current residence, please bring:

- Mortgage lender's name & Loan number

### Employment History:

You will need to provide the following information for every employer you have worked for during

the past two years:

- Employer's name
- Employer's address
- Employer's phone number

### Income Information:

You will need to provide the following information about your income to complete your application:

- Gross monthly salary or other income
- Year-to-date pay stub
- W2s for the past two years

- Signed tax returns if you worked on commission

- Signed tax returns if you wish to use interest, dividend or bonus income to qualify for your loan

If you're self-employed, you will need to provide:

- Signed tax returns for the past two years
- Current profit and loss statement
- Current balance sheet

If you are not currently employed, please bring:

- Proof of other sources of income
- Deposit, Retirement and Equities

Account information for all checking, savings, IRA, 401 (k) or other retirement programs, stock and mutual fund accounts, you will need to provide:

- Name and address of the financial institution holding the account.

- Account number
- Account balance
- Statement for the past two months



## Mortgage Application Checklist (Continued)

### Debt Information:

You will need to provide the following information on all of your outstanding loans and credit cards:

- Name and address of lender
- Account number
- Balance
- Monthly Payment

### Real Estate Information:

You will need to provide the following information about any Real Estate that you own:

- Address of property
- Market value
- Loan information
- Copies of leases on rental properties

### Personal Property Information:

You will need to provide the estimated value of personal property on your application including:

- Furniture
- Vehicles (make and model numbers)
- Boats
- Campers

### Sales Contract:

You will need to provide the completed and signed sales contract for the property you are purchasing when you finalize your loan.

### Identification:

You will need to provide information from your government-issued photo ID when you apply. When you attend your loan closing, you will also need to present this identification to the closing agent:

- Driver's license
- State-issued non-drivers ID
- US Military ID

### Veteran's Administration Loan Applicants:

If you are applying for a Veteran's Administration Loan, you will need to supply the following information when you finalize your loan:

- Military discharge papers (Form DD214)
- Certification of Eligibility

### Checkbook (fees):

Be prepared to make the following payments when you finalize your loan:

- Property Appraisal \$443.00
- Credit Report \$25.00
- Flood Certification \$7.00

\*Alimony, child support or separate maintenance income need not be revealed if you do not choose to have it considered for repaying the loan.



## Mortgage Loan Options: Conventional

Conventional fixed rate mortgages have a consistent interest rate for their entire term, so your payments remain the same for the life of your loan.

*A fixed rate mortgage may be right for you if you prefer to budget a specific payment amount into your monthly expenses.*

- Allows for easy budgeting and long-term planning
- If interest rates are low, allows you to lock in favorable rates for the long term
- Provides predictable financing for investment properties
- Includes jumbo loan financing options
- Down payments range from 5% to 20% depending on qualifications
- PMI (Personal Mortgage Insurance) is required with down payments under 20%
- Rates are normally lower than FHA and VA loans and have less closing costs

## Adjustable Rate Mortgages

Adjustable Rate Mortgages (ARM) offer lower initial interest rates. After a specified period, these rates adjust annually to a new rate. An ARM may be right for you if you want increased buying power or expect to move or see an increase in income before your mortgage adjusts.

*Adjustable rate mortgages offer home buyers the following benefits:*

- Lower payments at the beginning of the loan term
- May allow for a larger loan amount
- Protects you with annual and lifetime rate caps
- May easily convert to a fixed rate loan or be fully assumable

*An adjustable rate mortgage may be right for you if you:*

- Want to qualify for a higher loan amount
- Want initially lower monthly payment
- Expect a future increase in income
- Plan to relocate, refinance or move in the next few years



## FHA Financing

Federal Housing Administration (FHA) loans are offered in conjunction with the U.S. Government to help home buyers overcome many of the obstacles to owning their own homes.

### Benefits:

*FHA loans offer home buyers the following benefits:*

- Low down payment, 3.5% of the purchase price
- Closing costs can be funded by gifts or grants
- No cash reserves needed
- Non-occupying co-borrowers are allowed
- Loan program may be fully assumable depending on loan program

### Recommend for:

*An FHA loan may be right for you if you:*

- Are a first-time homebuyer
- Lack a sufficient down payment, or plan to use gift or grant monies for down payment assistance
- Lack credit history
- Are concerned about qualifying income

### Property Types:

*The following property types are eligible for an FHA loan:*

- Single family homes
- Townhomes
- Condos
- Doublewide manufactured homes on permanent foundations



## Veteran's Administration Loans

Veteran's Administration (VA) loans are available to qualified veterans, active duty, reserves and National Guard personnel. Loans are residential mortgages, allowing for the purchase or refinance of an owner-occupied home.

### **VA loan offers the following benefits to service members looking to purchase or refinance:**

- Low or no down payment options
- Financing of VA funding fee
- Unlimited seller contribution to buyer's closing costs
- Gift funds allowed

### **Recommended For:**

*A VA loan might be right for you if you are:*

- A retired veteran, active duty military, National Guard or reservist buying or refinancing a home
- Would like to make a low down payment
- Are interested in 100% financing
- Lack credit history
- Have income limitations

### **Terms:**

*Fidelity Home Mortgage offers the following terms for VA loans:*

- 15 and 30 year fixed rate loans
- 3 and 5 year adjustable rate loans



## Closing Costs

It is important to know exactly how much money you will need and when in-order to actually purchase a home. We are often asked by both Buyers and Sellers "Who is going to pay **THE** closing costs?" In a Real Estate transaction there is no such thing as **THE** closing costs. There are Seller costs and Buyer costs. This outlines typical costs to a Buyer and Seller **with a \$200,000.00 purchase price** using an FHA mortgage putting 3.5% down. **This is only an estimate and prices may vary.**

### Prior to Closing

Appraisal and Credit Report paid to Loan Officer	\$450.00
Earnest Money Deposit to Title Company which will be applied toward down payment	\$5,000.00
Home Inspection paid to Home Inspection Company	\$500.00
<b>Total</b>	<b>\$5,950.00</b>

### Paid at Closing (Buyer)

Down Payment of 3.5%	\$7,000.00.
Home Owners Hazard Insurance pre-paid for one year	\$1,500.00
Reserves Escrow: 3 months of home owners insurance @ \$125.00 per month	\$375.00
Reserves Escrow: 9 months of property taxes @ \$208.00 per month	\$1,872.00
Lender's Title Insurance (10% of Owners Title policy) plus endorsements	\$280.00
State of Florida Doc Stamps on the mortgage: loan amount 197,342.00 ÷ 100 X 0.35¢ =	\$691.00
State Intangible Tax on the Mortgage: Loan amount 197,342.00 ÷ 100 X 0.20¢ =	\$385.00
Recording Fees: To record Mortgage, Note & Deed, \$10 first page \$8.50 each other pg.	\$220.00
Survey	\$375.00
<b>Total</b>	<b>\$12,698.00</b>
<b>Subtract deposit — \$5,000 Total Cash Out of pocket = \$13,648 Amount due at closing:</b>	<b>\$7,698.00</b>

### Paid at Closing (Seller)

Brokerage Fee 7%	\$14,000.00
State of Florida Doc Stamps on the Deed purchase price \$200,000.00 ÷ 100 X 0.70¢	\$1,400.00
Owners Title Insurance (customary in Manatee County for seller to pay)	\$1,240.00
<b>Total Sellers Paid Closing Costs:</b>	<b>\$16,640.00</b>



## No and Low Down Payment Loans & 1<sup>st</sup> Time Homebuyer

### United States Department of Agriculture Financing (USDA)

A USDA home mortgage loan is not only for farmers, it's a home loan with no money down, no mortgage insurance, and is designed for suburban communities. It's simply a government-insured loan program directed to families in qualified rural areas in the US. It might surprise you how many areas of the US qualify for these no money-down, no mortgage-insurance home loans. The goal of USDA rural home loan program is to help our nation's smaller, rural communities thrive by making land and property more affordable. For starters, USDA is the only rural home loan program offered to the general public that allows you to finance 102% of your home loan value. That means no down payment of any kind is required. In addition, there is no monthly mortgage insurance with a USDA guaranteed loan. This means more money can go to pay your mortgage every month. USDA rural home loans are made even more affordable through their very competitive fixed rates, ensuring that your payments will not increase every month.

### First Time Home Buyer Program (FTHB)

Florida Housing's First Time Homebuyer Program offers low fixed-rate 30-year first mortgage programs for first time homebuyers (some exceptions exist) with qualified income and purchase price limits for the county where they are purchasing a home. There also are down payment assistance programs that can be used with the first mortgage products.

**Florida Assist:** Offers lower income borrowers up to **\$7,500.00** to assist with down payment and closing costs. This is a deferred second mortgage with no payments and 0% interest that is repaid when the borrower sells or refinances the home, or at the end of the term of their first mortgage.

Family Size	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Maximum Income Limits	\$43,600	\$49,800	\$56,100	\$62,300	\$67,300	\$72,300	\$77,300	\$82,200

### Homeownership Assistance for Moderate Income Loan (HAMI)

Offers borrowers up to **\$5,000.00** to assist with down payment and closing costs. This is a low fixed-rate second mortgage that is repaid over 10 years at a rate of 5%.

Family Size	Maximum Income Limit
1-2 Persons	\$74,760
3 or More Persons	\$87,220

For additional information concerning this program, please visit their website: [www.FloridaHousing.org](http://www.FloridaHousing.org)

## What We Can Help You Purchase

### Any Home

Our team of Exclusive Buyer Specialists will evaluate your home buying needs in our first meeting with you and will then be better prepared to assist you in your home buying search. We are highly skilled in locating the ideal home for you, whether it's a: **Keller Williams Listing, Another Brokerages Listing, a for sale by owner, or a new builder construction!** Our Brokerage fees are pre-negotiated so that the seller is responsible for them.



### Re-Sale Homes Listed by other Brokerages

**See Another Real Estate Company's Sign?** Because we share a cooperating relationship with all Real Estate offices within our community, we can show you properties, gather information and answer questions about properties that are listed with us or any broker in our area.

Not all of our clients are the same. Some like to get the listings and drive by the homes and get a feel for the neighborhood before viewing the property. Others prefer for their exclusive Buyer's Specialist to pick out the properties and sometimes even preview the properties prior to a showing. Please let us know how you choose to work and we will be most accommodating.



## What We Can Help You Purchase

### For Sale by Owner

**See a For Sale By Owner Sign?** Simply call us with the phone number and the address of the property. Team Pepka will make contact with the seller, see if the home matches your specific requirements and make an appointment for a showing!

We often work with homeowners who wish to sell their home themselves. In fact, many of the listings that our team takes are from people who have tried unsuccessfully to sell their homes themselves. We maintain awareness of all for sale by owner properties in the area. In this transaction, you will continue to be represented by us with our buyer's representation agreement.



### New Builder Construction

**See a New Construction Sign?** Many home buyers are not aware that the representatives at new construction sales centers **work for the builder**, and do not represent the buyer's best interests.

Our team has extensive knowledge of area builder reputations, floor plans, and lots, as well as schools, neighborhoods, amenities and accessibility. As your Exclusive Buyer's Specialist, we will negotiate the purchase price on your behalf with the builder and assist you in selecting upgrades.



We will work behind the scenes throughout the transaction to ensure everything goes smoothly. **A Team Pepka representative will need to accompany you to the property on the initial visit or you can give the representative your Open House Pass.**

By letting us help you with builders, you get all the services offered in this presentation, as well as those offered by the builder...without paying more for it!

## Short Sales

### What is a Short Sale?

A short sale is when a Seller owes more to one or more Banks than the home is worth at today's current market values and the Seller is unable to bring the money required to closing to make up that shortfall. Banks will approve short sales if and only if they can net more money than foreclosing on the property and re-selling it.



### The Process Starts with Information Gathering

The Listing Agent will meet with the Seller and gather financial information from the Seller, very similar to applying for a loan, except in reverse. Items will include Federal Income Tax Returns for the past 2 years, bank statements for all accounts, W2's , paycheck stubs, full financial worksheet, an authorization to release information form and a hardship letter. When considering purchasing a short sale, a Buyer will want to make sure all of this documentation has been obtained by the Listing Agent and has been submitted to the Bank prior to any offers. Your personal Buyer's Specialist will make this confirmation on your behalf.

### When the Bank Receives an Offer

The Buyer and Seller will come to an agreement on price and terms. They endorse a contract subject to Bank approval. A Listing Agent who is an expert in negotiating short sales will submit the entire package to the Bank along with a **Broker Price Opinion (BPO), supporting comparable sales** and **active listings**. Phone calls will need to be made by the Listing Agent to insure receipt. If the Bank does not acknowledge receipt at the end of 7 days the Listing Agent will need to send the package by certified mail "return receipt requested". After the Bank acknowledges receipt the file will be assigned to a negotiator. It normally takes 2 to 6 weeks to get to this point.



## Short Sales (Continued)

### The Negotiator

When the file gets assigned to a Negotiator they will review the file for any missing documents. If the file is complete, they will order a BPO, an appraisal or both. It will normally take 1 to 2 weeks for the BPO to be completed and for the Negotiator to receive the opinion of value of the property.

### Influencing the BPO/Appraisal

We know that Banks will normally accept no less than 85% of appraised market value. If it is a Bank of America loan the normal acceptance is 90%. It is most important for the Listing Agent to meet the Real Estate Agent and/or Appraiser doing the BPO at the property and hand them a package which contains a copy of the contract, the BPO that was submitted to the Seller's Bank, comparables to support the offered price, as well as current market data. It is best to hold the Real Estate Agent accountable by providing all documentation as that Agent may have the **most** interest in **re-listing the property after foreclosure** than supporting the offered and correct market value.

### Negotiations

Negotiators are extremely difficult to reach. It is possible to wait a week or even months for a negotiator to return a call. The sales price on a short sale offer is normally accepted or rejected, not negotiated. This is why it is important to submit an offer that is plausible for the Bank to accept. Depending on the Seller's financial condition and the quality of the package, the file may be approved as is. The Bank may ask the Seller to endorse a personal note for a portion or all of the remaining unpaid balance. When the approval is received, the Bank most often requires the closing to be held within 30 calendar days.



## Short Sales (Continued)

### More Than One Mortgage

This situation should be reserved for the most experienced of agents. 2nd mortgages normally are going to receive nothing in a foreclosure. Therefore, the standard in the industry is that the 2nd mortgage holder receive at least 10% of the balance in order to release the lien and allow the short sale to consummate.

*The following must be accomplished:*

1. Disclose to the Seller at the time of listing the home, that the 2nd mortgage can be considered the same as credit card debt and sometimes the unpaid balance is not forgiven by the Lender and is often left to be settled by the Seller long after the home has closed. The Seller must be accepting of this.
2. Get the 1st mortgage holder to agree to pay the 2nd mortgage holder the 10%.
3. Often the 2nd mortgage holders will not accept just 10%. The sellers need to be instructed to save their money during the short sale process and may have to come to closing with several thousand dollars to pay the shortfall to the 2nd mortgage holders. The Seller must be accepting of this also.

### The Buyers Cost to Close

There is no such thing as **THE** closing costs. There are Seller costs; typically Doc Stamps on the Deed, Owners Title Insurance and the Brokerage Fee. The Buyers Costs consist of what a lender will charge the Buyer to borrow the money, set up escrow accounts, one year of homeowners insurance, state intangible tax on the note, the Lenders endorsement on the title insurance, home inspection, termite inspection, survey, and appraisal. In the past it has been a practice for Lenders and Buyers to finance these closing costs into the mortgage by over inflating the sales price and hoping the property appraises for the new sales price. In this day of ever-increasing foreclosures Banks have become more aware of this tactic and it does not always work with short sales. The Banks customarily do not want to pay **ANY** of the Buyers cost to close in a short sale, but if absolutely required to do so, they will consider doing it, but is it a battle. If at all possible, it is best for the Buyer to pay their own cost to close, but if absolutely necessary, never ask for more than a 3% seller concession. This is classically the very most the banks are willing to kick back to Buyers.

## Short Sales (Continued)

### Loss Mitigation Fees and Brokerage Fees

Loss Mitigators are the people on the front lines dealing with the Sellers Lender(s). Loss Mitigators spend hours on hold and make call after call on behalf of both the Buyer and the Seller in-order to facilitate the sale. Sometimes this is done by a Realtor, an Attorney or a 3rd party company which specializes in Loss Mitigation. Normally there are extra fees to compensate for this extra work. These fees can be charged to the Buyer, Seller or both. It is best to understand what the fees are before signing a contract. If the fees required are not acceptable to the Buyer, the Buyer may want to move on to another property or rule out short sales altogether. Brokerage fees are normally paid by the 1st mortgage holder. Occasionally the bank tries to minimize their loss by trying to make Real Estate Agents accept an inferior brokerage fee. The Seller has endorsed a Listing Agreement guaranteeing the Listing Agent and the Selling Agent a certain brokerage fee. If that fee is not paid at closing, the sale cannot be completed. It is a violation of the REALTOR Code of Ethics and strictly prohibited to ask another agent to reduce his/her brokerage fee to facilitate a sale. If the Bank refuses to pay the entitled and guaranteed brokerage fee both Buyer and Seller may have to contribute to the agents commission for the sale to go through.



### Can I Lose My Deposit?

**Yes!** You are endorsing a contract subject only to Bank approval. A contract is a promise that someone will do what they say they are going to do. Most short sales require the Buyer to be pre-approved with a mortgage, which means there is no financing contingency. If a cash offer is presented the Buyer must show proof of funds to close. If a Buyer gets Buyer's remorse, changes their mind or something changes in their life and they cannot get the mortgage after the Bank approves the short sale, the deposit is forfeited.

## REO - Bank Owned - Foreclosures

### What is an REO?

An REO is Real Estate Owned by the Bank. An REO is different from a foreclosure property in that the bank has already tried to sell it at a foreclosure auction and has had no luck getting bids. Because the property was not bid on, the bank then



became the owner of the property. Naturally, the bank does not want to keep the REO any longer than necessary, and this *can* make it a great opportunity for a buyer. Not every REO is a good deal, so proceed with caution.

### REO vs Foreclosure Sale

Foreclosure sales begin with a minimum bid that includes the loan balance, any accrued interest, plus attorney's fees and any costs association with the foreclosure process. In order to bid at a foreclosure auction, you must have a cashier's check in your hand for the full amount of your bid. If you are the successful bidder, you receive the property in "As-Is" condition, which may include someone still living in the property. There may also be other liens against the property. Since what is owed to the bank is almost always more than what the property is worth, very few foreclosure auctions result in a successful sale. The property "reverts" to the Bank. It becomes an REO, or "Real Estate Owned" property.

## REO - Bank Owned - Foreclosures

### Property Condition

The majority of the time, banks sell properties in "As-Is" condition. They will allow you to get all the inspections you want at your expense. After the inspections are completed on very rare occasions the Bank may re-negotiate to save the transaction instead of putting the property back on the market.



It is best to assume that the bank will not re-negotiate and to budget at least \$3,000.00 or more for repairs to the property. Many REO properties will not pass an FHA or VA inspection. FHA and VA requires 3 to 5 years of economic life left on the roof, a working heating and cooling system, appliances and other items which would need to be repaired or installed by you before closing if you are using these types of financing.

### Contract and Closing

The Bank will have their addendums or even a contract that must be used. The Bank will normally will pay for the Owners Title Policy and use their preferred Attorneys or Title Companies for closing. If possible avoid having the Bank pay your cost to close, but if it is a necessity, at the very maximum ask only up to 3% of the purchase price.

It may take up to 10 days to get the written version of the contract back from the Bank after verbal approval. The Bank wants to close FAST! Cash offers need to be ready to close within 2 to 3 weeks and offers that require financing will need to be close within 30-45 days.

## Making An Offer

Once you have found the property you want, your personal Buyer's Specialist will write a purchase agreement. While much of the agreement is standard, there are a few areas that we can negotiate:

### The Offer Price

What you offer on a property depends on a number of factors; including its condition, length of time on the market, Buyer activity, and the urgency of the Seller. While some Buyer's want to make a very low offer just to see if the Seller will accept. This often isn't a smart choice because the Seller may be insulted and decide they don't want to sell *you* the home and not to negotiate at all.



### Earnest Money

An **earnest money** deposit (or alternatively a **good-faith deposit**) is a deposit towards the purchase of Real Estate made by a Buyer to demonstrate that he/she is serious about wanting to complete the purchase. How much is enough? If you want the Seller to take your offer seriously we recommend at least **2% of the offer price**.

### Closing Date - Move-in Date

Per the terms of the contract used in our area you will get possession on the day of closing. If you can be flexible on the closing date, the seller will be more apt to choose your offer over others.

### Repairs

Using the most common contract in our area the seller will have repair limits up to 1.5% of the sales price to repair warranted items and an additional 1.5% of the sales price for the removal of any wood destroying organisms and repair of the damage plus an additional 1.5% to obtain permits for existing unpermitted improvements or close out any open permits. Depending on the amount of the offer, if the purchase is a Re-Sale or Foreclosure the Seller may want to limit their exposure and reduce their liability or my want to sell As-Is.





## Making An Offer

### Owners Title Insurance

It is customary in Manatee County for the Seller to pay for the Owner's Title Policy. Whenever possible it's best to absorb it in the purchase price. Who ever pays for the Title Policy gets to choose the closing agent. The Title Company can make or break a transaction which why it is best to control that decision whenever possible.

### Closing Costs

The Seller's closing costs are the Doc Stamps on the Deed, the Owners Title Policy and the Brokerage Fee. The Buyer's closing costs are outlined on page 23. We can negotiate for the Seller to pay for a portion or all of the your closing costs. That amount is limited by the loan program that you choose as well as what the Seller is willing to pay.

Any amount that you ask the Seller to pay of your closing costs lowers the net offering price by that amount. If we raise the purchase price above the asking price to cover your closing costs we do run the risk that the property will not pass a Bank appraisal (appraise for purchase price). The best practice, if possible is to pay your own closing costs. Then we will present a clean offer to the Seller which will put you in a better negotiating position.

### Additional Personal Property

Often the Seller plans on leaving major appliances in the home however, which items stay or go is often a matter of negotiation. It's best not to ask for things that normally do not convey like the lawn tractor, television, string trimmer or furnishings. We are happy to ask if you want something to be sold to you outside of closing after a consummated contract.



If you are getting a mortgage your Bank will not allow these items on the contract.

The Seller may have a personal attachment to the items that you are asking to include. If they do have that personal attachment the Seller may be offended and be less likely to negotiate the price.



## Making An Offer (Continued)

### Time for Acceptance

Before making the offer we will contact the Listing Agent to find out if the property is still on the market and if there are any other offers. Normally it is best to give the Listing Agent at least one business day to present the offer to the Seller. If there are other offers that time frame will be much shorter.

Typically you will not be present at the offer presentation; we will present it to the Listing Agent and the Listing Agent will Present it to the Seller. The Seller will then do one of the following:

- **Accept the offer**
- **Reject the offer**
- **Counter the offer with changes**

By far the most common is the counter offer. In these cases, our experience and negotiating skills become powerful in representing your best interests.

When a counter offer is presented we will work together to review each specific area of the counter offer making sure that we move forward with your goals in mind and ensuring that we negotiate the best possible price and terms on your behalf.



**Commission is not negotiable. It is a violation of the Code of Ethics to ask any REALTOR to accept a reduced commission on any sale and it is strictly prohibited.**

## Inspections

### Professional Home Inspection

Upon acceptance of your offer, we will arrange for a professional home inspection of the property. This needs to be completed during the inspection period noted on your contract. The inspection will take two to four hours.

Most homes will likely have a list of **minor** repairs. The Inspection is for **major** items only. Such as roof, structural integrity, heating, cooling, electrical and plumbing.



Your presence is not necessary however if you wish to speak to the inspector we find it best to be present for the last half hour. The inspector will review and summarize the findings with you.

The inspector will determine the condition of these items and any defects that may need to be corrected.

You will receive a written report with photographs outlining the condition of the property. Per the terms of most contracts it is the Seller's responsibility to have the repairs completed by an appropriately licensed person or provide a credit for completion of repairs.

The cost of the inspection varies based on the size and features of the home and will range from \$400.00 to \$600.00. This payment is due at the time of the inspection.

## Inspections

### WDO Wood Destroying Organisms - Termite Inspection

The inspector will be inspecting for Termites, Powder-Post Beetles, Oldhouse Borers and Wood-Decaying Fungi (wood rot).

There are two major groups of termites which occur in Florida: dry wood and subterranean. Termites are identified by the appearance of swarmer's, their damage and the droppings they leave behind.



Both types of termites eat cellulose for nutrition. Cellulose is found in wood and wood products. A termite inspection must be done within the inspection period deadline.

*There are three possible outcomes to the inspection:*

1. Clean Report — the Buyer, the Seller and the Bank are happy and no party has any further obligation.
2. Non-live Infestation — the Seller would be required to do one of two things: Provide written proof of a prior treatment and convey a termite warranty to the Buyer at closing or pay to have the property treated, repaired and a give the Buyer a termite warranty at closing.
3. A Live Infestation — the Seller will pay to have the property treated, repair any damage and convey a termite warranty to the Buyer at closing.



## Inspections

### Economic Life Provision

The Seller is responsible for turning the home over to you with all of the major components in “Working Condition”. This means operating in the manner in which it was designed to operate

There **is not** an economic life provision in the contract. The contract states that: **Limited remaining life of a warranted item will not be considered a defect that must be repaired or replace by Seller.** This means should you receive a home inspection report stating for example: “The roof has reached the end of its economic life and needs to be replaced”, as long as the roof is structurally sound and watertight the seller is **not obligated** to make any repairs to it and you would be contractually obligated to follow through with the purchase.

The **very best** way to protect yourself from this situation is to have your buyer specialist find out the age of all the components of the home prior to making an offer. Your complementary home warranty could help this situation but not solve it.

### How Long Will It Last?

Our **Florida** climate has proven to be one of the best in the nation to live in, however our beautiful sunshine and tropical temperatures can be hard on certain components in a home, especially those exposed to direct sunlight. The following charts detail the predicted life expectancy for systems and components for **Florida** homes as estimated by the International Association of Certified Home Inspectors “InterNACHI”





<b>Appliances</b>	<b>Years</b>
Air Conditioner (Window)	5 to 8
Dishwasher	9
Disposal (Food Waste)	12
Dryer (Clothes)	13
Exhaust Fans	10
Freezer	10 to 20
Gas Oven	10 to 18
Microwave Oven	9
Range/Oven Hood	14
Electric Range	13 to 15
Gas Range	15 to 17
Refrigerator	9 to 13
Washing Machine	5 to 15
Whole-House Vacuum System	20
<b>Cabinetry &amp; Storage</b>	<b>Years</b>
Bathroom Cabinets	50+
Closet Shelves	100+

<b>Cabinetry &amp; Storage Cont.</b>	<b>Years</b>
Kitchen Cabinets	50
Medicine Cabinet	25+
<b>Ceilings &amp; Walls</b>	<b>Years</b>
Ceramic Tile	70+
Concrete	75+
Gypsum	75
Wood Paneling	20 to 50
<b>Countertops</b>	<b>Years</b>
Concrete	50
Cultured Marble	20
Natural Stone	100+
Laminate	20 to 30
Tile	100+
Wood	100+
<b>Decks</b>	<b>Years</b>
Deck Planks	10
Composite	8 to 15

# YOUR GUIDE TO BUYING A HOME



## How Long Will It Last?

Decks Continued	Years
Structural Wood	5 to 20
Doors	Years
Closet (Interior)	100+
Fiberglass (Exterior)	100+
Fire-rated Steel (Exterior)	100+
French (Interior)	30 to 50
Screen (Exterior)	10
Sliding Glass/Patio (Exterior)	10
Wood (Exterior)	30+
Wood (Hollow-core Interior)	20 to 30
Wood (Solid-core Interior)	30 to 100+
Electrical	Years
Accessories	10+
Arc-Fault Circuit Interrupters (AFCI)	30
Bare Copper	100+
Copper-Plated	100+
Fixtures	40

Electrical Continued	Years
Ground-Fault Circuit Interrupters	Up to 30
Lighting Controls	30+
Service Panel	60
Solar Panels	20 to 30
Flooring	Years
All Wood Floors	100+
Bamboo	100+
Brick Pavers	100+
Carpet	8 to 10
Concrete	50+
Engineered Wood	50+
Exotic Wood	100+
Granite	100+
Laminate	15 to 25
Linoleum	25
Marble	100+
Terrazzo	75+



Flooring Continued	Years
Tile	75 to 100
Vinyl	25
Foundations	Years
Concrete Block	75+
Insulated Concrete Forms	80
Post and Pier	15 to 45
Post and Tensioned Slab on Grade	80+
Poured-Concrete Footings & Found.	80+
Slab on Grade (Concrete)	75
Wood Foundation	5 to 20
Permanent Wood Foundation	50 to 75
Framing	Years
Log	75+
Poured-Concrete Systems	80+
Steel	75+
Timber Frame	80+

Garages	Years
Garage Doors	10 to 30
Garage Door Openers	10 to 15
Home Technology	Years
Built-In Audio	20
Carbon Monoxide Detectors	5
Door Bells	35
Home Automation System	5 to 50
Intercoms	20
Security Systems	5 to 20
Smoke/Heat Detectors	Less than 10
Wireless Home Networks	5 to ?
HVAC	Years
Air Conditioner (Central)	5 to 12
Air Exchanger	15
Attic Fan	15 to 25
Ceiling Fan	5 to 10



HVAC Continued	Years
Condenser for Coastal Areas	5 to 7
Condenser for Inland Areas	15 to 20
Dampers	20+
Dehumidifier	8
Diffusers, Grilles and Registers	25
Ducting	60 to 100
Electric Radiant Heating	40
Evaporator Cooler	15 to 25
Gas Fireplace	15 to 25
Handler Coil	1 to 3
Heat Exchanger	10 to 15
Heat Pump	10 to 15
Heat-Recovery Ventilator	20
Hot-Water and Steam-Radiant Boiler	40
Humidifiers	12
Induction and Fan-Coil Units	10 to 15
Chimney Cap (Concrete)	50+

HVAC Continued	Years
Chimney Cap (Metal)	8 to 10
Chimney Cap (Mortar)	10+
Chimney Flue Tile	20+
Thermostats	35
Ventilator	7
Insulation & Infiltration Barriers	Years
Batts/Rolls	100+
Black Paper (Felt Paper)	15 to 30
Cellulose	100+
Fiberglass	100+
Foamboard	100+
Housewrap	80+
Liquid-Applied Membrane	50
Loose-Fill	100+
Rock Wool	100+
Wrap Tape	80+



<b>Masonry &amp; Concrete</b>	<b>Years</b>
Brick	75+
Insulated Concrete Forms	75+
Concrete Masonry Units	75+
Man-Made Stone	15
Masonry Sealant	2 to 10
Stone	75+
Stucco	25+
Veneer	75+
<b>Molding, Millwork &amp; Trim</b>	<b>Years</b>
Attic Stairs (Pull-Down)	50
Custom Millwork	100+
Pre-Built Stairs (Interior)	100+
Stair Parts (Interior)	100+
Stairs (Interior)	100+
<b>Paint &amp; Caulk</b>	<b>Years</b>
Caulking (Interior)	5 to 8
Caulking (Exterior)	1 to 3

<b>Paint &amp; Caulk Continued</b>	<b>Years</b>
Construction Glue	10+
Paint (Exterior)	5
Paint (Interior)	8 to 12
Roofing Adhesives/Cements	8+
<b>Plumbing, Fixtures &amp; Faucets</b>	<b>Years</b>
ABS and PVC Waste Pipe	50 to 80
Acrylic Kitchen Sink	50
Cast-Iron Bathtub	100
Cast-Iron Waste Pipe- Above Ground	40
Cast-Iron Waste Pipe-Below Ground	50 to 60
Concrete Waste Pipe	100+
Copper Water Lines	70
Enameled Steel Kitchen Sink	5 to 10
Faucets & Spray Hose	15 to 20
Fiberglass Bathtub & Shower	20
Gas Lines (Black Steel)	75
Gas Lines (Flex)	30



<b>Plumbing, Fixtures &amp; Faucets Cont.</b>	<b>Years</b>
Hose Bib	20 to 30
Instant (On-Demand) Water Heater	10
Plastic Water Lines	75
Saunas/Steam Room	15 to 20
Sewer Grinder Pump	10
Shower Enclosure/Module	50
Shower Doors	20
Sump Pump	7
Toilet Tank Components	5
Toilets, Bidets and Urinals	100+
Vent Fan (Ceiling)	5 to 10
Water Heater (Conventional)	6 to 12
Water Line (Copper)	50
Water Line (Plastic)	50
Well Pump	15
Water Softener	20
Whirlpool Tub	20 to 50

<b>Roofing</b>	<b>Years</b>
Asphalt Shingles (3-tab)	10 to 12
Asphalt (Architectural)	15 to 20
BUR (Built-Up Roofing)	5 to 15
Clay/Concrete Tiles	80+
Metal	17 to 20
Simulated Slate	10 to 25
Slate	50+
<b>Sidings, Flashing &amp; Accessories</b>	<b>Years</b>
Aluminum Siding	20 to 35
Aluminum Gutters & Downspouts	15 to 35+
Aluminum Soffit and Fascia	15 to 35+
Asbestos Shingle	20
Brick	80+
Cementitious	80+
Engineered wood	80+
Fiber Cement	75+
Steel Gutters/Downspouts.	15



## How Long Will It Last?

<b>Sidings, Flashings &amp; Access. Cont.</b>	<b>Years</b>
Manufactured Stone	80+
Stone	80+
Stucco/EIFS	25+
Vinyl Siding	50
Vinyl Gutters & Downspouts	20+
Wood/Exterior Shutters	15
<b>Site &amp; Landscaping</b>	<b>Years</b>
American Red Clay	75+
Asphalt Driveway	10 to 15
Brick & Concrete Patio	8 to 18
Clay Paving	75+
Concrete Walks	30+
Polyvinyl Fencing	75+
Sprinkler Heads	8 to 12
Underground PVC Piping	50+
Valves	10 to 12
Wood Chips	1 to 5

<b>Site &amp; Landscaping Continued</b>	<b>Years</b>
Wood Fencing	10
<b>Swimming Pools</b>	<b>Years</b>
Chlorine Generator (Salt Water)	5
Cover	3 to 5
Deck Finish (Acrylic)	5
Diving Board	8 to 10
Gas Heater	3 to 5
Filter (Sand)	5-10
Filter (Cartridge)	2
Filter Grid (DE)	5
Heat Pump	5 to 8
Interior Finish	10 to 20
Motor	5 to 8
Vinyl Liner	8 to 10
Pool Lights (Fiber Optic)	3 to 5
Pool Lights (Incandescent)	3
Pool Lights (LED)	5 to 7



Swimming Pools Continued	Year
Pool Water Heater	5
PVC Ball Valve	Up to 2
Shell (Concrete)	20+
Shell (Fiberglass)	20+
Solar Heater	10 to 20
Waterline Tile	10+

Windows	Years
Aluminum/Aluminum Clad	10 to 15
Double Pane	5 to 15
Skylights	5 to 15
Jalousie	30 to 40
Vinyl/Fiberglass Windows	10 to 30
Wood	15+

**Note:** Life expectancy varies with usage, weather, installation, maintenance and quality of materials. This list should be used only as a general guideline and not as a guarantee or warranty regarding the performance or life expectancy of any appliance, product, system or component.



## Other Inspections - Warranty

### Appraisal

Your mortgage company will order an appraisal of the property you have selected. This protects your interest as well as theirs. You can never “overpay” for a property. If the appraisal comes in below the purchase price, the seller must renegotiate the price or you can be released from your obligations of the contract and get a full refund of your deposit. You will most likely receive a copy of your appraisal at closing or have it mailed to you shortly after closing.

### Survey

The Mortgage and Title Company will require a survey of your property not only to determine the boundaries, but also to discover if any encroachments or setback violations exist. Whenever possible, Team Pepka's Contract to Close Specialist will try and obtain a prior survey to save you the expense. However, if you prefer the boundaries staked at the property, just let us know and we will order a new survey.

### Home Warranty

The contract provides that major appliances, heating, cooling, mechanical, electrical, security, sprinkler, septic, and plumbing systems and pool equipment be maintained in “working condition” **until closing** and that structures including: roofs, doors, windows, and pool be structurally sound and water tight. After possession, all repairs are the responsibility of the new owner.



A Home warranty is a way to alleviate these risks and concerns. For all our Team Pepka Buyer Agency Clients we include a 18 Month Best Florida Home Warranty at no cost to you. (A \$700.00 Value)

As in any insurance policy there can be limitations, deductibles and exclusions. You will find copy of the warranty on pages 138 -149



## Home Warranty - Homeowners Insurance

### Obtain Homeowner's Insurance

In-order to close on your new home, you need to arrange for Homeowner's Hazard Insurance. You will want to do this **as soon as possible**. During hurricane season, once a storm develops, writing of insurance is suspended.

You will need to notify your lender of the insurance company you choose, a contact name and a phone number. The enclosed service provider list provides names of insurance agents that our clients have used in the past and have been very satisfied with. You may receive a discount by having your car insurance and homeowner's insurance with the same company, so check with your current insurance agent as well.



### Transfer Utilities

You will need to transfer the utilities to your name before moving into your new home. In-order to save money on hook-up fees, call ahead and ask the utility companies to transfer the billing to your name upon cancellation by the seller. In the enclosed service provider list you will find utility information for area municipalities. If you need further information, please call us; we are here to help you.





## Closing 101

### Title Exam & Title Insurance

Title insurance protects the new owner and lender. It consists of two distinct phases. During the first phase, the title company works to define the boundaries of the Real Estate being purchased and conducts a search to determine if there are any unpaid Real Estate taxes and other claims. In the second phase, during the term of the mortgage, the Title Company protects both the owner and the lender from financial loss resulting from any unforeseen problems with the title due to unexpected property claims. Your Team Pepka Contract to Close Specialist will order Title Insurance. The rates are regulated by the State of Florida. Team Pepka uses the most professional and most experienced Title Agents in the area.



### Walk Through

Your Team Pepka Buyer's Specialist will arrange a walk through usually the day of or day prior to closing. This will be your final look at your new home to be. You will check to make sure any problems identified by a professional home inspector have been repaired and also verify that the property is in the same condition as it was when you originally viewed it. A walk through inspection addendum will need to be endorsed by you at the end of your inspection.

### Transfer Funds Early

If you are moving from out of state, getting funds from stocks, 401K, bonds, CD's or parents it is best to move the money upon an executed contract. Transferred funds can take up to 2 weeks to clear. You don't want to be in default because closing was delayed waiting for funds to clear.



## The Day of Closing

### Prepare For It

Closing day marks the end of your home buying process and the beginning of your new life! A Team Pepka representative will accompany you to closing on your new home. Your Contract to Close Specialist will advise you of the time and place. You will receive a copy of your CD-Closing Disclosure 3 days prior to the closing for your review. We will work diligently to facilitate a smooth and prompt closing. To make sure your closing goes smoothly, you must do and bring the following:

- Wire funds for closing costs and down payment at least one day before closing. Should your closing be running late it is possible to wire funds the day of closing.
- An insurance binder and paid receipt if you previously paid for it.
- Photo IDs
- Social security numbers

### Own it

Transfer of title moves ownership of the property from the Seller to you after:

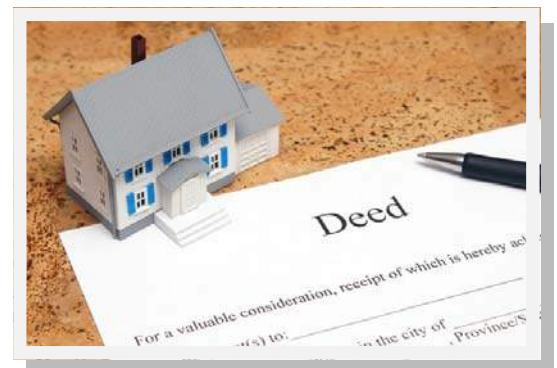
### Delivery of the Buyers funds

This is wired funds provided by your lender in the amount of the loan.

### Delivery and recording of the Deed

A Deed is the document that transfers ownership of Real Estate. The deed names the Seller and Buyer, gives a description of the property and contains the notarized signatures of the Seller and witnesses.

At the end of closing, the deed will be taken and recorded at the county clerk's office. It will be sent to you after processing.



## The Day of Closing

## Closing Celebration

By this time more often than not you will have formed friendships with the members of Team Pepka. We feel the same and look forward to having an ongoing relationship.

Our teams success is not based on just selling you a home. Our success is based on making sure that you're so happy with our service that you are going to pick up the phone and call us anytime you have a friend or family member that is thinking about buying or selling or investing real estate. Please ***don't keep us a secret!***



Referrals are the Lifeblood of our business and our greatest wish is to have an opportunity to serve your friends, family members and co-workers the same way we served you.



# Moving Checklist

## CONGRATULATIONS!

*You have closed on your new home and now you are ready to move!*

The next few pages contain tips and checklists so that your move is as organized and effortless as possible. Think about your move as a series of small projects you can begin while your home is under contract. Your move will progress as your contract and closing progress. That way, when the day comes to physically move your belongings, most of the details will have been taken care of.

### ☒ Two Months Before Moving

- ☐ Sort through your belongings to reduce the number of things to move.
- ☐ Have a garage sale or donate items you no longer need.
- ☐ Decide whether to move yourself or hire professionals. Make reservations with a moving company or truck rental company. *Tip: Call three companies for estimates to compare.*
- ☐ Gather packing supplies: boxes, packing material, tape, labels, permanent markers & scissors.
- ☐ If you're moving a long distance, make travel arrangements with the airline, hotel and rental car agency. If you're driving to your new home plan your route.
- ☐ Save all moving receipts. Some moving expenses are tax deductible.  
*Tip: Check the current tax code for requirements.*
- ☐ Place your legal, medical, financial and insurance records in a safe & accessible place.
- ☐ Purchase insurance coverage for valuables to be moved.

### ☒ One Month Before Moving

- ☐ Start packing items that aren't regularly used. Such as off-season clothes, decorations and items in storage areas (garage, attic and closets).
- ☐ Make travel arrangements for your pets.
- ☐ If you're driving, get your car serviced.
- ☐ Get medical records from your doctors, dentist, optometrist and veterinarian.
- ☐ Send items (rugs, drapes, clothing, quilts, bedding) to the cleaners.
- ☐ Back up important computer files.

### ☒ **Two Weeks Before Moving**

- ☐ Contact your utility companies and notify them of your move.
- ☐ Sign up for utility services at your new address.
- ☐ Call friends and family and recruit help for the moving day.
- ☐ Confirm your travel reservations.
- ☐ Arrange to close or transfer your bank account, if appropriate. Pick up items from your safety deposit box.

### ☒ **One Week Before Moving**

- ☐ Pick up items from the cleaners
- ☐ Pack a survival kit of clothes, medicines, special foods, etc. to carry you through the day while you unpack.
- ☐ Finish packing all boxes minus what you'll need in the final week.
- ☐ Inform the post office of your upcoming move.

**Send change-of-address cards with your new address and phone number to:**

- ☐ Friends and family
- ☐ Banks, insurance companies, credit card companies and other financial institutions
- ☐ Magazines, newspapers, workplace, schools and alma maters
- ☐ Doctors, lawyers, accountants, realtors and other service providers
- ☐ State and federal tax authorities and any other government agencies as needed
- ☐ Inform the post office of your upcoming move.

### ☒ **The Day Before Moving**

- ☐ Set aside moving materials, such as tape measure, pocketknife and rope.
- ☐ Pad corners and stairways of house.
- ☐ Lay down old sheets in the entry and hallways to protect floor coverings.

☒ **The Day Before Moving** (Continued)

- ☐ Remove hanging fixtures.
- ☐ If you are moving yourself, pick up the rental truck and a dolly to move heavy boxes.
- ☐ If you are driving, check oil, tire pressure, and gas in your car.
- ☐ If you are flying, make sure you have tickets, charge cards & essentials.

☒ **Moving Day (Yippee!)**

*Carry With You:*

- ☐ The keys to your new home.
- ☐ The telephone number of the moving company.
- ☐ Cash.
- ☐ Documentation related to the sale of your home.
- ☐ Your insurance policies and agent's phone number.
- ☐ Your current address book or personal planner.
- ☐ Prescription and non-prescription medicines.
- ☐ Enough clothing to get by if the movers are late.
- ☐ Any items of great personal value to you that are virtually irreplaceable.
- ☐ Back-up copies of important computer files.
- ☐ Sheets, towels and personal hygiene items for the first night in your new home.

☒ **Arrival Day**

- ☐ Show movers where to place furniture and boxes.
- ☐ Check inventory to ensure that everything was delivered before signing delivery papers. Note any damages on the inventory sheet.
- ☐ Upon arrival unpack any valuable items; such as silver, art and jewelry.
- ☐ \_\_\_\_\_

# Packing Checklist

## ☒ Packing Tips To Make Your Move Easier

- ☐ Get your free boxes from Team Pepka!
- ☐ Collect cushioning material such as bubble wrap, Styrofoam pellets, furniture pads, old blankets, plastic bags, tissue paper, newspapers and small towels to use as padding inside boxes.
- ☐ Create a "portable packing kit" with permanent markers, tape measure, packing tape, twine and scissors. Carry it with you as you pack up items around your home.
- ☐ Reinforce the bottom of the boxes with extra tape for added strength.
- ☐ Label each box with the name of the room in your home where it should be placed.
- ☐ Number the boxes and keep a list of which boxes goes in which room in your new home.
- ☐ Label boxes containing fragile items with large red lettering.
- ☐ Place china in plastic bags and stack plates upright on their sides, not flat.
- ☐ Pack your TV, stereo and computer in their original boxes whenever possible.
- ☐ Keep boxes to 50 pounds or less.
- ☐ Pack heavy items into their own smaller boxes and place lighter items together into larger boxes. (Don't pack all your books into one box!)
- ☐ Don't move flammable, combustible, corrosive, or explosive items such as paint, gasoline and ammunition.
- ☐ Pack a bag of personal items you'll need during the move (change of clothes, toiletries, medicine, maps, food and drinks). Keep it in an easy-to-find place when you pack.
- ☐ \_\_\_\_\_
- ☐ \_\_\_\_\_

# Got Boxes?

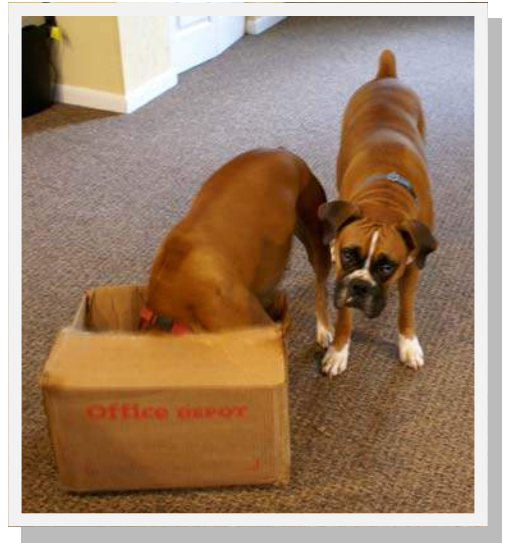
Team Pepka Would Love To Help!

Offering an assortment of

30 **Complimentary** Boxes,

to be delivered to Your Home,

at a time that is Convenient for You!



Additional Boxes Offered At Team Pepka's Cost,  
Delivery Included:

Small, 16x12x12: \$1.00 each

Medium, 18x18x16: \$1.50 each

Large, 18x18x24 \$2.00 each

When The Time Comes, Let Our  
Contract to Close Specialist Know If You  
Require Additional Boxes.



# Area Utility Information

## Electrical Service

### **Florida Power & Light (FPL)**

941-917-0708

[www.fpl.com](http://www.fpl.com)

Serving Sarasota and Most Areas of Manatee County

Will require former occupants last name or meter serial number

### **Peace River Electrical Co-Op**

800-282-3824

[www.preco.org](http://www.preco.org)

Serving Manatee County Zip Codes: 34202, 34211, 34221, 34219 and Selected Areas of 34222, 34212

## Bundled Services

### **Frontier**

800-921-8101

[www.frontier.com](http://www.frontier.com)

Serving most areas of Sarasota and Manatee County

Wireless (cell phone), Fios, Internet, TV and Home Phone service.

### **Spectrum**

866-874-3289

[www.spectrum.com](http://www.spectrum.com)

Serving most areas of Sarasota and Manatee County

Internet, TV and Home Phone service.

## Natural Gas

### **TECO People's Gas System**

877-832-6747

[www.PeoplesGas.com](http://www.PeoplesGas.com)

Serving most areas of Sarasota and Manatee County

Natural Gas Supplier for all of your Natural Gas Appliances.

## Area Utility Information Continued

### Water / Sewer / Garbage

#### **Manatee County Utilities MCUCS**

[www.MyManatee.org](http://www.MyManatee.org)

Serving Most Areas of Manatee County 941-792-8811

Will require phone call to transfer property into new name.

#### **City Of Bradenton Utility Dept.**

[www.preco.org](http://www.preco.org)

Serving within Bradenton city limits 941-932-9434

Will require phone call to transfer property into new name.

#### **City Of Palmetto Public Utilities**

[www.Palmetto.org](http://www.Palmetto.org)

Serving within Palmetto city limits 941-723-4570

Will require phone call to transfer property into new name.

#### **Sarasota County Utilities**

[www.SarasotaGov.com](http://www.SarasotaGov.com)

Serving Most Areas of Sarasota County 941-861-6790

Will require phone call to transfer property into new name.

# Important Area Contact Information

## Property Appraiser / Homestead Exemptions

### **Manatee County Property Appraiser**

[www.manateepao.com](http://www.manateepao.com)

P.O. Box 1338, Bradenton FL 34206

941-748-8208

### **Sarasota County Property Appraiser**

[www.sc-pa.com](http://www.sc-pa.com)

2001 Adams Lane, Sarasota, FL 34237

941-861-8200

## Property Taxes / Drivers Licenses

### **Manatee County Tax Collector**

[www.taxcollector.com](http://www.taxcollector.com)

Desoto - 819 301 Blvd West, Bradenton, FL 34205

Lakewood Ranch - 6007 111th Street East, Bradenton FL 34211

Palma Sola - 7411 Manatee Ave West, Bradenton, FL 34209

North River - 4333 US 301 North, Ellenton, FL 34222

941-741-4800

### **Sarasota County Tax Collector**

[www.sarasotataxcollector.com](http://www.sarasotataxcollector.com)

101 S. Washington Blvd, Sarasota, FL 34236

941-861-8300

## US Post Offices

### **US Post Office**

[www.USPS.com](http://www.USPS.com)

Mail & Change of Address

941-747-0867

## Voter Registration

### **Manatee County Supervisor of Elections**

[www.votemanatee.com](http://www.votemanatee.com)

941-741-3823

### **Sarasota County Supervisor of Elections**

[www.srqelections.com](http://www.srqelections.com)

941-861-8600

# Important Area Contact Information (continued)

## Public School Boards

### **Manatee County Public Schools**

[www.manateeschools.net](http://www.manateeschools.net)

Parent Information Center

941-708-4971

### **Sarasota County Public Schools**

[www.sarasotacountyschools.net](http://www.sarasotacountyschools.net)

Parent Information Center

941-861-8200

## Building Permits

### **Manatee County Permitting**

[www.mymanatee.org](http://www.mymanatee.org)

Permitting Applications and Records

941-742-5800

### **Sarasota County Permitting**

[www.building.scgov.net](http://www.building.scgov.net)

Permitting Applications and Records

941-861-5000

## Daily Newspapers

### **Bradenton Herald**

[www.Bradenton.com](http://www.Bradenton.com)

Manatee County

941-748-0411

### **Sarasota Herald-Tribune**

[www.HeraldTribune.com](http://www.HeraldTribune.com)

Sarasota County

941-365-6060

### **Sun-Herald Newspapers**

[www.SunHerald.com](http://www.SunHerald.com)

Venice, Englewood, North Port

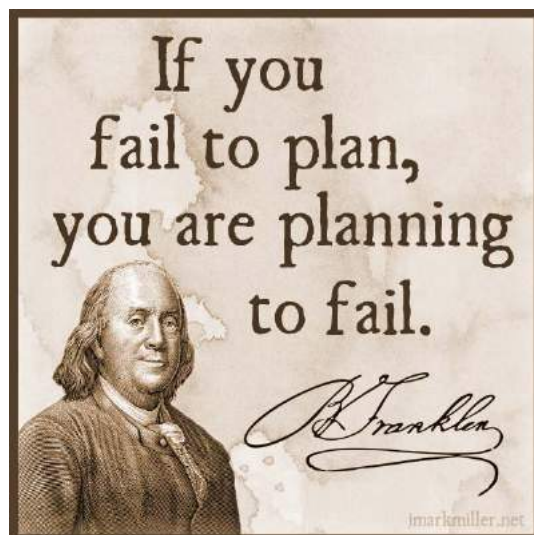
941-206-1000

# Six Mistakes to Avoid When Buying a Home

## #1: Failing to Have a Plan

Deciding to buy a home is probably the biggest financial decision you will ever make. It is an exciting decision, but it's serious business too—and you deserve serious advice.

**Evaluate your current situation.** Do you currently own a home? If so, will it be necessary to sell before making another purchase. Are you renting? How much time is left on your lease?



## #2: Thinking That You Can't Afford a Home



Many people feel that they can't afford a home, but affording a home has never been easier. Mortgage rates are more flexible today than ever, and the tax laws favor home ownership like no other tax shelter. Home ownership is a durable (real) investment. Although no one can say if a specific home will appreciate in

value, generally speaking, the odds favor the home owner. Numerous unique tax advantages are available to home owners. The thousands of dollars you pay in mortgage interest is deductible. This tax deduction alone can often make owning your own home cheaper than renting with "after tax" take home dollars.

## #3: Failing to Properly Screen Your Realtor

The quality of your home buying experience is dependent upon your skill at selecting the most qualified person.



# Six Mistakes to Avoid When Buying a Home

## #4: Failing to Get Pre-Approved for a Mortgage Loan

Don't waste hours searching for a home that is not in your price range! Getting pre approved Turns you into a Cash Buyer and helps you Win Multiple Offer Situations. Sellers are more likely to accept offers from Buyers who are pre-approved for their loan. This gives you **leverage** when you're involved in multiple offer situations. Save time and money by getting **pre-approved** for a loan.



## #5: Choosing a Loan Officer Based Only on the Interest Rate Alone



Just as you should interview your Realtor you should also interview your Lender. Not all Lenders look after your needs. Select a Lender who is willing to discuss your needs and help you choose the loan program that is best for your situation, not best for the Lender! **BE CAREFUL!!!** Your Realtor will have several Lenders to choose from that are known for doing timely, honest loans.

## #6: Failing to Obtain a Home Inspection From a Qualified Inspector

The job of a professional home inspector is to look over every major part of a home and write a report that judges the home's quality and condition. A home inspector reports on the structural and mechanical condition of the home. After the inspection, you will have the facts you need to make a decision about buying your home. A well-qualified inspector who adheres to federal licensing standards can spot problems that you might not be able to see. Expect problems to be clearly explained and written report delivered within a day or two.



# Why Buy?



## Pride in Owning

**Most** people buy homes to have control over where they live. Although investment features are important, the psychological reasons for buying (the satisfaction of owning and freedom from paying rent) are just as important.

In a survey done by the National Association of Realtors (N.A.R.) of 6,000 homeowners and 2,000 renters - 76% of owners and 66% of renters considered pride of ownership an important reason for buying.



## Dislike Paying Rent

Renting offers a lifestyle that's nearly maintenance free. That may appeal to you, but consider that renting offers you no equity, no tax benefit and no protection against regular rent increases. Writing a check is just like watching your hard earned money sail away.

## Settling Down

More than 6 in 10 renters said "settling down" was an important reason to buy.

## Good Investment

76% of owners and 69% of renters said the investment aspect of ownership was important.



# Why Buy?



## **Tax Advantages**

Property taxes & qualified home interests are deductible on Schedule A for itemized deduction.

## **Leverage Investment**

People borrow a great deal to buy a home, yet they receive the full benefits of price appreciation.

In the long run, investments in homes far out-pace inflation.

## **Source of Savings**

Home ownership always has and continues to comprise the single largest source of savings for American households. Homeowners build equity and can borrow against it.



## **Sacrifices are Worth It**

Almost 7 in 10 renters surveyed by NAR said they planned to buy a home in the future. More than three-quarters of those people said they were willing to sacrifice to do that.

The Greater the Sacrifice The Greater the Reward.

# The REAL Cost Of Renting

(based on a 3% rental increase each year)

*If you now pay...*

	<b>\$1,200</b> per month for rent today	<b>\$1,400</b> per month for rent today	<b>\$1,800</b> per month for rent today	<b>\$2,000</b> per month for rent today	<b>\$2,200</b> per month for rent today
	<b>You'll Pay</b>	<b>You'll Pay</b>	<b>You'll Pay</b>	<b>You'll Pay</b>	<b>You'll Pay</b>
This Year	\$14,400	\$16,800	\$21,600	\$24,000	\$26,400
Next Year	\$14,832	\$17,304	\$22,248	\$24,720	\$27,192
3rd Year	\$15,277	\$17,823	\$22,915	\$25,462	\$28,008
4th year	\$15,722	\$18,358	\$23,603	\$26,225	\$28,848
5th Year	\$16,194	\$18,909	\$24,311	\$27,012	\$29,713
6th Year	\$16,679	\$19,476	\$25,040	\$27,823	\$30,605
7th Year	\$17,180	\$20,060	\$25,792	\$28,657	\$31,523
8th Year	\$17,695	\$20,662	\$26,565	\$29,517	\$32,443
9th Year	\$18,226	\$21,282	\$27,362	\$30,402	\$33,443
10th Year	\$18,773	\$25,578	\$29,029	\$32,254	\$35,479
<b>TOTAL</b>	<b>\$164,978</b>	<b>\$175,590</b>	<b>\$248,465</b>	<b>\$276,072</b>	<b>\$303,778</b>

# Q & A



**Everything you've always wanted  
to know about buying a house  
but were afraid to ask...**

**Turn the page for the answers to  
the most commonly asked  
Real Estate questions!**

## **When I start visiting homes, what should I be looking for the first time through?**

The house you ultimately choose to call home will play a major role in your family's life. A home can be an excellent investment, of course. But, more importantly, it should fit the way you really live, with spaces and features that appeal to everyone in the family.

### **Pay close attention to these important considerations:**

The things you should first consider are *things you cannot change*—location, floor plan, number of baths, lot size, etc. Then consider *what you can change*—appliances, carpet, paint, cabinets and all other cosmetic items.

## **Does an older home have as much value as a new home?**

It's a matter of personal preference. Both new and older homes offer distinct advantages, depending upon your unique taste and lifestyle. Some people are charmed by the elegance of an older home, but shy away because they're concerned about potential maintenance costs. Consider a home warranty to get the peace of mind you deserve. A home warranty plan protects you against unexpected repairs for a full year or more.

There are also additional costs you must consider when purchasing a new home. For example, closing costs, window treatments, ceiling fans, garage door openers and additional appliances.



## **Do I need to bring anything along when I am looking at homes?**

Bring your own notebook and pen for note taking, if desired. Be prepared to “snoop around” a little. After all, you want to know as much as possible about the home you buy. Sellers understand it will be looked over pretty thoroughly. Don't forget to bring along this Home Buyer's Book as a reference guide when you are looking at homes. The pages in the back of the book will allow you to take notes on homes, which will make it easier to remember the specifics about them. If you need to go back to a home for another look, Team Pepka will be happy to schedule an appointment. Be sure to ask any questions you have about the home, even if you feel you are being nosy. You have the right to know. It is important to know that the Seller will supply the Buyer with a Residential Property Disclosure, which will disclose any defects known by the Seller. And lastly, be ready to purchase. **Bring Your Checkbook.**



## **How Large of an earnest money deposit should I make?**

How serious do you want the Seller to take your offer? An earnest money deposit is your promise that you will do everything you say you are going to do. In return, the Seller is taking risks by:



1. Taking the property off the market and not selling it to anyone else.
2. Most likely purchasing another home contingent upon the sale of this one or endorsing a lease for an apartment or another home.
3. Enlisting the services of a moving company, having everything packed up and ready to move.

As a General rule 2.5% to 5% is a deposit large enough to have your offer taken seriously.

## **What questions should I ask Team Pepka Buyer's Specialist concerning the homes I view?**

As a rule of thumb, ask any questions you have. Team Pepka will be happy to assist you in finding the answers to your questions or concerns.

## **What feedback should I give Team Pepka concerning the homes I view?**



Tell Team Pepka what you did not like about each home you view. It is important for our team to really get a feel for what you are looking for in a home in order to find the right home. We may ask you what you like about the home, but what you don't like is just as important. We learn from both. Don't be shy about talking about a home's shortcomings.

## **How many homes should I look at before I buy?**

If you have provided Your Buyer Specialist with enough detail, don't be surprised if the very first home that you view is the one that you end up purchasing. Should you end up viewing more than **5** homes, further consultation may be necessary.

## How do I decide which community I want to live in?

As for the individual neighborhoods within a town or city, there is no better source of information than Team Pepka! Our team knows the people and the communities they serve and chances are we can help you find a neighborhood that really fits your family's needs.

## Where can I get information about local schools?



### **Manatee County Public Schools**

[www.manateeschools.net](http://www.manateeschools.net)

941-708-4971

### **Sarasota County Public Schools**

[www.sarasotacountyschools.net](http://www.sarasotacountyschools.net)

941-861-8200

## How can I find out what homes are selling for in a given neighborhood?

Home sales are a matter of public record. The County Property Appraiser's Office, a local residential appraiser, the planning department for the locality, or the public information department of the local Multiple Listing Service are all resources the Buyer can rely on. All can be searched for recent sales history, sales price (or average sales price), time on the market, and other listing information for sales in any given area.

If you are interested in a particular home, **Your Buyer Specialist** will be able to provide you with a list of comparable sale prices in your area that are roughly the same size and age as the home you are considering. Although there will certainly be some difference between the homes (the house next door may have an extra bedroom, or one down the block may be older than the one you are looking at) it is a good way to evaluate the seller's asking price.



## **How do I determine the amount of my initial offer?**

Naturally the Buyer wants the best value and the Seller wants the best price but negotiations can be influenced by many factors such as a Seller who may be changing jobs and wants to sell quickly, or a Buyer who really wants a specific home.



After you have looked at the home's features, asked questions, checked comparable home sales and talked about it with your Buyer Specialist, you should have a good idea of what the home's value is in the current market.

Consider what you can afford and make an offer that you consider to be fair based on current average list price to sales price ratio's supplied to you by your agent. Your offer will include the amount you are willing to pay, financing terms, any personal property specifically included, loan commitment date, closing date and other contingencies including inspections. This offer will be accompanied by an earnest money check to show good faith. Most Buyers and Sellers negotiate on price with both sides "giving" a little until both agree. When the price is agreed upon the paperwork will be endorsed by both parties. At that point you typically will finalize the process of applying for a mortgage.

## **What about the loan application?**

Team Pepka will recommend a lender who has earned our trust and with whom we have had successful closings in the past. The loan originator's goal is to expedite all the necessary paperwork and information including ordering a credit report and appraisal of the property.

The information you provide the lender is confidential. The application generally takes place either at the lender's office or on line. All parties who will be on the mortgage should be present.

Your loan originator understands your concerns and is there to help with the approval of your loan. *Feel free to ask questions at the loan application about anything that you do not fully understand.* Also you will receive a loan estimate of closing costs at this time so you won't have any surprises at the time of closing. Total time from loan application to loan approval averages between 10 to 21 days depending on the loan type, market conditions and/or the complexity of verifying the borrower's information and qualifications.

## When am I required to supply all documentation to my lender?

Contractually all lender requested documents will need to be provided by you within 5 days after the contract is executed.

## What are my financing options?

Depending upon the price of the home and/or the amount of your down payment there may be several options that fit your need. They include VA (for military veterans only) which allows 100% financing of the purchase, FHA (Federal Housing Administration) which allows purchase with as little as 3.5% down and CONVENTIONAL, generally the best option when putting down 5%, 10% or 20%. In addition to these traditional methods there are other programs such as First Time Home Buyer Programs and others.



## What happens during the loan process?



**Formal Application**—This would normally be done at the office of the mortgage company. At that time you will give your loan officer a check for an appraisal and credit report. This amount generally ranges between \$350.00 — \$500.00.

**Appraisal** – Once your offer has been accepted, an appraisal will be ordered by your lender.

**Underwriting** – When your application is completed and verified, the file goes to the Underwriting Department for final approval, contingent upon an acceptable appraisal.

**Loan Approval** – When you have final lender approval, your deposit is normally non-refundable.

**Closing** – With the loan process completed, you are ready to go to your closing to secure the keys to your new home. Your next steps will be over the threshold of your new home!

### **When do I need to talk to my insurance agent?**

The sooner the better. During hurricane season, once a storm develops, writing of insurance is suspended. Without a prepaid policy in effect your closing can be delayed. Most insurance professionals have a lot of experience in working with homeowners and can offer useful tips about home ownership particularly regarding home safety. Once you have found a home, work together to develop a homeowner's policy that meets your individual insurance needs. You will need to supply your prepaid policy to your lender prior to closing.



### **Should I move myself or use a moving company?**



In almost every case, you can save yourself time and energy by using a reputable moving company to help you move. Ask Team Pepka, friends and co-workers for recommendations, then get estimates from several companies. Do not choose a mover based on price alone. Consider the reputation and professionalism of the company too. Work closely with the moving company to coordinate your efforts and your move will be achieved with maximum efficiency.

# Glossary of Real Estate & Financing Terminology

**ACCEPTANCE:** The date when both the Seller & Buyer have completed signing and/or initialing the contract.

**ADJUSTABLE RATE MORTGAGE:** A loan that allows the lender to adjust the borrower's interest rate and payments at prescribed times and with prescribed limits.

**AMORTIZED LOAN:** A loan which is paid in equal installments during its term.

**A.P.R. (Annual Percentage Rate):** A term used in the Truth in Lending Act. It represents the relationship of the total finance charge (interest, discount points, origination fees, loan broker, commission, etc.) to the amount of the loan.

**APPRECIATION:** Increase in value due to any cause.

**ASSUMABLE MORTGAGE:** Purchaser takes ownership to Real Estate encumbered by an existing mortgage and assumes responsibility as the guarantor for the unpaid balance of the mortgage.

**BILL OF SALE:** Document used to transfer title (ownership) of personal property.

**CLOSING STATEMENT (HUD1):** A financial statement rendered to the Buyer and Seller at the time of transfer of ownership, giving an account of all funds received or expended produced by the closing agent.

**CLOUD ON TITLE:** Any condition which affects the clear title to real property.

**COMPARABLE SALES:** Sales which have similar characteristics as the subject property and are used for analysis in the appraisal process.

**CONSIDERATION:** Anything of value to induce another to enter into a contract, i.e. money, services, a promise.

**CONTRACT:** An agreement to do or not to do a certain thing.

**DEED:** Written instrument which, when properly executed and delivered, conveys title to real property.

**DISCOUNT POINTS:** A loan fee charged by a lender of FHA, VA or conventional loans to increase the yield on the investment. One point= 1% of the loan amount.

**EARNEST MONEY:** Initial deposit made by purchaser of Real Estate as evidence of good faith.

**EASEMENT:** The right to use the land of another.

## **Glossary of Real Estate & Financing Terminology**

**ENCUMBRANCE:** Anything which burdens (limits) the free title to property, such as a lien, easements, or restriction of any kind.

**EQUITY:** The value of Real Estate over and above the liens against it. It is obtained by subtracting the total liens from the value.

**ESCROW PAYMENT:** The portion of a mortgagor's monthly payment held in trust by the lender to pay for taxes, hazard insurance, mortgage insurance, lease payments and other items as they become due.

**EXCHANGE:** The trading of an equity in a piece of property for equity in another.

**FANNIE MAE:** Nickname for Federal National Mortgage Association (FNMA), a tax paying corporation created by Congress to support the secondary mortgages insured by FHA or guaranteed by VA, as well as conventional home mortgages.

**FEDERAL HOUSING ADMINISTRATION (FHA):** Federal government agency which administers FHA insured loans.

**FHA INSURED MORTGAGE:** A mortgage under which the Federal Housing Administration insures loans made, according to its regulation, by approved lenders.

**FIXED RATE MORTGAGE:** A loan that fixes the interest rate at a prescribed rate for the duration of the loan.

**FIDUCIARY DUTIES:** A fiduciary is someone who has undertaken to act for and on behalf of another in a particular matter in circumstances which give rise to a relationship of trust and confidence.

**FORECLOSURE:** Procedure whereby property pledged as security for a debt is sold to pay the debt in the event of default.

**FREDDIE MAC:** Nickname for Federal Home Loan Mortgage Corp. (FHLMC), a federally controlled and operated corporation to support the secondary mortgage market. It purchases and sells residential conventional home mortgages.

**GRADUATED PAYMENT MORTGAGE:** Any loan where the borrower pays a portion of the interest due each month during the first few years of the loan. The payment increases gradually during the first few years to the amount necessary to fully amortize the loan during its life.

**INVESTOR:** The holder of a mortgage or the permanent lender for whom the mortgage banker services the loan. Any person or institution that invests in mortgages.

## **Glossary of Real Estate & Financing Terminology**

**LEASE PURCHASE AGREEMENT:** Buyer makes a deposit for future purchase of a property with the right to lease the property for the interim.

**LOAN TO VALUE (LTV):** The ratio of the mortgage loan principal (amount borrowed) to the property appraised value (selling price) Example– on a \$100,000 home, with a mortgage loan principal of \$80,000 the loan to value ratio is 80%.

**MORTGAGE:** One type of document used to make property the security for the payment of a loan.

**MORTGAGE INSURANCE PREMIUM (MIP):** The consideration paid by a mortgagor for private mortgage insurance (PMI). This insurance protects the investor from possible loss in the event of a borrower's default on a loan.

**MORTGAGOR:** The borrower of money.

**NOTE:** A written promise to pay a certain amount of money.

**ORIGINATION FEE:** A fee paid to the mortgagee for paying the mortgage before it becomes due. Also known as prepayment fee or reinvestment fee.

**PRIVATE MORTGAGE INSURANCE (PMI):** See Mortgage Insurance Premium.

**PROMISSORY NOTE:** A written contract containing a promise to pay a definite amount of money at a definite future time.

**REALTOR:** A member of local and state Real Estate boards which are affiliated with the National Association of Realtors (NAR).

**RENT WITH OPTION:** A contract which gives one the right to lease property at a certain sum with the option to purchase at a future date.

**SECOND MORTGAGE/SECOND DEED OF TRUST/JUNIOR MORTGAGE OF JUNIOR LIEN:** An additional loan imposed on a property with a first mortgage. Generally a higher interest rate and shorter term than the "first" mortgage.

**SEVERALTY OWNERSHIP:** Ownership by one person only. Sole ownership.

**SURVEY:** The process by which a parcel of land is measured and its area ascertained.

**TENANCY IN COMMON:** Ownership by two or more persons who hold an undivided interest without right of survivorship. (In the event of the death of owner, his/her share will pass to his/her heirs).

**TITLE INSURANCE:** An insurance policy which protects the insured (purchaser or lender) against loss arising from defects in the title.

# Service Provider List

The following is a list of recommended Service Providers. These are vendors we have worked with in the past and have been recommended to us by satisfied customers. These are only recommendations. These recommendations are made on an informational basis only and are offered as a convenience to you. We accept no responsibility.

<b>AIR CONDITIONING &amp; HEATING</b>			
Benjamin Cooling and Heating	941-798-2044		Ben
Arctic Air Services, Inc.	941-747-8800	ArcticAir4Me.com	
Aqua Plumbing & Air Services	941-238-9044	AquaPlumbingSarasota.com	
Cool Today	941-256-9056	CoolToday.com	
Southern Comfort One Hour	941-747-3096	OneHourAir.com	
<b>APPLIANCE REPAIR</b>			
Affordable Appliance Repair	941-795-0097	AffordableApplianceRepairFL.com	
Badger Bob's Appliances, Inc	941-238-9041	BadgerBobs.com	
<b>BATHROOM REMODELING</b>			
Brady Installations	941-928-4241	CFBrady35@gmail.com	Chad
SunCoast Home Solutions	941-962-2846	SCHomeSolutions.com	Brian Dougherty
<b>BLINDS</b>			
Décor & Designs	941-359-6380	DecorDesignsFL.com	
<b>CHIMNEY SWEEP</b>			
Curry's Chimney Sweeping	941-755-0002	CurrysChimneySweep.com	Jeff Curry
Chimney Cricket	800-993-8905	ChimneyCricket.com	

CARPET AND UPHOLSTREY CLEANING		
Overturf's Cleaning	941-315-8441	CleaningManatee.com
Steamatic Total Cleaning	941-756-4574	Steamatic.com
DRYWALL REPAIR & TEXTURE		
Kornhaus Drywall	941-371-0494	Kurt Kornhaus
DUCT CLEANING		
Aqua Plumbing & Air Services	941-238-9044	AquaPlumbingSarasota.com
Cool Today	941-256-9056	CoolToday.com
ELECTRICAL CONTRACTORS		
Littlefield Electric	941-722-0771	Rick Littlefield
Energy Today	941-256-9041	EnergyToday.com
Rayco Electric	941-747-1968	RaycoElectricInc.com
Mister Sparky	800-595-8644	MisterSparky.com
Estate Sales		
Kingberry Estate Finds	941-722-7887	
Antiques & Chatchkes	941-356-3318	AntiquesandChatchkes.com
FENCING		
Foremost Fence	941-748-2700	ForemostFence.com
H & Y Fence	941-256-9055	HnYfence.com
Invisible Fence Brand	941-379-3647	InvisibleFence.com

FLOORING			
Georgia Carpet World	941-758-4425	georgiacarpetworld.com	Doug Holcomb
West Coast Carpet & Tile	941-748-2187	wcctflooring.com	Mike Jeanes
SunCoast Home Solutions	941-962-2846	schomesolutions.com	*Grout Cleaning
Ultimate Design Center	941-925-9663	UltimateDesignCenter.com	
GARAGE DOOR REPAIR			
Precision Garage Door Service	941-306-4076	PrecisionDoor.net	
GENERAL CONTRACTOR			
McKenzie Homes	941-776-0005	McKenzieHomesllc.com	George Dudas
Glass & Mirror Replacement			
Manatee Glass & Mirror	941-747-9100	showerdoorsbradenton.com	
GUTTER CLEANING & REPAIR			
Absolute Aluminum, Inc.	941-497-7777	AbsoluteAluminum.com	
HANDYMAN SERVICES			
Cali Home Improvements	941-725-1622		Anthony Cali
Start to Finish Construction	941-565-2165		Josh Kelbaugh
Golden Coast Maintenance Svcs	941-877-9141		Kim Nemeth
John Clark	941-840-8555		
Sticks & Stones Custom Homes	941-705-1752	sticksandstonescustomhomes.com	
Pristine Home Maintenance	941-923-2587		Chad

## Service Provider List Continued

INSURANCE			
AutoLife Insurance Group Inc	941-210-4499	autolifegroup.com	Christina Martin
Insurance Time of Bradenton	941-746-5151	insurancetime.org	
Chapman Insurance	941-747-5995	TheChapmanAgency.com	
Boyd Insurance	941-925-9663	UltimateDesignCenter.com	
LAWN AND LANDSCAPE			
Chris' Lawn Service	941-518-8744		
Tim Miller Lawn Care	941-204-6629		
Landscapes By Aaron	941-356-2394	sarasota-landscaping.com	
Mark Heller	941-915-9759	LANDSCAPING	
Suncoast Landscape, Inc	941-730-8738	suncoastlandscapeinc.com	
MOVERS			
Doug's Hourly Muscle	941-722-8315	DougsHourlyMuscle.com	
Martin's Movers	941-761-1135	MartinsMoving.com	
Spirit Movers	941-748-3969	SpiritMovers.com	
Precision Moving	727-544-3386		
OUTDOOR KITCHENS			
Absolute Aluminum, Inc.	941-497-7777	AbsoluteAluminum.com	
PAINTING			
Prosser Painting	941-877-1350	ProsserPaints.com	
Robert Mitchell	315-560-5051		
Shamakas Paint	813-580-2296	941-237-7056	Rafael & Karen
Robert Mitchell	315-560-5051	Rlmitchell@tampabay.rr.com	
Sunshine Painting	941-220-0950	sunshinepaintingfl.com	

PATIO COOL DECKING & PAVERS, GARAGE EPOXY, AND SEALING		
Decorative Floors	941-922-2422	DecoFloors.net
Absolute Aluminum, Inc.	941-497-7777	AbsoluteAluminum.com
PEST CONTROL		
Fahey Pest & Lawn Solutions	941-366-9090	faheypest.com
Good News Pest Solutions	941-256-9039	goodnewspestsolutions.com
Home Team Pest Defense	941-342-6052	PestDefense.com
Rodent Solutions Inc	941-704-0063	rodentsolutioninc.com
PLUMBING		
Palmetto Plumbing Inc	941-722-2812	palmettoplumbinginc.net
Aqua Plumbing & Air	941-238-9044	AquaPlumbingSarasota.com
Plumbing Today	941-256-9053	CoolToday.com/Plumbing
POOL CONTRACTORS AND POOL SERVICE		
DuWet Pools & Spas	941-744-9290	duwetpools.com
Pools by Ron Schultz Inc	941-924-9187	
Southwest Pool Builders	941-484-2339	southwestpools.net
East County Pool <b>Service</b>	941-720-8053	Jason Geiger
Water Designs of Sarasota	941-341-9930	waterdesigns.com
PRESSURE WASHING		
Smith Pressure Wash Services	941-883-8546	Smith Pressure Wash SVCS on Facebook
Start to Finish	941-565-2165	Josh Kelbaugh
Pristine Home Maintenance	941-923-2587	Chad

## Service Provider List Continued

PROFESSIONAL CLEANING COMPANIES			
Paradise Cleaning & More	941-228-1724		
Clean Scent	941-518-3747		
ROOFING INSTALLATION & REPAIR			
Total Roofing	941-721-3322	TotalRoofing.net	
Florida Southern Roofing	941-238-9034	FloridaRoofing.com	
SECURITY SYSTEMS			
Safe Haven Security (ADT)	813-279-1984	mysafehaven.com	Stacy Pospisil
SCREEN REPAIR			
AVC Rescreening	941-357-3946		Cesar
ScreenCo	941-371-2877	screencosarasota.com	
TREE TRIMMING & REMOVAL			
Two Brothers Tree Trimming	941-238-7192	941-465-5327	Ed & Chris Rayburn
WALL PAPER REMOVAL			
Totally Off The Wall	941-539-1954	totallyoffthewall.com	
WELL AND WELL PUMPS			
Fehl-Safe Water	941-322-8286	941-809-3713	Chris Fell



- Contracts
- Addendums
- State Required Disclosures

## Brokerage Relationship Disclosure

FLORIDA ASSOCIATION OF REALTORS®

### SINGLE AGENT NOTICE

**FLORIDA LAW REQUIRES THAT REAL ESTATE LICENSEES OPERATING AS SINGLE AGENTS DISCLOSE TO BUYERS AND SELLERS THEIR DUTIES.** As a single agent, Keller Williams Realty On The Water

and its associates owe to you the following duties:

1. Dealing honestly and fairly;
2. Loyalty;
3. Confidentiality;
4. Obedience;
5. Full disclosure;
6. Accounting for all funds;
7. Skill, care, and diligence in the transaction;
8. Presenting all offers and counteroffers in a timely manner, unless a party has previously directed the licensee otherwise in writing; and
9. Disclosing all known facts that materially affect the value of residential real property and are not readily observable.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

Buyer ( ) ( ) or Seller ( ) ( ) acknowledge receipt of a copy of this page, which is Page 1 of 3 Pages.

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## CONSENT TO TRANSITION TO TRANSACTION BROKER

**FLORIDA LAW ALLOWS REAL ESTATE LICENSEES WHO REPRESENT A BUYER OR SELLER AS A SINGLE AGENT TO CHANGE FROM A SINGLE AGENT RELATIONSHIP TO A TRANSACTION BROKERAGE RELATIONSHIP IN ORDER FOR THE LICENSEE TO ASSIST BOTH PARTIES IN A REAL ESTATE TRANSACTION BY PROVIDING A LIMITED FORM OF REPRESENTATION TO BOTH THE BUYER AND THE SELLER. THIS CHANGE IN RELATIONSHIP CANNOT OCCUR WITHOUT YOUR PRIOR WRITTEN CONSENT.**

As a transaction broker, Keller Williams Realty On The Water/ Team Pepka

and its associates, provides to you a limited form of representation that includes the following duties:

1. Dealing honestly and fairly;
2. Accounting for all funds;
3. Using skill, care, and diligence in the transaction;
4. Disclosing all known facts that materially affect the value of residential real property and are not readily observable to the buyer;
5. Presenting all offers and counteroffers in a timely manner, unless a party has previously directed the licensee otherwise in writing;
6. Limited confidentiality, unless waived in writing by a party. This limited confidentiality will prevent disclosure that the seller will accept a price less than the asking or listed price, that the buyer will pay a price greater than the price submitted in a written offer, of the motivation of any party for selling or buying property, that a seller or buyer will agree to financing terms other than those offered, or of any other information requested by a party to remain confidential; and
7. Any additional duties that are entered into by this or by separate written agreement.

Limited representation means that a buyer or seller is not responsible for the acts of the licensee. Additionally, parties are giving up their rights to the undivided loyalty of the licensee. This aspect of limited representation allows a licensee to facilitate a real estate transaction by assisting both the buyer and the seller, but a licensee will not work to represent one party to the detriment of the other party when acting as a transaction broker to both parties.

\_\_\_\_\_ I agree that my agent may assume the role and duties of a transaction broker. (must be initialed or signed)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

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Single Agent N

## TRANSACTION BROKER NOTICE

As a transaction broker, Keller Williams Realty On The Water/ Team Pepka  
and its associates, provides to you a limited form of representation that includes the following duties:

1. Dealing honestly and fairly;
2. Accounting for all funds;
3. Using skill, care, and diligence in the transaction;
4. Disclosing all known facts that materially affect the value of residential real property and are not readily observable to the buyer;
5. Presenting all offers and counteroffers in a timely manner, unless a party has previously directed the licensee otherwise in writing;
6. Limited confidentiality, unless waived in writing by a party. This limited confidentiality will prevent disclosure that the seller will accept a price less than the asking or listed price, that the buyer will pay a price greater than the price submitted in a written offer, of the motivation of any party for selling or buying property, that a seller or buyer will agree to financing terms other than those offered, or of any other information requested by a party to remain confidential; and
7. Any additional duties that are entered into by this or by separate written agreement.

Limited representation means that a buyer or seller is not responsible for the acts of the licensee. Additionally, parties are giving up their rights to the undivided loyalty of the licensee. This aspect of limited representation allows a licensee to facilitate a real estate transaction by assisting both the buyer and the seller, but a licensee will not work to represent one party to the detriment of the other party when acting as a transaction broker to both parties.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

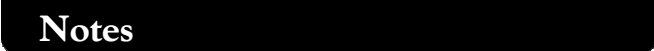
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## 11

This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

# Residential Contract For Sale And Purchase

THIS FORM HAS BEEN APPROVED BY THE FLORIDA REALTORS AND THE FLORIDA BAR

1 **PARTIES:** Steven S Seller, Stacey S Seller ("Seller"),  
2 and Bill B Buyer, Bonnie B Buyer ("Buyer"),  
3 agree that Seller shall sell and Buyer shall buy the following described Real Property and Personal Property  
4 (collectively "Property") pursuant to the terms and conditions of this Residential Contract For Sale And Purchase and  
5 any riders and addenda ("Contract"):

## 1. PROPERTY DESCRIPTION:

7 (a) Street address, city, zip: 123 Main Street Bradenton FL  
8 (b) Located in: Manatee County, Florida. Property Tax ID #: \_\_\_\_\_  
9 (c) Real Property: The legal description is \_\_\_\_\_

10  
11  
12 together with all existing improvements and fixtures, including built-in appliances, built-in furnishings and  
13 attached wall-to-wall carpeting and flooring ("Real Property") unless specifically excluded in Paragraph 1(e) or  
14 by other terms of this Contract.

15 (d) Personal Property: Unless excluded in Paragraph 1(e) or by other terms of this Contract, the following items  
16 which are owned by Seller and existing on the Property as of the date of the initial offer are included in the  
17 purchase: range(s)/oven(s), refrigerator(s), dishwasher(s), disposal, ceiling fan(s), intercom, light fixture(s),  
18 drapery rods and draperies, blinds, window treatments, smoke detector(s), garage door opener(s), security gate  
19 and other access devices, and storm shutters/panels ("Personal Property").

20 Other Personal Property items included in this purchase are: \_\_\_\_\_

21  
22 Personal Property is included in the Purchase Price, has no contributory value, and shall be left for the Buyer.

23 (e) The following items are excluded from the purchase: \_\_\_\_\_

24

## 25 PURCHASE PRICE AND CLOSING

26 **2. PURCHASE PRICE** (U.S. currency): \_\_\_\_\_ \$ \_\_\_\_\_

27 (a) Initial deposit to be held in escrow in the amount of **(checks subject to COLLECTION)** .. \$ \_\_\_\_\_

28 The initial deposit made payable and delivered to "Escrow Agent" named below  
29 **(CHECK ONE):** (i) ☐ accompanies offer or (ii) ☐ is to be made within \_\_\_\_\_ (if left  
30 blank, then 3) days after Effective Date. IF NEITHER BOX IS CHECKED, THEN  
31 OPTION (ii) SHALL BE DEEMED SELECTED.

32 Escrow Agent Information: Name: Title Alliance of the Gulf Coast

33 Address: 1301 6th Ave West, Suite 104 Bradenton FL, 34205

34 Phone: (941) 405-3690 E-mail: tmelichar@tagulfcoast.com Fax: \_\_\_\_\_

35 (b) Additional deposit to be delivered to Escrow Agent within \_\_\_\_\_ (if left blank, then 10)  
36 days after Effective Date. .... \$ \_\_\_\_\_

37 (All deposits paid or agreed to be paid, are collectively referred to as the "Deposit")

38 (c) Financing: Express as a dollar amount or percentage ("Loan Amount") see Paragraph 8. ....

39 (d) Other: \_\_\_\_\_ \$ \_\_\_\_\_

40 (e) Balance to close (not including Buyer's closing costs, prepaids and prorations) by wire  
41 transfer or other **COLLECTED** funds. .... \$ \_\_\_\_\_

42 **NOTE: For the definition of "COLLECTION" or "COLLECTED" see STANDARDS.**

## 43 3. TIME FOR ACCEPTANCE OF OFFER AND COUNTER-OFFERS; EFFECTIVE DATE:

44 (a) If not signed by Buyer and Seller, and an executed copy delivered to all parties on or before  
45 September 1, 2018, this offer shall be deemed withdrawn and the Deposit, if any, shall be returned  
46 to Buyer. Unless otherwise stated, time for acceptance of any counter-offers shall be within 2 days after the day  
47 the counter-offer is delivered.

48 (b) The effective date of this Contract shall be the date when the last one of the Buyer and Seller has signed or  
49 initialed and delivered this offer or final counter-offer ("Effective Date").

50 **4. CLOSING DATE:** Unless modified by other provisions of this Contract, the closing of this transaction shall occur  
51 and the closing documents required to be furnished by each party pursuant to this Contract shall be delivered  
52 ("Closing") on October 1, 2018 ("Closing Date"), at the time established by the Closing Agent.

Buyer's Initials \_\_\_\_\_ Page 1 of 13 Seller's Initials \_\_\_\_\_

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Practice



53 **5. EXTENSION OF CLOSING DATE:**

54 (a) If Paragraph 8(b) is checked and Closing funds from Buyer's lender(s) are not available on Closing Date due  
55 to Consumer Financial Protection Bureau Closing Disclosure delivery requirements ("CFPB Requirements"),  
56 then Closing Date shall be extended for such period necessary to satisfy CFPB Requirements, provided such  
57 period shall not exceed 10 days.

58 (b) If an event constituting "Force Majeure" causes services essential for Closing to be unavailable, including the  
59 unavailability of utilities or issuance of hazard, wind, flood or homeowners' insurance, Closing Date shall be  
60 extended as provided in STANDARD G.

61 **6. OCCUPANCY AND POSSESSION:**

62 (a) Unless the box in Paragraph 6(b) is checked, Seller shall, at Closing, deliver occupancy and possession of the  
63 Property to Buyer free of tenants, occupants and future tenancies. Also, at Closing, Seller shall have removed  
64 all personal items and trash from the Property and shall deliver all keys, garage door openers, access devices  
65 and codes, as applicable, to Buyer. If occupancy is to be delivered before Closing, Buyer assumes all risks of  
66 loss to the Property from date of occupancy, shall be responsible and liable for maintenance from that date,  
67 and shall be deemed to have accepted the Property in its existing condition as of time of taking occupancy,  
68 except with respect to any items identified by Buyer pursuant to Paragraph 12, prior to taking occupancy, which  
69 require repair, replacement, treatment or remedy.

70 (b) ☐ **CHECK IF PROPERTY IS SUBJECT TO LEASE(S) OR OCCUPANCY AFTER CLOSING.** If Property is  
71 subject to a lease(s) after Closing or is intended to be rented or occupied by third parties beyond Closing, the  
72 facts and terms thereof shall be disclosed in writing by Seller to Buyer and copies of the written lease(s) shall  
73 be delivered to Buyer, all within 5 days after Effective Date. If Buyer determines, in Buyer's sole discretion, that  
74 the lease(s) or terms of occupancy are not acceptable to Buyer, Buyer may terminate this Contract by delivery  
75 of written notice of such election to Seller within 5 days after receipt of the above items from Seller, and Buyer  
76 shall be refunded the Deposit thereby releasing Buyer and Seller from all further obligations under this Contract.  
77 Estoppel Letter(s) and Seller's affidavit shall be provided pursuant to STANDARD D. If Property is intended to  
78 be occupied by Seller after Closing, see Rider U. POST-CLOSING OCCUPANCY BY SELLER.

79 **7. ASSIGNABILITY: (CHECK ONE):** Buyer ☐ may assign and thereby be released from any further liability under  
80 this Contract; ☐ may assign but not be released from liability under this Contract; or ☐ may not assign this  
81 Contract.

82

**FINANCING**

83 **8. FINANCING:**

84 ☐ (a) Buyer will pay cash for the purchase of the Property at Closing. There is no financing contingency to Buyer's  
85 obligation to close. If Buyer obtains a loan for any part of the Purchase Price of the Property, Buyer acknowledges  
86 that any terms and conditions imposed by Buyer's lender(s) or by CFPB Requirements shall not affect or extend  
87 the Buyer's obligation to close or otherwise affect any terms or conditions of this Contract.

88 ☐ (b) This Contract is contingent upon Buyer obtaining approval of a ☐ conventional ☐ FHA ☐ VA or ☐ other  
89 \_\_\_\_\_ (describe) loan within \_\_\_\_\_ (if left blank, then 30) days after Effective Date ("Loan Approval  
90 Period") for **(CHECK ONE):** ☐ fixed, ☐ adjustable, ☐ fixed or adjustable rate in the Loan Amount (See Paragraph  
91 2(c)), at an initial interest rate not to exceed \_\_\_\_\_ % (if left blank, then prevailing rate based upon Buyer's  
92 creditworthiness), and for a term of \_\_\_\_\_ (if left blank, then 30) years ("Financing").

93 (i) Buyer shall make mortgage loan application for the Financing within \_\_\_\_\_ (if left blank, then 5) days  
94 after Effective Date and use good faith and diligent effort to obtain approval of a loan meeting the Financing terms  
95 ("Loan Approval") and thereafter to close this Contract. Loan Approval which requires a condition related to the sale  
96 by Buyer of other property shall not be deemed Loan Approval for purposes of this subparagraph.

97 Buyer's failure to use diligent effort to obtain Loan Approval during the Loan Approval Period shall be considered a  
98 default under the terms of this Contract. For purposes of this provision, "diligent effort" includes, but is not limited  
99 to, timely furnishing all documents and information and paying of all fees and charges requested by Buyer's  
100 mortgage broker and lender in connection with Buyer's mortgage loan application.

101 (ii) Buyer shall keep Seller and Broker fully informed about the status of Buyer's mortgage loan application,  
102 Loan Approval, and loan processing and authorizes Buyer's mortgage broker, lender, and Closing Agent to disclose  
103 such status and progress, and release preliminary and finally executed closing disclosures and settlement  
104 statements, to Seller and Broker.

105 (iii) Upon Buyer obtaining Loan Approval, Buyer shall promptly deliver written notice of such approval to Seller.

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(iv) If Buyer is unable to obtain Loan Approval after the exercise of diligent effort, then at any time prior to expiration of the Loan Approval Period, Buyer may provide written notice to Seller stating that Buyer has been unable to obtain Loan Approval and has elected to either:

- (1) waive Loan Approval, in which event this Contract will continue as if Loan Approval had been obtained; or
- (2) terminate this Contract.

(v) If Buyer fails to timely deliver either notice provided in Paragraph 8(b)(iii) or (iv), above, to Seller prior to expiration of the Loan Approval Period, then Loan Approval shall be deemed waived, in which event this Contract will continue as if Loan Approval had been obtained, provided however, Seller may elect to terminate this Contract by delivering written notice to Buyer within 3 days after expiration of the Loan Approval Period.

(vi) If this Contract is timely terminated as provided by Paragraph 8(b)(iv)(2) or (v), above, and Buyer is not in default under the terms of this Contract, Buyer shall be refunded the Deposit thereby releasing Buyer and Seller from all further obligations under this Contract.

(vii) If Loan Approval has been obtained, or deemed to have been obtained, as provided above, and Buyer fails to close this Contract, then the Deposit shall be paid to Seller unless failure to close is due to: (1) Seller's default or inability to satisfy other contingencies of this Contract; (2) Property related conditions of the Loan Approval have not been met (except when such conditions are waived by other provisions of this Contract); or (3) appraisal of the Property obtained by Buyer's lender is insufficient to meet terms of the Loan Approval, in which event(s) the Buyer shall be refunded the Deposit, thereby releasing Buyer and Seller from all further obligations under this Contract.

☐ (c) Assumption of existing mortgage (see rider for terms).

☐ (d) Purchase money note and mortgage to Seller (see riders; addenda; or special clauses for terms).

### CLOSING COSTS, FEES AND CHARGES

#### 9. CLOSING COSTS; TITLE INSURANCE; SURVEY; HOME WARRANTY; SPECIAL ASSESSMENTS:

##### (a) COSTS TO BE PAID BY SELLER:

- Documentary stamp taxes and surtax on deed, if any
- Owner's Policy and Charges (if Paragraph 9(c)(i) is checked)
- Title search charges (if Paragraph 9(c)(iii) is checked)
- Municipal lien search (if Paragraph 9(c)(i) or (iii) is checked)
- HOA/Condominium Association estoppel fees
- Recording and other fees needed to cure title
- Seller's attorneys' fees
- Other: \_\_\_\_\_

Seller shall pay the following amounts/percentages of the Purchase Price for the following costs and expenses:

(i) up to \$ \_\_\_\_\_ or \_\_\_\_\_ (1.5% if left blank) for General Repair Items ("General Repair Limit"); and

(ii) up to \$ \_\_\_\_\_ or \_\_\_\_\_ % (1.5% if left blank) for WDO treatment and repairs ("WDO Repair Limit"); and

(iii) up to \$ \_\_\_\_\_ or \_\_\_\_\_ % (1.5% if left blank) for costs associated with closing out open or expired building permits and obtaining required building permits for any existing improvement for which a permit was not obtained ("Permit Limit").

If, prior to Closing, Seller is unable to meet the Maintenance Requirement as required by Paragraph 11 or the repairs, replacements, treatments or permitting as required by Paragraph 12 then, sums equal to 125% of estimated costs to complete the applicable item(s) (but not in excess of applicable General Repair, WDO Repair, and Permit Limits set forth above, if any) shall be escrowed at Closing. If actual costs of required repairs, replacements, treatment or permitting exceed applicable escrowed amounts, Seller shall pay such actual costs (but not in excess of applicable General Repair, WDO Repair, and Permit Limits set forth above). Any unused portion of escrowed amount(s) shall be returned to Seller.

##### (b) COSTS TO BE PAID BY BUYER:

- Taxes and recording fees on notes and mortgages
- Recording fees for deed and financing statements
- Owner's Policy and Charges (if Paragraph 9(c)(ii) is checked)
- Survey (and elevation certification, if required)
- Lender's title policy and endorsements
- HOA/Condominium Association application/transfer fees
- Municipal lien search (if Paragraph 9(c)(ii) is checked)
- Other: \_\_\_\_\_
- Loan expenses
- Appraisal fees
- Buyer's Inspections
- Buyer's attorneys' fees
- All property related insurance
- Owner's Policy Premium (if Paragraph 9 (c) (iii) is checked.)

(c) **TITLE EVIDENCE AND INSURANCE:** At least \_\_\_\_\_ (if left blank, then 15, or if Paragraph 8(a) is checked, then 5) days prior to Closing Date ("Title Evidence Deadline"), a title insurance commitment issued by a Florida licensed title insurer, with legible copies of instruments listed as exceptions attached thereto ("Title Commitment") and, after Closing, an owner's policy of title insurance (see STANDARD A for terms) shall be

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obtained and delivered to Buyer. If Seller has an owner's policy of title insurance covering the Real Property, a copy shall be furnished to Buyer and Closing Agent within 5 days after Effective Date. The owner's title policy premium, title search and closing services (collectively, "Owner's Policy and Charges") shall be paid, as set forth below. The title insurance premium charges for the owner's policy and any lender's policy will be calculated and allocated in accordance with Florida law, but may be reported differently on certain federally mandated closing disclosures and other closing documents. For purposes of this Contract "municipal lien search" means a search of records necessary for the owner's policy of title insurance to be issued without exception for unrecorded liens imposed pursuant to Chapters 159 or 170, F.S., in favor of any governmental body, authority or agency.

**(CHECK ONE):**

- ☐ (i) Seller shall designate Closing Agent and pay for Owner's Policy and Charges, and Buyer shall pay the premium for Buyer's lender's policy and charges for closing services related to the lender's policy, endorsements and loan closing, which amounts shall be paid by Buyer to Closing Agent or such other provider(s) as Buyer may select; or
- ☐ (ii) Buyer shall designate Closing Agent and pay for Owner's Policy and Charges and charges for closing services related to Buyer's lender's policy, endorsements and loan closing; or
- ☐ (iii) **[MIAMI-DADE/BROWARD REGIONAL PROVISION]:** Seller shall furnish a copy of a prior owner's policy of title insurance or other evidence of title and pay fees for: (A) a continuation or update of such title evidence, which is acceptable to Buyer's title insurance underwriter for reissue of coverage; (B) tax search; and (C) municipal lien search. Buyer shall obtain and pay for post-Closing continuation and premium for Buyer's owner's policy, and if applicable, Buyer's lender's policy. Seller shall not be obligated to pay more than \$\_\_\_\_\_ (if left blank, then \$200.00) for abstract continuation or title search ordered or performed by Closing Agent.
- (d) **SURVEY:** On or before Title Evidence Deadline, Buyer may, at Buyer's expense, have the Real Property surveyed and certified by a registered Florida surveyor ("Survey"). If Seller has a survey covering the Real Property, a copy shall be furnished to Buyer and Closing Agent within 5 days after Effective Date.
- (e) **HOME WARRANTY:** At Closing, ☐ Buyer ☐ Seller ☐ N/A shall pay for a home warranty plan issued by \_\_\_\_\_ at a cost not to exceed \$\_\_\_\_\_. A home warranty plan provides for repair or replacement of many of a home's mechanical systems and major built-in appliances in the event of breakdown due to normal wear and tear during the agreement's warranty period.
- (f) **SPECIAL ASSESSMENTS:** At Closing, Seller shall pay: (i) the full amount of liens imposed by a public body ("public body" does not include a Condominium or Homeowner's Association) that are certified, confirmed and ratified before Closing; and (ii) the amount of the public body's most recent estimate or assessment for an improvement which is substantially complete as of Effective Date, but that has not resulted in a lien being imposed on the Property before Closing. Buyer shall pay all other assessments. If special assessments may be paid in installments **(CHECK ONE):**
- ☐ (a) Seller shall pay installments due prior to Closing and Buyer shall pay installments due after Closing. Installments prepaid or due for the year of Closing shall be prorated.
- ☐ (b) Seller shall pay the assessment(s) in full prior to or at the time of Closing.
- IF NEITHER BOX IS CHECKED, THEN OPTION (a) SHALL BE DEEMED SELECTED.
- This Paragraph 9(f) shall not apply to a special benefit tax lien imposed by a community development district (CDD) pursuant to Chapter 190, F.S., which lien shall be prorated pursuant to STANDARD K.

**DISCLOSURES**

**10. DISCLOSURES:**

- (a) **RADON GAS:** Radon is a naturally occurring radioactive gas that, when it is accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county health department.
- (b) **PERMITS DISCLOSURE:** Except as may have been disclosed by Seller to Buyer in a written disclosure, Seller does not know of any improvements made to the Property which were made without required permits or made pursuant to permits which have not been properly closed. If Seller identifies permits which have not been properly closed or improvements which were not permitted, then Seller shall promptly deliver to Buyer all plans, written documentation or other information in Seller's possession, knowledge, or control relating to improvements to the Property which are the subject of such open permits or unpermitted improvements.
- (c) **MOLD:** Mold is naturally occurring and may cause health risks or damage to property. If Buyer is concerned or desires additional information regarding mold, Buyer should contact an appropriate professional.
- (d) **FLOOD ZONE; ELEVATION CERTIFICATION:** Buyer is advised to verify by elevation certificate which flood zone the Property is in, whether flood insurance is required by Buyer's lender, and what restrictions apply to

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improving the Property and rebuilding in the event of casualty. If Property is in a "Special Flood Hazard Area" or "Coastal Barrier Resources Act" designated area or otherwise protected area identified by the U.S. Fish and Wildlife Service under the Coastal Barrier Resources Act and the lowest floor elevation for the building(s) and/or flood insurance rating purposes is below minimum flood elevation or is ineligible for flood insurance coverage through the National Flood Insurance Program or private flood insurance as defined in 42 U.S.C. §4012a, Buyer may terminate this Contract by delivering written notice to Seller within \_\_\_\_\_ (if left blank, then 20) days after Effective Date, and Buyer shall be refunded the Deposit thereby releasing Buyer and Seller from all further obligations under this Contract, failing which Buyer accepts existing elevation of buildings and flood zone designation of Property. The National Flood Insurance Program may assess additional fees or adjust premiums for pre-Flood Insurance Rate Map (pre-FIRM) non-primary structures (residential structures in which the insured or spouse does not reside for at least 50% of the year) and an elevation certificate may be required for actuarial rating.

- (e) **ENERGY BROCHURE:** Buyer acknowledges receipt of Florida Energy-Efficiency Rating Information Brochure required by Section 553.996, F.S.
- (f) **LEAD-BASED PAINT:** If Property includes pre-1978 residential housing, a lead-based paint disclosure is mandatory.
- (g) **HOMEOWNERS' ASSOCIATION/COMMUNITY DISCLOSURE: BUYER SHOULD NOT EXECUTE THIS CONTRACT UNTIL BUYER HAS RECEIVED AND READ THE HOMEOWNERS' ASSOCIATION/COMMUNITY DISCLOSURE, IF APPLICABLE.**
- (h) **PROPERTY TAX DISCLOSURE SUMMARY:** BUYER SHOULD NOT RELY ON THE SELLER'S CURRENT PROPERTY TAXES AS THE AMOUNT OF PROPERTY TAXES THAT THE BUYER MAY BE OBLIGATED TO PAY IN THE YEAR SUBSEQUENT TO PURCHASE. A CHANGE OF OWNERSHIP OR PROPERTY IMPROVEMENTS TRIGGERS REASSESSMENTS OF THE PROPERTY THAT COULD RESULT IN HIGHER PROPERTY TAXES. IF YOU HAVE ANY QUESTIONS CONCERNING VALUATION, CONTACT THE COUNTY PROPERTY APPRAISER'S OFFICE FOR INFORMATION.
- (i) **FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT ("FIRPTA"):** Seller shall inform Buyer in writing if Seller is a "foreign person" as defined by the Foreign Investment in Real Property Tax Act ("FIRPTA"). Buyer and Seller shall comply with FIRPTA, which may require Seller to provide additional cash at Closing. If Seller is not a "foreign person", Seller can provide Buyer, at or prior to Closing, a certification of non-foreign status, under penalties of perjury, to inform Buyer and Closing Agent that no withholding is required. See STANDARD V for further information pertaining to FIRPTA. Buyer and Seller are advised to seek legal counsel and tax advice regarding their respective rights, obligations, reporting and withholding requirements pursuant to FIRPTA.
- (j) **SELLER DISCLOSURE:** Seller knows of no facts materially affecting the value of the Real Property which are not readily observable and which have not been disclosed to Buyer. Except as otherwise disclosed in writing Seller has received no written or verbal notice from any governmental entity or agency as to a currently uncorrected building, environmental or safety code violation.

#### PROPERTY MAINTENANCE, CONDITION, INSPECTIONS AND EXAMINATIONS

- 11. PROPERTY MAINTENANCE:** Except for ordinary wear and tear and Casualty Loss, and those repairs, replacements or treatments required to be made by this Contract, Seller shall maintain the Property, including, but not limited to, lawn, shrubbery, and pool, in the condition existing as of Effective Date ("Maintenance Requirement").
- 12. PROPERTY INSPECTION AND REPAIR:**
  - (a) **INSPECTION PERIOD:** Buyer shall have \_\_\_\_\_ (if left blank, then 15) days after Effective Date ("Inspection Period"), within which Buyer may, at Buyer's expense, conduct "General", "WDO", and "Permit" Inspections described below. If Buyer fails to timely deliver to Seller a written notice or report required by (b), (c), or (d) below, then, except for Seller's continuing Maintenance Requirement, Buyer shall have waived Seller's obligation(s) to repair, replace, treat or remedy the matters not inspected and timely reported. If this Contract does not close, Buyer shall repair all damage to Property resulting from Buyer's inspections, return Property to its pre-inspection condition and provide Seller with paid receipts for all work done on Property upon its completion.
  - (b) **GENERAL PROPERTY INSPECTION AND REPAIR:**
    - (i) **General Inspection:** Those items specified in Paragraph 12(b) (ii) below, which Seller is obligated to repair or replace ("General Repair Items") may be inspected ("General Inspection") by a person who specializes in and holds an occupational license (if required by law) to conduct home inspections or who holds a Florida license to repair and maintain the items inspected ("Professional Inspector"). Buyer shall, within the Inspection Period, inform Seller of any General Repair Items that are not in the condition required by (b)(ii) below by

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delivering to Seller a written notice and upon written request by Seller a copy of the portion of Professional Inspector's written report dealing with such items.

(ii) **Property Condition:** The following items shall be free of leaks, water damage or structural damage: ceiling, roof (including fascia and soffits), exterior and interior walls, doors, windows, and foundation. The above items together with pool, pool equipment, non-leased major appliances, heating, cooling, mechanical, electrical, security, sprinkler, septic and plumbing systems and machinery, seawalls, and dockage, are, and shall be maintained until Closing, in "Working Condition" (defined below). Torn screens (including pool and patio screens), fogged windows, and missing roof tiles or shingles shall be repaired or replaced by Seller prior to Closing. Seller is not required to repair or replace "Cosmetic Conditions" (defined below), unless the Cosmetic Conditions resulted from a defect in an item Seller is obligated to repair or replace. "Working Condition" means operating in the manner in which the item was designed to operate. "Cosmetic Conditions" means aesthetic imperfections that do not affect Working Condition of the item, including, but not limited to: pitted marcite; tears, worn spots and discoloration of floor coverings, wallpapers, or window treatments; nail holes, scrapes, scratches, dents, chips or caulking in ceilings, walls, flooring, tile, fixtures, or mirrors; and minor cracks in walls, floor tiles, windows, driveways, sidewalks, pool decks, and garage and patio floors. Cracked roof tiles, curling or worn shingles, or limited roof life shall not be considered defects Seller must repair or replace, so long as there is no evidence of actual leaks, leakage or structural damage.

(iii) **General Property Repairs:** Seller is only obligated to make such general repairs as are necessary to bring items into the condition specified in Paragraph 12(b) (ii) above. Seller shall within 10 days after receipt of Buyer's written notice or General Inspection report, either have the reported repairs to General Repair Items estimated by an appropriately licensed person and a copy delivered to Buyer, or have a second inspection made by a Professional Inspector and provide a copy of such report and estimates of repairs to Buyer. If Buyer's and Seller's inspection reports differ and the parties cannot resolve the differences, Buyer and Seller together shall choose, and equally split the cost of, a third Professional Inspector, whose written report shall be binding on the parties.

If cost to repair General Repair Items equals or is less than the General Repair Limit, Seller shall have repairs made in accordance with Paragraph 12(f). If cost to repair General Repair Items exceeds the General Repair Limit, then within 5 days after a party's receipt of the last estimate: (A) Seller may elect to pay the excess by delivering written notice to Buyer, or (B) Buyer may deliver written notice to Seller designating which repairs of General Repair Items Seller shall make (at a total cost to Seller not exceeding the General Repair Limit) and agreeing to accept the balance of General Repair Items in their "as is" condition, subject to Seller's continuing Maintenance Requirement. If neither party delivers such written notice to the other, then either party may terminate this Contract and Buyer shall be refunded the Deposit, thereby releasing Buyer and Seller from all further obligations under this Contract.

(c) **WOOD DESTROYING ORGANISM ("WDO") INSPECTION AND REPAIR:**

(i) **WDO Inspection:** The Property may be inspected by a Florida-licensed pest control business ("WDO Inspector") to determine the existence of past or present WDO infestation and damage caused by infestation ("WDO Inspection"). Buyer shall, within the Inspection Period, deliver a copy of the WDO Inspector's written report to Seller if any evidence of WDO infestation or damage is found. "Wood Destroying Organism" ("WDO") means arthropod or plant life, including termites, powder-post beetles, oldhouse borers and wood-decaying fungi, that damages or infests seasoned wood in a structure, excluding fences.

(ii) **WDO Repairs:** If Seller previously treated the Property for the type of WDO found by Buyer's WDO Inspection, Seller does not have to retreat the Property if there is no visible live infestation, and Seller, at Seller's cost, transfers to Buyer at Closing a current full treatment warranty for the type of WDO found. Seller shall within 10 days after receipt of Buyer's WDO Inspector's report, have reported WDO damage estimated by an appropriately licensed person, necessary corrective treatment, if any, estimated by a WDO Inspector, and a copy delivered to Buyer. Seller shall have treatments and repairs made in accordance with Paragraph 12(f) below up to the WDO Repair Limit. If cost to treat and repair the WDO infestations and damage to Property exceeds the WDO Repair Limit, then within 5 days after receipt of Seller's estimate, Buyer may deliver written notice to Seller agreeing to pay the excess, or designating which WDO repairs Seller shall make (at a total cost to Seller not exceeding the WDO Repair Limit), and accepting the balance of the Property in its "as is" condition with regard to WDO infestation and damage, subject to Seller's continuing Maintenance Requirement. If Buyer does not deliver such written notice to Seller, then either party may terminate this Contract by written notice to the other, and Buyer shall be refunded the Deposit, thereby releasing Buyer and Seller from all further obligations under this Contract.

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(d) **INSPECTION AND CLOSE-OUT OF BUILDING PERMITS:**

(i) **Permit Inspection:** Buyer may have an inspection and examination of records and documents made to determine whether there exist any open or expired building permits or unpermitted improvements to the Property ("Permit Inspection"). Buyer shall, within the Inspection Period, deliver written notice to Seller of the existence of any open or expired building permits or unpermitted improvements to the Property. If Buyer's inspection of the Property identifies permits which have not been properly closed or improvements which were not permitted, then Seller shall promptly deliver to Buyer all plans, written documentation or other information in Seller's possession, knowledge, or control relating to improvements to the Property which are the subject of such open permits or unpermitted improvements.

(i) **Close-Out of Building Permits:** Seller shall, within 10 days after receipt of Buyer's Permit Inspection notice, have an estimate of costs to remedy Permit Inspection items prepared by an appropriately licensed person and a copy delivered to Buyer. No later than 5 days prior to Closing Date, Seller shall, up to the Permit Limit, have open and expired building permits identified by Buyer or known to Seller closed by the applicable governmental entity, and obtain and close any required building permits for improvements to the Property. Prior to Closing Date, Seller will provide Buyer with any written documentation that all open and expired building permits identified by Buyer or known to Seller have been closed out and that Seller has obtained and closed required building permits for improvements to the Property. If final permit inspections cannot be performed due to delays by the governmental entity, Closing Date shall be extended for up to 10 days to complete such final inspections, failing which, either party may terminate this Contract, and Buyer shall be refunded the Deposit, thereby releasing Buyer and Seller from all further obligations under this Contract.

If cost to close open or expired building permits or to remedy any permit violation of any governmental entity exceeds Permit Limit, then within 5 days after a party's receipt of estimates of cost to remedy: (A) Seller may elect to pay the excess by delivering written notice to Buyer; or (B) Buyer may deliver written notice to Seller accepting the Property in its "as is" condition with regard to building permit status and agreeing to receive credit from Seller at Closing in the amount of Permit Limit. If neither party delivers such written notice to the other, then either party may terminate this Contract and Buyer shall be refunded the Deposit, thereby releasing Buyer and Seller from all further obligations under this Contract.

(e) **WALK-THROUGH INSPECTION/RE-INSPECTION:** On the day prior to Closing Date, or on Closing Date prior to time of Closing, as specified by Buyer, Buyer or Buyer's representative may perform a walk-through (and follow-up walk-through, if necessary) inspection of the Property solely to confirm that all items of Personal Property are on the Property and to verify that Seller has maintained the Property as required by the Maintenance Requirement, has made repairs and replacements required by this Contract, and has met all other contractual obligations.

(f) **REPAIR STANDARDS; ASSIGNMENT OF REPAIR AND TREATMENT CONTRACTS AND WARRANTIES:**

All repairs and replacements shall be completed in a good and workmanlike manner by an appropriately licensed person, in accordance with all requirements of law, and shall consist of materials or items of quality, value, capacity and performance comparable to, or better than, that existing as of the Effective Date. Except as provided in Paragraph 12(c)(ii), at Buyer's option and cost, Seller will, at Closing, assign all assignable repair, treatment and maintenance contracts and warranties to Buyer.

**ESCROW AGENT AND BROKER**

**13. ESCROW AGENT:** Any Closing Agent or Escrow Agent (collectively "Agent") receiving the Deposit, other funds and other items is authorized, and agrees by acceptance of them, to deposit them promptly, hold same in escrow within the State of Florida and, subject to **COLLECTION**, disburse them in accordance with terms and conditions of this Contract. Failure of funds to become **COLLECTED** shall not excuse Buyer's performance. When conflicting demands for the Deposit are received, or Agent has a good faith doubt as to entitlement to the Deposit, Agent may take such actions permitted by this Paragraph 13, as Agent deems advisable. If in doubt as to Agent's duties or liabilities under this Contract, Agent may, at Agent's option, continue to hold the subject matter of the escrow until the parties agree to its disbursement or until a final judgment of a court of competent jurisdiction shall determine the rights of the parties, or Agent may deposit same with the clerk of the circuit court having jurisdiction of the dispute. An attorney who represents a party and also acts as Agent may represent such party in such action. Upon notifying all parties concerned of such action, all liability on the part of Agent shall fully terminate, except to the extent of accounting for any items previously delivered out of escrow. If a licensed real estate broker, Agent will comply with provisions of Chapter 475, F.S., as amended and FREC rules to timely resolve escrow disputes through mediation, arbitration, interpleader or an escrow disbursement order.

In any proceeding between Buyer and Seller wherein Agent is made a party because of acting as Agent hereunder, or in any proceeding where Agent interpleads the subject matter of the escrow, Agent shall recover reasonable

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attorney's fees and costs incurred, to be paid pursuant to court order out of the escrowed funds or equivalent. Agent shall not be liable to any party or person for mis-delivery of any escrowed items, unless such mis-delivery is due to Agent's willful breach of this Contract or Agent's gross negligence. This Paragraph 13 shall survive Closing or termination of this Contract.

**14. PROFESSIONAL ADVICE; BROKER LIABILITY:** Broker advises Buyer and Seller to verify Property condition, square footage, and all other facts and representations made pursuant to this Contract and to consult appropriate professionals for legal, tax, environmental, and other specialized advice concerning matters affecting the Property and the transaction contemplated by this Contract. Broker represents to Buyer that Broker does not reside on the Property and that all representations (oral, written or otherwise) by Broker are based on Seller representations or public records. **BUYER AGREES TO RELY SOLELY ON SELLER, PROFESSIONAL INSPECTORS AND GOVERNMENTAL AGENCIES FOR VERIFICATION OF PROPERTY CONDITION, SQUARE FOOTAGE AND FACTS THAT MATERIALLY AFFECT PROPERTY VALUE AND NOT ON THE REPRESENTATIONS (ORAL, WRITTEN OR OTHERWISE) OF BROKER.** Buyer and Seller (individually, the "Indemnifying Party") each individually indemnifies, holds harmless, and releases Broker and Broker's officers, directors, agents and employees from all liability for loss or damage, including all costs and expenses, and reasonable attorney's fees at all levels, suffered or incurred by Broker and Broker's officers, directors, agents and employees in connection with or arising from claims, demands or causes of action instituted by Buyer or Seller based on: (i) inaccuracy of information provided by the Indemnifying Party or from public records; (ii) Indemnifying Party's misstatement(s) or failure to perform contractual obligations; (iii) Broker's performance, at Indemnifying Party's request, of any task beyond the scope of services regulated by Chapter 475, F.S., as amended, including Broker's referral, recommendation or retention of any vendor for, or on behalf of, Indemnifying Party; (iv) products or services provided by any such vendor for, or on behalf of, Indemnifying Party; and (v) expenses incurred by any such vendor. Buyer and Seller each assumes full responsibility for selecting and compensating their respective vendors and paying their other costs under this Contract whether or not this transaction closes. This Paragraph 14 will not relieve Broker of statutory obligations under Chapter 475, F.S., as amended. For purposes of this Paragraph 14, Broker will be treated as a party to this Contract. This Paragraph 14 shall survive Closing or termination of this Contract.

#### DEFAULT AND DISPUTE RESOLUTION

**15. DEFAULT:**

(a) **BUYER DEFAULT:** If Buyer fails, neglects or refuses to perform Buyer's obligations under this Contract, including payment of the Deposit, within the time(s) specified, Seller may elect to recover and retain the Deposit for the account of Seller as agreed upon liquidated damages, consideration for execution of this Contract, and in full settlement of any claims, whereupon Buyer and Seller shall be relieved from all further obligations under this Contract, or Seller, at Seller's option, may, pursuant to Paragraph 16, proceed in equity to enforce Seller's rights under this Contract. The portion of the Deposit, if any, paid to Listing Broker upon default by Buyer, shall be split equally between Listing Broker and Cooperating Broker; provided however, Cooperating Broker's share shall not be greater than the commission amount Listing Broker had agreed to pay to Cooperating Broker.

(b) **SELLER DEFAULT:** If for any reason other than failure of Seller to make Seller's title marketable after reasonable diligent effort, Seller fails, neglects or refuses to perform Seller's obligations under this Contract, Buyer may elect to receive return of Buyer's Deposit without thereby waiving any action for damages resulting from Seller's breach, and, pursuant to Paragraph 16, may seek to recover such damages or seek specific performance.

This Paragraph 15 shall survive Closing or termination of this Contract.

**16. DISPUTE RESOLUTION:** Unresolved controversies, claims and other matters in question between Buyer and Seller arising out of, or relating to, this Contract or its breach, enforcement or interpretation ("Dispute") will be settled as follows:

(a) Buyer and Seller will have 10 days after the date conflicting demands for the Deposit are made to attempt to resolve such Dispute, failing which, Buyer and Seller shall submit such Dispute to mediation under Paragraph 16(b).

(b) Buyer and Seller shall attempt to settle Disputes in an amicable manner through mediation pursuant to Florida Rules for Certified and Court-Appointed Mediators and Chapter 44, F.S., as amended (the "Mediation Rules"). The mediator must be certified or must have experience in the real estate industry. Injunctive relief may be sought without first complying with this Paragraph 16(b). Disputes not settled pursuant to this Paragraph 16 may be resolved by instituting action in the appropriate court having jurisdiction of the matter. This Paragraph 16 shall survive Closing or termination of this Contract.

**17. ATTORNEY'S FEES; COSTS:** The parties will split equally any mediation fee incurred in any mediation permitted by this Contract, and each party will pay their own costs, expenses and fees, including attorney's fees, incurred in conducting the mediation. In any litigation permitted by this Contract, the prevailing party shall be entitled to recover

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443 from the non-prevailing party costs and fees, including reasonable attorney's fees, incurred in conducting the  
444 litigation. This Paragraph 17 shall survive Closing or termination of this Contract.

## STANDARDS FOR REAL ESTATE TRANSACTIONS ("STANDARDS")

### 445 18. STANDARDS:

#### 446 A. TITLE:

447 (i) **TITLE EVIDENCE; RESTRICTIONS; EASEMENTS; LIMITATIONS:** Within the time period provided in  
448 Paragraph 9(c), the Title Commitment, with legible copies of instruments listed as exceptions attached thereto, shall  
449 be issued and delivered to Buyer. The Title Commitment shall set forth those matters to be discharged by Seller at  
450 or before Closing and shall provide that, upon recording of the deed to Buyer, an owner's policy of title insurance  
451 in the amount of the Purchase Price, shall be issued to Buyer insuring Buyer's marketable title to the Real Property,  
452 subject only to the following matters: (a) comprehensive land use plans, zoning, and other land use restrictions,  
453 prohibitions and requirements imposed by governmental authority; (b) restrictions and matters appearing on the  
454 Plat or otherwise common to the subdivision; (c) outstanding oil, gas and mineral rights of record without right of  
455 entry; (d) unplatted public utility easements of record (located contiguous to real property lines and not more than  
456 10 feet in width as to rear or front lines and 7 1/2 feet in width as to side lines); (e) taxes for year of Closing and  
457 subsequent years; and (f) assumed mortgages and purchase money mortgages, if any (if additional items, attach  
458 addendum); provided, that, unless waived by Paragraph 12 (a), there exists at Closing no violation of the foregoing  
459 and none prevent use of the Property for **RESIDENTIAL PURPOSES**. If there exists at Closing any violation of  
460 items identified in (b) – (f) above, then the same shall be deemed a title defect. Marketable title shall be determined  
461 according to applicable Title Standards adopted by authority of The Florida Bar and in accordance with law.

462 (ii) **TITLE EXAMINATION:** Buyer shall have 5 days after receipt of Title Commitment to examine it and notify Seller  
463 in writing specifying defect(s), if any, that render title unmarketable. If Seller provides Title Commitment and it is  
464 delivered to Buyer less than 5 days prior to Closing Date, Buyer may extend Closing for up to 5 days after date of  
465 receipt to examine same in accordance with this STANDARD A. Seller shall have 30 days ("Cure Period") after  
466 receipt of Buyer's notice to take reasonable diligent efforts to remove defects. If Buyer fails to so notify Seller, Buyer  
467 shall be deemed to have accepted title as it then is. If Seller cures defects within Cure Period, Seller will deliver  
468 written notice to Buyer (with proof of cure acceptable to Buyer and Buyer's attorney) and the parties will close this  
469 Contract on Closing Date (or if Closing Date has passed, within 10 days after Buyer's receipt of Seller's notice). If  
470 Seller is unable to cure defects within Cure Period, then Buyer may, within 5 days after expiration of Cure Period,  
471 deliver written notice to Seller: (a) extending Cure Period for a specified period not to exceed 120 days within which  
472 Seller shall continue to use reasonable diligent effort to remove or cure the defects ("Extended Cure Period"); or  
473 (b) electing to accept title with existing defects and close this Contract on Closing Date (or if Closing Date has  
474 passed, within the earlier of 10 days after end of Extended Cure Period or Buyer's receipt of Seller's notice), or (c)  
475 electing to terminate this Contract and receive a refund of the Deposit, thereby releasing Buyer and Seller from all  
476 further obligations under this Contract. If after reasonable diligent effort, Seller is unable to timely cure defects, and  
477 Buyer does not waive the defects, this Contract shall terminate, and Buyer shall receive a refund of the Deposit,  
478 thereby releasing Buyer and Seller from all further obligations under this Contract.

479 **B. SURVEY:** If Survey discloses encroachments on the Real Property or that improvements located thereon  
480 encroach on setback lines, easements, or lands of others, or violate any restrictions, covenants, or applicable  
481 governmental regulations described in STANDARD A (i)(a), (b) or (d) above, Buyer shall deliver written notice of  
482 such matters, together with a copy of Survey, to Seller within 5 days after Buyer's receipt of Survey, but no later  
483 than Closing. If Buyer timely delivers such notice and Survey to Seller, such matters identified in the notice and  
484 Survey shall constitute a title defect, subject to cure obligations of STANDARD A above. If Seller has delivered a  
485 prior survey, Seller shall, at Buyer's request, execute an affidavit of "no change" to the Real Property since the  
486 preparation of such prior survey, to the extent the affirmations therein are true and correct.

487 **C. INGRESS AND EGRESS:** Seller represents that there is ingress and egress to the Real Property and title to  
488 the Real Property is insurable in accordance with STANDARD A without exception for lack of legal right of access.

489 **D. LEASE INFORMATION:** Seller shall, at least 10 days prior to Closing, furnish to Buyer estoppel letters from  
490 tenant(s)/occupant(s) specifying nature and duration of occupancy, rental rates, advanced rent and security  
491 deposits paid by tenant(s) or occupant(s) ("Estoppel Letter(s)"). If Seller is unable to obtain such Estoppel Letter(s),  
492 the same information shall be furnished by Seller to Buyer within that time period in the form of a Seller's affidavit,  
493 and Buyer may thereafter contact tenant(s) or occupant(s) to confirm such information. If Estoppel Letter(s) or  
494 Seller's affidavit, if any, differ materially from Seller's representations and lease(s) provided pursuant to Paragraph  
495 6, or if tenant(s)/occupant(s) fail or refuse to confirm Seller's affidavit, Buyer may deliver written notice to Seller  
496 within 5 days after receipt of such information, but no later than 5 days prior to Closing Date, terminating this

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## STANDARDS FOR REAL ESTATE TRANSACTIONS ("STANDARDS") CONTINUED

Contract and receive a refund of the Deposit, thereby releasing Buyer and Seller from all further obligations under this Contract. Seller shall, at Closing, deliver and assign all leases to Buyer who shall assume Seller's obligations thereunder.

**E. LIENS:** Seller shall furnish to Buyer at Closing an affidavit attesting (i) to the absence of any financing statement, claims of lien or potential lienors known to Seller and (ii) that there have been no improvements or repairs to the Real Property for 90 days immediately preceding Closing Date. If the Real Property has been improved or repaired within that time, Seller shall deliver releases or waivers of construction liens executed by all general contractors, subcontractors, suppliers and materialmen in addition to Seller's lien affidavit setting forth names of all such general contractors, subcontractors, suppliers and materialmen, further affirming that all charges for improvements or repairs which could serve as a basis for a construction lien or a claim for damages have been paid or will be paid at Closing.

**F. TIME:** Calendar days shall be used in computing time periods. **Time is of the essence in this Contract.** Other than time for acceptance and Effective Date as set forth in Paragraph 3, any time periods provided for or dates specified in this Contract, whether preprinted, handwritten, typewritten or inserted herein, which shall end or occur on a Saturday, Sunday, or a national legal holiday (see 5 U.S.C. 6103) shall extend to 5:00 p.m. (where the Property is located) of the next business day.

**G. FORCE MAJEURE:** Buyer or Seller shall not be required to perform any obligation under this Contract or be liable to each other for damages so long as performance or non-performance of the obligation, or the availability of services, insurance or required approvals essential to Closing, is disrupted, delayed, caused or prevented by Force Majeure. "Force Majeure" means: hurricanes, floods, extreme weather, earthquakes, fire, or other acts of God, unusual transportation delays, or wars, insurrections, or acts of terrorism, which, by exercise of reasonable diligent effort, the non-performing party is unable in whole or in part to prevent or overcome. All time periods, including Closing Date, will be extended a reasonable time up to 7 days after the Force Majeure no longer prevents performance under this Contract, provided, however, if such Force Majeure continues to prevent performance under this Contract more than 30 days beyond Closing Date, then either party may terminate this Contract by delivering written notice to the other and the Deposit shall be refunded to Buyer, thereby releasing Buyer and Seller from all further obligations under this Contract.

**H. CONVEYANCE:** Seller shall convey marketable title to the Real Property by statutory warranty, trustee's, personal representative's, or guardian's deed, as appropriate to the status of Seller, subject only to matters described in STANDARD A and those accepted by Buyer. Personal Property shall, at request of Buyer, be transferred by absolute bill of sale with warranty of title, subject only to such matters as may be provided for in this Contract.

### **I. CLOSING LOCATION; DOCUMENTS; AND PROCEDURE:**

(i) **LOCATION:** Closing will be conducted by the attorney or other closing agent ("Closing Agent") designated by the party paying for the owner's policy of title insurance and will take place in the county where the Real Property is located at the office of the Closing Agent, or at such other location agreed to by the parties. If there is no title insurance, Seller will designate Closing Agent. Closing may be conducted by mail, overnight courier, or electronic means.

(ii) **CLOSING DOCUMENTS:** Seller shall, at or prior to Closing, execute and deliver, as applicable, deed, bill of sale, certificate(s) of title or other documents necessary to transfer title to the Property, construction lien affidavit(s), owner's possession and no lien affidavit(s), and assignment(s) of leases. Seller shall provide Buyer with paid receipts for all work done on the Property pursuant to this Contract. Buyer shall furnish and pay for, as applicable, the survey, flood elevation certification, and documents required by Buyer's lender.

(iii) **FinCEN GTO NOTICE.** If Closing Agent is required to comply with the U.S. Treasury Department's Financial Crimes Enforcement Network ("FinCEN") Geographic Targeting Orders ("GTOs"), then Buyer shall provide Closing Agent with the information related to Buyer and the transaction contemplated by this Contract that is required to complete IRS Form 8300, and Buyer consents to Closing Agent's collection and report of said information to IRS.

(iv) **PROCEDURE:** The deed shall be recorded upon **COLLECTION** of all closing funds. If the Title Commitment provides insurance against adverse matters pursuant to Section 627.7841, F.S., as amended, the escrow closing procedure required by STANDARD J shall be waived, and Closing Agent shall, **subject to COLLECTION of all closing funds**, disburse at Closing the brokerage fees to Broker and the net sale proceeds to Seller.

**J. ESCROW CLOSING PROCEDURE:** If Title Commitment issued pursuant to Paragraph 9(c) does not provide for insurance against adverse matters as permitted under Section 627.7841, F.S., as amended, the following escrow and closing procedures shall apply: (1) all Closing proceeds shall be held in escrow by the Closing Agent for a period of not more than 10 days after Closing; (2) if Seller's title is rendered unmarketable, through no fault of Buyer, Buyer shall, within the 10 day period, notify Seller in writing of the defect and Seller shall have 30 days from

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## STANDARDS FOR REAL ESTATE TRANSACTIONS ("STANDARDS") CONTINUED

date of receipt of such notification to cure the defect; (3) if Seller fails to timely cure the defect, the Deposit and all Closing funds paid by Buyer shall, within 5 days after written demand by Buyer, be refunded to Buyer and, simultaneously with such repayment, Buyer shall return the Personal Property, vacate the Real Property and re-convey the Property to Seller by special warranty deed and bill of sale; and (4) if Buyer fails to make timely demand for refund of the Deposit, Buyer shall take title as is, waiving all rights against Seller as to any intervening defect except as may be available to Buyer by virtue of warranties contained in the deed or bill of sale.

**K. PRORATIONS; CREDITS:** The following recurring items will be made current (if applicable) and prorated as of the day prior to Closing Date, or date of occupancy if occupancy occurs before Closing Date: real estate taxes (including special benefit tax assessments imposed by a CDD), interest, bonds, association fees, insurance, rents and other expenses of Property. Buyer shall have option of taking over existing policies of insurance, if assumable, in which event premiums shall be prorated. Cash at Closing shall be increased or decreased as may be required by prorations to be made through day prior to Closing. Advance rent and security deposits, if any, will be credited to Buyer. Escrow deposits held by Seller's mortgagee will be paid to Seller. Taxes shall be prorated based on current year's tax. If Closing occurs on a date when current year's millage is not fixed but current year's assessment is available, taxes will be prorated based upon such assessment and prior year's millage. If current year's assessment is not available, then taxes will be prorated on prior year's tax. If there are completed improvements on the Real Property by January 1st of year of Closing, which improvements were not in existence on January 1st of prior year, then taxes shall be prorated based upon prior year's millage and at an equitable assessment to be agreed upon between the parties, failing which, request shall be made to the County Property Appraiser for an informal assessment taking into account available exemptions. In all cases, due allowance shall be made for the maximum allowable discounts and applicable homestead and other exemptions. A tax proration based on an estimate shall, at either party's request, be readjusted upon receipt of current year's tax bill. This STANDARD K shall survive Closing.

**L. ACCESS TO PROPERTY TO CONDUCT APPRAISALS, INSPECTIONS, AND WALK-THROUGH:** Seller shall, upon reasonable notice, provide utilities service and access to Property for appraisals and inspections, including a walk-through (or follow-up walk-through if necessary) prior to Closing.

**M. RISK OF LOSS:** If, after Effective Date, but before Closing, Property is damaged by fire or other casualty ("Casualty Loss") and cost of restoration (which shall include cost of pruning or removing damaged trees) does not exceed 1.5% of Purchase Price, cost of restoration shall be an obligation of Seller and Closing shall proceed pursuant to terms of this Contract. If restoration is not completed as of Closing, a sum equal to 125% of estimated cost to complete restoration (not to exceed 1.5% of Purchase Price) will be escrowed at Closing. If actual cost of restoration exceeds escrowed amount, Seller shall pay such actual costs (but, not in excess of 1.5% of Purchase Price). Any unused portion of escrowed amount shall be returned to Seller. If cost of restoration exceeds 1.5% of Purchase Price, Buyer shall elect to either take Property "as is" together with the 1.5%, or receive a refund of the Deposit thereby releasing Buyer and Seller from all further obligations under this Contract. Seller's sole obligation with respect to tree damage by casualty or other natural occurrence shall be cost of pruning or removal.

**N. 1031 EXCHANGE:** If either Seller or Buyer wish to enter into a like-kind exchange (either simultaneously with Closing or deferred) under Section 1031 of the Internal Revenue Code ("Exchange"), the other party shall cooperate in all reasonable respects to effectuate the Exchange, including execution of documents; provided, however, cooperating party shall incur no liability or expense related to the Exchange, and Closing shall not be contingent upon, nor extended or delayed by, such Exchange.

**O. CONTRACT NOT RECORDABLE; PERSONS BOUND; NOTICE; DELIVERY; COPIES; CONTRACT EXECUTION:** Neither this Contract nor any notice of it shall be recorded in any public records. This Contract shall be binding on, and inure to the benefit of, the parties and their respective heirs or successors in interest. Whenever the context permits, singular shall include plural and one gender shall include all. Notice and delivery given by or to the attorney or broker (including such broker's real estate licensee) representing any party shall be as effective as if given by or to that party. All notices must be in writing and may be made by mail, personal delivery or electronic (including "pdf") media. A facsimile or electronic (including "pdf") copy of this Contract and any signatures hereon shall be considered for all purposes as an original. This Contract may be executed by use of electronic signatures, as determined by Florida's Electronic Signature Act and other applicable laws.

**P. INTEGRATION; MODIFICATION:** This Contract contains the full and complete understanding and agreement of Buyer and Seller with respect to the transaction contemplated by this Contract and no prior agreements or representations shall be binding upon Buyer or Seller unless included in this Contract. No modification to or change in this Contract shall be valid or binding upon Buyer or Seller unless in writing and executed by the parties intended to be bound by it.

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## STANDARDS FOR REAL ESTATE TRANSACTIONS ("STANDARDS") CONTINUED

**Q. WAIVER:** Failure of Buyer or Seller to insist on compliance with, or strict performance of, any provision of this Contract, or to take advantage of any right under this Contract, shall not constitute a waiver of other provisions or rights.

**R. RIDERS; ADDENDA; TYPEWRITTEN OR HANDWRITTEN PROVISIONS:** Riders, addenda, and typewritten or handwritten provisions shall control all printed provisions of this Contract in conflict with them.

**S. COLLECTION or COLLECTED:** "COLLECTION" or "COLLECTED" means any checks tendered or received, including Deposits, have become actually and finally collected and deposited in the account of Escrow Agent or Closing Agent. Closing and disbursement of funds and delivery of closing documents may be delayed by Closing Agent until such amounts have been COLLECTED in Closing Agent's accounts.

**T. RESERVED.**

**U. APPLICABLE LAW AND VENUE:** This Contract shall be construed in accordance with the laws of the State of Florida and venue for resolution of all disputes, whether by mediation, arbitration or litigation, shall lie in the county where the Real Property is located.

**V. FIRPTA TAX WITHHOLDING:** If a seller of U.S. real property is a "foreign person" as defined by FIRPTA, Section 1445 of the Internal Revenue Code ("Code") requires the buyer of the real property to withhold up to 15% of the amount realized by the seller on the transfer and remit the withheld amount to the Internal Revenue Service (IRS) unless an exemption to the required withholding applies or the seller has obtained a Withholding Certificate from the IRS authorizing a reduced amount of withholding.

(i) No withholding is required under Section 1445 of the Code if the Seller is not a "foreign person". Seller can provide proof of non-foreign status to Buyer by delivery of written certification signed under penalties of perjury, stating that Seller is not a foreign person and containing Seller's name, U.S. taxpayer identification number and home address (or office address, in the case of an entity), as provided for in 26 CFR 1.1445-2(b). Otherwise, Buyer shall withhold the applicable percentage of the amount realized by Seller on the transfer and timely remit said funds to the IRS.

(ii) If Seller is a foreign person and has received a Withholding Certificate from the IRS which provides for reduced or eliminated withholding in this transaction and provides same to Buyer by Closing, then Buyer shall withhold the reduced sum required, if any, and timely remit said funds to the IRS.

(iii) If prior to Closing Seller has submitted a completed application to the IRS for a Withholding Certificate and has provided to Buyer the notice required by 26 CFR 1.1445-1(c) (2)(i)(B) but no Withholding Certificate has been received as of Closing, Buyer shall, at Closing, withhold the applicable percentage of the amount realized by Seller on the transfer and, at Buyer's option, either (a) timely remit the withheld funds to the IRS or (b) place the funds in escrow, at Seller's expense, with an escrow agent selected by Buyer and pursuant to terms negotiated by the parties, to be subsequently disbursed in accordance with the Withholding Certificate issued by the IRS or remitted directly to the IRS if the Seller's application is rejected or upon terms set forth in the escrow agreement.

(iv) In the event the net proceeds due Seller are not sufficient to meet the withholding requirement(s) in this transaction, Seller shall deliver to Buyer, at Closing, the additional COLLECTED funds necessary to satisfy the applicable requirement and thereafter Buyer shall timely remit said funds to the IRS or escrow the funds for disbursement in accordance with the final determination of the IRS, as applicable.

(v) Upon remitting funds to the IRS pursuant to this STANDARD, Buyer shall provide Seller copies of IRS Forms 8288 and 8288-A, as filed.

### ADDENDA AND ADDITIONAL TERMS

**19. ADDENDA:** The following additional terms are included in the attached addenda or riders and incorporated into this Contract (Check if applicable):

- |  |   |   |
|--|---|---|
| <input type="checkbox"/> A. Condominium Rider      | <input type="checkbox"/> K. "As Is"                           | <input type="checkbox"/> T. Pre-Closing Occupancy       |
| <input type="checkbox"/> B. Homeowners' Assn.      | <input type="checkbox"/> L. Right to Inspect/ Cancel          | <input type="checkbox"/> U. Post-Closing Occupancy      |
| <input type="checkbox"/> C. Seller Financing       | <input type="checkbox"/> M. Defective Drywall                 | <input type="checkbox"/> V. Sale of Buyer's Property    |
| <input type="checkbox"/> D. Mortgage Assumption    | <input type="checkbox"/> N. Coastal Construction Control Line | <input type="checkbox"/> W. Back-up Contract            |
| <input type="checkbox"/> E. FHA/VA Financing       | <input type="checkbox"/> O. Insulation Disclosure             | <input type="checkbox"/> X. Kick-out Clause             |
| <input type="checkbox"/> F. Appraisal Contingency  | <input type="checkbox"/> P. Lead Paint Disclosure (Pre-1978)  | <input type="checkbox"/> Y. Seller's Attorney Approval  |
| <input type="checkbox"/> G. Short Sale             | <input type="checkbox"/> Q. Housing for Older Persons         | <input type="checkbox"/> Z. Buyer's Attorney Approval   |
| <input type="checkbox"/> H. Homeowners'/Flood Ins  | <input type="checkbox"/> R. Rezoning                          | <input type="checkbox"/> AA. Licensee Property Interest |
| <input type="checkbox"/> I. RESERVED               | <input type="checkbox"/> S. Lease Purchase/ Lease Option      | <input type="checkbox"/> BB. Binding Arbitration        |
| <input type="checkbox"/> J. Interest-Bearing Acct. |   | <input type="checkbox"/> Other: _____                   |

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651' **20. ADDITIONAL TERMS:** Reference Line 295: Seller will not be required to deliver  
652' written estimates for repairs unless those repairs exceed the general repair  
653' limit. Seller will provide receipts for all repairs in accordance to paragraph  
654' 12 (f) .

656' Add to 12(B)(ii): Limited remaining life of any warranted item will not be  
657' considered a defect that must be repaired or replaced by Seller.

659' Seller is not obligated to bring any item into compliance with existing building  
660' code regulations unless necessary to repair a warranted item.

668' **COUNTER-OFFER/REJECTION**

669' ☐ Seller counters Buyer's offer (to accept the counter-offer, Buyer must sign or initial the counter-offered terms and  
670' deliver a copy of the acceptance to Seller).

671' ☐ Seller rejects Buyer's offer.

672' **THIS IS INTENDED TO BE A LEGALLY BINDING CONTRACT. IF NOT FULLY UNDERSTOOD, SEEK THE ADVICE**  
673' **OF AN ATTORNEY PRIOR TO SIGNING.**

674' **THIS FORM HAS BEEN APPROVED BY THE FLORIDA REALTORS AND THE FLORIDA BAR.**

675' *Approval of this form by the Florida Realtors and The Florida Bar does not constitute an opinion that any of the terms*  
676' *and conditions in this Contract should be accepted by the parties in a particular transaction. Terms and conditions*  
677' *should be negotiated based upon the respective interests, objectives and bargaining positions of all interested persons.*

678' AN ASTERISK (\*) FOLLOWING A LINE NUMBER IN THE MARGIN INDICATES THE LINE CONTAINS A BLANK TO  
679' BE COMPLETED.

680' Buyer: \_\_\_\_\_ Date: \_\_\_\_\_  
Bill B Buyer

681' Buyer: \_\_\_\_\_ Date: \_\_\_\_\_  
Bonnie B Buyer

682' Seller: \_\_\_\_\_ Date: \_\_\_\_\_  
Steven S Seller

683' Seller: \_\_\_\_\_ Date: \_\_\_\_\_  
Stacey S Seller

684' Buyer's address for purposes of notice

Seller's address for purposes of notice

685' \_\_\_\_\_  
686' \_\_\_\_\_  
687' \_\_\_\_\_

688' **BROKER:** Listing and Cooperating Brokers, if any, named below (collectively, "Broker"), are the only Brokers entitled  
689' to compensation in connection with this Contract. Instruction to Closing Agent: Seller and Buyer direct Closing Agent to  
690' disburse at Closing the full amount of the brokerage fees as specified in separate brokerage agreements with the parties  
691' and cooperative agreements between the Brokers, except to the extent Broker has retained such fees from the  
692' escrowed funds. This Contract shall not modify any MLS or other offer of compensation made by Seller or Listing Broker  
693' to Cooperating Brokers.

694' \_\_\_\_\_  
695' **Cooperating Sales Associate, if any** **Listing Sales Associate**

696' \_\_\_\_\_  
697' **Cooperating Broker, if any** **Listing Broker**

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# "AS IS" Residential Contract For Sale And Purchase

THIS FORM HAS BEEN APPROVED BY THE FLORIDA REALTORS AND THE FLORIDA BAR

1\* **PARTIES:** Steven S Seller, Stacey S Seller ("Seller"),  
2\* and Bill B Buyer, Bonnie B Buyer ("Buyer"),  
3 agree that Seller shall sell and Buyer shall buy the following described Real Property and Personal Property  
4 (collectively "Property") pursuant to the terms and conditions of this AS IS Residential Contract For Sale And Purchase  
5 and any riders and addenda ("Contract"):

6 **1. PROPERTY DESCRIPTION:**

7\* (a) Street address, city, zip: 123 Main Street Bradenton FL  
8\* (b) Located in: Manatee County, Florida. Property Tax ID #: \_\_\_\_\_  
9\* (c) Real Property: The legal description is \_\_\_\_\_  
10 \_\_\_\_\_  
11 \_\_\_\_\_

12 together with all existing improvements and fixtures, including built-in appliances, built-in furnishings and  
13 attached wall-to-wall carpeting and flooring ("Real Property") unless specifically excluded in Paragraph 1(e) or  
14 by other terms of this Contract.

15 (d) Personal Property: Unless excluded in Paragraph 1(e) or by other terms of this Contract, the following items  
16 which are owned by Seller and existing on the Property as of the date of the initial offer are included in the  
17 purchase: range(s)/oven(s), refrigerator(s), dishwasher(s), disposal, ceiling fan(s), intercom, light fixture(s),  
18 drapery rods and draperies, blinds, window treatments, smoke detector(s), garage door opener(s), security gate  
19 and other access devices, and storm shutters/panels ("Personal Property").  
20\* Other Personal Property items included in this purchase are: \_\_\_\_\_  
21 \_\_\_\_\_

22 Personal Property is included in the Purchase Price, has no contributory value, and shall be left for the Buyer.

23\* (e) The following items are excluded from the purchase: \_\_\_\_\_  
24 \_\_\_\_\_

25 **PURCHASE PRICE AND CLOSING**

26\* **2. PURCHASE PRICE** (U.S. currency): \_\_\_\_\_ \$ \_\_\_\_\_

27\* (a) Initial deposit to be held in escrow in the amount of **(checks subject to COLLECTION)** . . . \$ \_\_\_\_\_

28 The initial deposit made payable and delivered to "Escrow Agent" named below  
29\* **(CHECK ONE):** (i) ☐ accompanies offer or (ii) ☐ is to be made within \_\_\_\_\_ (if left  
30 blank, then 3) days after Effective Date. IF NEITHER BOX IS CHECKED, THEN  
31 OPTION (ii) SHALL BE DEEMED SELECTED.

32\* Escrow Agent Information: Name: Title Alliance of the Gulf Coast

33\* Address: \_\_\_\_\_

34\* Phone: (941) 405-3690 E-mail: tmelichar@taqulfoast.com Fax: \_\_\_\_\_

35\* (b) Additional deposit to be delivered to Escrow Agent within \_\_\_\_\_ (if left blank, then 10)  
36\* days after Effective Date . . . . . \$ \_\_\_\_\_

37 (All deposits paid or agreed to be paid, are collectively referred to as the "Deposit")

38\* (c) Financing: Express as a dollar amount or percentage ("Loan Amount") see Paragraph 8. . . . . \$ \_\_\_\_\_

39\* (d) Other: \_\_\_\_\_ \$ \_\_\_\_\_

40 (e) Balance to close (not including Buyer's closing costs, prepaids and prorations) by wire  
41\* transfer or other **COLLECTED** funds . . . . . \$ \_\_\_\_\_

42 **NOTE: For the definition of "COLLECTION" or "COLLECTED" see STANDARDS.**

43 **3. TIME FOR ACCEPTANCE OF OFFER AND COUNTER-OFFERS; EFFECTIVE DATE:**

44 (a) If not signed by Buyer and Seller, and an executed copy delivered to all parties on or before  
45\* September 1, 2018, this offer shall be deemed withdrawn and the Deposit, if any, shall be returned to  
46 Buyer. Unless otherwise stated, time for acceptance of any counter-offers shall be within 2 days after the day  
47 the counter-offer is delivered.

48 (b) The effective date of this Contract shall be the date when the last one of the Buyer and Seller has signed or  
49 initialed and delivered this offer or final counter-offer ("Effective Date").

50 **4. CLOSING DATE:** Unless modified by other provisions of this Contract, the closing of this transaction shall occur  
51 and the closing documents required to be furnished by each party pursuant to this Contract shall be delivered  
52\* ("Closing") on October 1, 2018 ("Closing Date"), at the time established by the Closing Agent.

Buyer's Initials \_\_\_\_\_

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Team Pepka

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53 **5. EXTENSION OF CLOSING DATE:**

- 54 (a) If Paragraph 8(b) is checked and Closing funds from Buyer's lender(s) are not available on Closing Date due  
55 to Consumer Financial Protection Bureau Closing Disclosure delivery requirements ("CFPB Requirements"),  
56 then Closing Date shall be extended for such period necessary to satisfy CFPB Requirements, provided such  
57 period shall not exceed 10 days.
- 58 (b) If an event constituting "Force Majeure" causes services essential for Closing to be unavailable, including the  
59 unavailability of utilities or issuance of hazard, wind, flood or homeowners' insurance, Closing Date shall be  
60 extended as provided in STANDARD G.

61 **6. OCCUPANCY AND POSSESSION:**

- 62 (a) Unless the box in Paragraph 6(b) is checked, Seller shall, at Closing, deliver occupancy and possession of the  
63 Property to Buyer free of tenants, occupants and future tenancies. Also, at Closing, Seller shall have removed  
64 all personal items and trash from the Property and shall deliver all keys, garage door openers, access devices  
65 and codes, as applicable, to Buyer. If occupancy is to be delivered before Closing, Buyer assumes all risks of  
66 loss to the Property from date of occupancy, shall be responsible and liable for maintenance from that date,  
67 and shall be deemed to have accepted the Property in its existing condition as of time of taking occupancy.
- 68 (b) ☐ **CHECK IF PROPERTY IS SUBJECT TO LEASE(S) OR OCCUPANCY AFTER CLOSING.** If Property is  
69 subject to a lease(s) after Closing or is intended to be rented or occupied by third parties beyond Closing, the  
70 facts and terms thereof shall be disclosed in writing by Seller to Buyer and copies of the written lease(s) shall  
71 be delivered to Buyer, all within 5 days after Effective Date. If Buyer determines, in Buyer's sole discretion, that  
72 the lease(s) or terms of occupancy are not acceptable to Buyer, Buyer may terminate this Contract by delivery  
73 of written notice of such election to Seller within 5 days after receipt of the above items from Seller, and Buyer  
74 shall be refunded the Deposit thereby releasing Buyer and Seller from all further obligations under this Contract.  
75 Estoppel Letter(s) and Seller's affidavit shall be provided pursuant to STANDARD D. If Property is intended to  
76 be occupied by Seller after Closing, see Rider U. POST-CLOSING OCCUPANCY BY SELLER.

- 77 **7. ASSIGNABILITY: (CHECK ONE):** Buyer ☐ may assign and thereby be released from any further liability under  
78 this Contract; ☐ may assign but not be released from liability under this Contract; or ☐ may not assign this  
79 Contract.

80 **FINANCING**

81 **8. FINANCING:**

82 ☐ (a) Buyer will pay cash for the purchase of the Property at Closing. There is no financing contingency to Buyer's  
83 obligation to close. If Buyer obtains a loan for any part of the Purchase Price of the Property, Buyer acknowledges  
84 that any terms and conditions imposed by Buyer's lender(s) or by CFPB Requirements shall not affect or extend  
85 the Buyer's obligation to close or otherwise affect any terms or conditions of this Contract.

86 ☐ (b) This Contract is contingent upon Buyer obtaining approval of a ☐ conventional ☐ FHA ☐ VA or ☐ other  
87 \_\_\_\_\_ (describe) loan within \_\_\_\_\_ (if left blank, then 30) days after Effective Date ("Loan Approval  
88 Period") for **(CHECK ONE):** ☐ fixed, ☐ adjustable, ☐ fixed or adjustable rate in the Loan Amount (See Paragraph  
89 2(c)), at an initial interest rate not to exceed \_\_\_\_\_ % (if left blank, then prevailing rate based upon Buyer's  
90 creditworthiness), and for a term of \_\_\_\_\_ (if left blank, then 30) years ("Financing").

91 (i) Buyer shall make mortgage loan application for the Financing within \_\_\_\_\_ (if left blank, then 5) days  
92 after Effective Date and use good faith and diligent effort to obtain approval of a loan meeting the Financing terms  
93 ("Loan Approval") and thereafter to close this Contract. Loan Approval which requires a condition related to the sale  
94 by Buyer of other property shall not be deemed Loan Approval for purposes of this subparagraph.

95 Buyer's failure to use diligent effort to obtain Loan Approval during the Loan Approval Period shall be considered a  
96 default under the terms of this Contract. For purposes of this provision, "diligent effort" includes, but is not limited  
97 to, timely furnishing all documents and information and paying of all fees and charges requested by Buyer's  
98 mortgage broker and lender in connection with Buyer's mortgage loan application.

99 (ii) Buyer shall keep Seller and Broker fully informed about the status of Buyer's mortgage loan application,  
100 Loan Approval, and loan processing and authorizes Buyer's mortgage broker, lender, and Closing Agent to disclose  
101 such status and progress, and release preliminary and finally executed closing disclosures and settlement  
102 statements, to Seller and Broker.

103 (iii) Upon Buyer obtaining Loan Approval, Buyer shall promptly deliver written notice of such approval to Seller.

104 (iv) If Buyer is unable to obtain Loan Approval after the exercise of diligent effort, then at any time prior to  
105 expiration of the Loan Approval Period, Buyer may provide written notice to Seller stating that Buyer has been  
106 unable to obtain Loan Approval and has elected to either:

- 107 (1) waive Loan Approval, in which event this Contract will continue as if Loan Approval had been obtained; or  
108 (2) terminate this Contract.

Buyer's Initials \_\_\_\_\_

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(v) If Buyer fails to timely deliver either notice provided in Paragraph 8(b)(iii) or (iv), above, to Seller prior to expiration of the Loan Approval Period, then Loan Approval shall be deemed waived, in which event this Contract will continue as if Loan Approval had been obtained, provided however, Seller may elect to terminate this Contract by delivering written notice to Buyer within 3 days after expiration of the Loan Approval Period.

(vi) If this Contract is timely terminated as provided by Paragraph 8(b)(iv)(2) or (v), above, and Buyer is not in default under the terms of this Contract, Buyer shall be refunded the Deposit thereby releasing Buyer and Seller from all further obligations under this Contract.

(vii) If Loan Approval has been obtained, or deemed to have been obtained, as provided above, and Buyer fails to close this Contract, then the Deposit shall be paid to Seller unless failure to close is due to: (1) Seller's default or inability to satisfy other contingencies of this Contract; (2) Property related conditions of the Loan Approval have not been met (except when such conditions are waived by other provisions of this Contract); or (3) appraisal of the Property obtained by Buyer's lender is insufficient to meet terms of the Loan Approval, in which event(s) the Buyer shall be refunded the Deposit, thereby releasing Buyer and Seller from all further obligations under this Contract.

☐ (c) Assumption of existing mortgage (see rider for terms).

☐ (d) Purchase money note and mortgage to Seller (see riders; addenda; or special clauses for terms).

#### CLOSING COSTS, FEES AND CHARGES

#### 9. CLOSING COSTS; TITLE INSURANCE; SURVEY; HOME WARRANTY; SPECIAL ASSESSMENTS:

##### (a) COSTS TO BE PAID BY SELLER:

- Documentary stamp taxes and surtax on deed, if any
- Owner's Policy and Charges (if Paragraph 9(c) (i) is checked)
- Title search charges (if Paragraph 9(c) (iii) is checked)
- Municipal lien search (if Paragraph 9(c) (i) or (iii) is checked)
- HOA/Condominium Association estoppel fees
- Recording and other fees needed to cure title
- Seller's attorneys' fees
- Other: \_\_\_\_\_

If, prior to Closing, Seller is unable to meet the AS IS Maintenance Requirement as required by Paragraph 11 a sum equal to 125% of estimated costs to meet the AS IS Maintenance Requirement shall be escrowed at Closing. If actual costs to meet the AS IS Maintenance Requirement exceed escrowed amount, Seller shall pay such actual costs. Any unused portion of escrowed amount(s) shall be returned to Seller.

##### (b) COSTS TO BE PAID BY BUYER:

- Taxes and recording fees on notes and mortgages
- Recording fees for deed and financing statements
- Owner's Policy and Charges (if Paragraph 9(c)(ii) is checked)
- Survey (and elevation certification, if required)
- Lender's title policy and endorsements
- HOA/Condominium Association application/transfer fees
- Municipal lien search (if Paragraph 9(c) (ii) is checked)
- Other: \_\_\_\_\_
- Loan expenses
- Appraisal fees
- Buyer's Inspections
- Buyer's attorneys' fees
- All property related insurance
- Owner's Policy Premium (if Paragraph 9 (c) (iii) is checked.)

(c) **TITLE EVIDENCE AND INSURANCE:** At least \_\_\_\_\_ (if left blank, then 15, or if Paragraph 8(a) is checked, then 5) days prior to Closing Date ("Title Evidence Deadline"), a title insurance commitment issued by a Florida licensed title insurer, with legible copies of instruments listed as exceptions attached thereto ("Title Commitment") and, after Closing, an owner's policy of title insurance (see STANDARD A for terms) shall be obtained and delivered to Buyer. If Seller has an owner's policy of title insurance covering the Real Property, a copy shall be furnished to Buyer and Closing Agent within 5 days after Effective Date. The owner's title policy premium, title search and closing services (collectively, "Owner's Policy and Charges") shall be paid, as set forth below. The title insurance premium charges for the owner's policy and any lender's policy will be calculated and allocated in accordance with Florida law, but may be reported differently on certain federally mandated closing disclosures and other closing documents. For purposes of this Contract "municipal lien search" means a search of records necessary for the owner's policy of title insurance to be issued without exception for unrecorded liens imposed pursuant to Chapters 159 or 170, F.S., in favor of any governmental body, authority or agency.

##### (CHECK ONE):

☐ (i) Seller shall designate Closing Agent and pay for Owner's Policy and Charges, and Buyer shall pay the premium for Buyer's lender's policy and charges for closing services related to the lender's policy, endorsements and loan closing, which amounts shall be paid by Buyer to Closing Agent or such other provider(s) as Buyer may select; or

☐ (ii) Buyer shall designate Closing Agent and pay for Owner's Policy and Charges and charges for closing services related to Buyer's lender's policy, endorsements and loan closing; or

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☐ (iii) **[MIAMI-DADE/BROWARD REGIONAL PROVISION]:** Seller shall furnish a copy of a prior owner's policy of title insurance or other evidence of title and pay fees for: (A) a continuation or update of such title evidence, which is acceptable to Buyer's title insurance underwriter for reissue of coverage; (B) tax search; and (C) municipal lien search. Buyer shall obtain and pay for post-Closing continuation and premium for Buyer's owner's policy, and if applicable, Buyer's lender's policy. Seller shall not be obligated to pay more than \$\_\_\_\_\_ (if left blank, then \$200.00) for abstract continuation or title search ordered or performed by Closing Agent.

(d) **SURVEY:** On or before Title Evidence Deadline, Buyer may, at Buyer's expense, have the Real Property surveyed and certified by a registered Florida surveyor ("Survey"). If Seller has a survey covering the Real Property, a copy shall be furnished to Buyer and Closing Agent within 5 days after Effective Date.

(e) **HOME WARRANTY:** At Closing, ☐ Buyer ☐ Seller ☐ N/A shall pay for a home warranty plan issued by \_\_\_\_\_ at a cost not to exceed \$ \_\_\_\_\_. A home warranty plan provides for repair or replacement of many of a home's mechanical systems and major built-in appliances in the event of breakdown due to normal wear and tear during the agreement's warranty period.

(f) **SPECIAL ASSESSMENTS:** At Closing, Seller shall pay: (i) the full amount of liens imposed by a public body ("public body" does not include a Condominium or Homeowner's Association) that are certified, confirmed and ratified before Closing; and (ii) the amount of the public body's most recent estimate or assessment for an improvement which is substantially complete as of Effective Date, but that has not resulted in a lien being imposed on the Property before Closing. Buyer shall pay all other assessments. If special assessments may be paid in installments **(CHECK ONE):**

☐ (a) Seller shall pay installments due prior to Closing and Buyer shall pay installments due after Closing. Installments prepaid or due for the year of Closing shall be prorated.

☐ (b) Seller shall pay the assessment(s) in full prior to or at the time of Closing.

IF NEITHER BOX IS CHECKED, THEN OPTION (a) SHALL BE DEEMED SELECTED.

This Paragraph 9(f) shall not apply to a special benefit tax lien imposed by a community development district (CDD) pursuant to Chapter 190, F.S., which lien shall be prorated pursuant to STANDARD K.

## DISCLOSURES

### 10. DISCLOSURES:

- (a) **RADON GAS:** Radon is a naturally occurring radioactive gas that, when it is accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county health department.
- (b) **PERMITS DISCLOSURE:** Except as may have been disclosed by Seller to Buyer in a written disclosure, Seller does not know of any improvements made to the Property which were made without required permits or made pursuant to permits which have not been properly closed. If Seller identifies permits which have not been properly closed or improvements which were not permitted, then Seller shall promptly deliver to Buyer all plans, written documentation or other information in Seller's possession, knowledge, or control relating to improvements to the Property which are the subject of such open permits or unpermitted improvements.
- (c) **MOLD:** Mold is naturally occurring and may cause health risks or damage to property. If Buyer is concerned or desires additional information regarding mold, Buyer should contact an appropriate professional.
- (d) **FLOOD ZONE; ELEVATION CERTIFICATION:** Buyer is advised to verify by elevation certificate which flood zone the Property is in, whether flood insurance is required by Buyer's lender, and what restrictions apply to improving the Property and rebuilding in the event of casualty. If Property is in a "Special Flood Hazard Area" or "Coastal Barrier Resources Act" designated area or otherwise protected area identified by the U.S. Fish and Wildlife Service under the Coastal Barrier Resources Act and the lowest floor elevation for the building(s) and/or flood insurance rating purposes is below minimum flood elevation or is ineligible for flood insurance coverage through the National Flood Insurance Program or private flood insurance as defined in 42 U.S.C. §4012a, Buyer may terminate this Contract by delivering written notice to Seller within \_\_\_\_\_ (if left blank, then 20) days after Effective Date, and Buyer shall be refunded the Deposit thereby releasing Buyer and Seller from all further obligations under this Contract, failing which Buyer accepts existing elevation of buildings and flood zone designation of Property. The National Flood Insurance Program may assess additional fees or adjust premiums for pre-Flood Insurance Rate Map (pre-FIRM) non-primary structures (residential structures in which the insured or spouse does not reside for at least 50% of the year) and an elevation certificate may be required for actuarial rating.
- (e) **ENERGY BROCHURE:** Buyer acknowledges receipt of Florida Energy-Efficiency Rating Information Brochure required by Section 553.996, F.S.

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- (f) **LEAD-BASED PAINT:** If Property includes pre-1978 residential housing, a lead-based paint disclosure is mandatory.
- (g) **HOMEOWNERS' ASSOCIATION/COMMUNITY DISCLOSURE: BUYER SHOULD NOT EXECUTE THIS CONTRACT UNTIL BUYER HAS RECEIVED AND READ THE HOMEOWNERS' ASSOCIATION/COMMUNITY DISCLOSURE, IF APPLICABLE.**
- (h) **PROPERTY TAX DISCLOSURE SUMMARY:** BUYER SHOULD NOT RELY ON THE SELLER'S CURRENT PROPERTY TAXES AS THE AMOUNT OF PROPERTY TAXES THAT THE BUYER MAY BE OBLIGATED TO PAY IN THE YEAR SUBSEQUENT TO PURCHASE. A CHANGE OF OWNERSHIP OR PROPERTY IMPROVEMENTS TRIGGERS REASSESSMENTS OF THE PROPERTY THAT COULD RESULT IN HIGHER PROPERTY TAXES. IF YOU HAVE ANY QUESTIONS CONCERNING VALUATION, CONTACT THE COUNTY PROPERTY APPRAISER'S OFFICE FOR INFORMATION.
- (i) **FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT ("FIRPTA"):** Seller shall inform Buyer in writing if Seller is a "foreign person" as defined by the Foreign Investment in Real Property Tax Act ("FIRPTA"). Buyer and Seller shall comply with FIRPTA, which may require Seller to provide additional cash at Closing. If Seller is not a "foreign person", Seller can provide Buyer, at or prior to Closing, a certification of non-foreign status, under penalties of perjury, to inform Buyer and Closing Agent that no withholding is required. See STANDARD V for further information pertaining to FIRPTA. Buyer and Seller are advised to seek legal counsel and tax advice regarding their respective rights, obligations, reporting and withholding requirements pursuant to FIRPTA.
- (j) **SELLER DISCLOSURE:** Seller knows of no facts materially affecting the value of the Real Property which are not readily observable and which have not been disclosed to Buyer. Except as provided for in the preceding sentence, Seller extends and intends no warranty and makes no representation of any type, either express or implied, as to the physical condition or history of the Property. Except as otherwise disclosed in writing Seller has received no written or verbal notice from any governmental entity or agency as to a currently uncorrected building, environmental or safety code violation.

#### PROPERTY MAINTENANCE, CONDITION, INSPECTIONS AND EXAMINATIONS

- 11. PROPERTY MAINTENANCE:** Except for ordinary wear and tear and Casualty Loss, Seller shall maintain the Property, including, but not limited to, lawn, shrubbery, and pool, in the condition existing as of Effective Date ("AS IS Maintenance Requirement").

**12. PROPERTY INSPECTION; RIGHT TO CANCEL:**

- (a) **PROPERTY INSPECTIONS AND RIGHT TO CANCEL:** Buyer shall have \_\_\_\_\_ (if left blank, then 15) days after Effective Date ("Inspection Period") within which to have such inspections of the Property performed as Buyer shall desire during the Inspection Period. If Buyer determines, in Buyer's sole discretion, that the Property is not acceptable to Buyer, Buyer may terminate this Contract by delivering written notice of such election to Seller prior to expiration of Inspection Period. If Buyer timely terminates this Contract, the Deposit paid shall be returned to Buyer, thereupon, Buyer and Seller shall be released of all further obligations under this Contract; however, Buyer shall be responsible for prompt payment for such inspections, for repair of damage to, and restoration of, the Property resulting from such inspections, and shall provide Seller with paid receipts for all work done on the Property (the preceding provision shall survive termination of this Contract). Unless Buyer exercises the right to terminate granted herein, Buyer accepts the physical condition of the Property and any violation of governmental, building, environmental, and safety codes, restrictions, or requirements, but subject to Seller's continuing AS IS Maintenance Requirement, and Buyer shall be responsible for any and all repairs and improvements required by Buyer's lender.
- (b) **WALK-THROUGH INSPECTION/RE-INSPECTION:** On the day prior to Closing Date, or on Closing Date prior to time of Closing, as specified by Buyer, Buyer or Buyer's representative may perform a walk-through (and follow-up walk-through, if necessary) inspection of the Property solely to confirm that all items of Personal Property are on the Property and to verify that Seller has maintained the Property as required by the AS IS Maintenance Requirement and has met all other contractual obligations.
- (c) **SELLER ASSISTANCE AND COOPERATION IN CLOSE-OUT OF BUILDING PERMITS:** If Buyer's inspection of the Property identifies open or needed building permits, then Seller shall promptly deliver to Buyer all plans, written documentation or other information in Seller's possession, knowledge, or control relating to improvements to the Property which are the subject of such open or needed Permits, and shall promptly cooperate in good faith with Buyer's efforts to obtain estimates of repairs or other work necessary to resolve such Permit issues. Seller's obligation to cooperate shall include Seller's execution of necessary authorizations,

Buyer's Initials \_\_\_\_\_

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consents, or other documents necessary for Buyer to conduct inspections and have estimates of such repairs or work prepared, but in fulfilling such obligation, Seller shall not be required to expend, or become obligated to expend, any money.

- (d) **ASSIGNMENT OF REPAIR AND TREATMENT CONTRACTS AND WARRANTIES:** At Buyer's option and cost, Seller will, at Closing, assign all assignable repair, treatment and maintenance contracts and warranties to Buyer.

#### ESCROW AGENT AND BROKER

**13. ESCROW AGENT:** Any Closing Agent or Escrow Agent (collectively "Agent") receiving the Deposit, other funds and other items is authorized, and agrees by acceptance of them, to deposit them promptly, hold same in escrow within the State of Florida and, subject to **COLLECTION**, disburse them in accordance with terms and conditions of this Contract. Failure of funds to become **COLLECTED** shall not excuse Buyer's performance. When conflicting demands for the Deposit are received, or Agent has a good faith doubt as to entitlement to the Deposit, Agent may take such actions permitted by this Paragraph 13, as Agent deems advisable. If in doubt as to Agent's duties or liabilities under this Contract, Agent may, at Agent's option, continue to hold the subject matter of the escrow until the parties agree to its disbursement or until a final judgment of a court of competent jurisdiction shall determine the rights of the parties, or Agent may deposit same with the clerk of the circuit court having jurisdiction of the dispute. An attorney who represents a party and also acts as Agent may represent such party in such action. Upon notifying all parties concerned of such action, all liability on the part of Agent shall fully terminate, except to the extent of accounting for any items previously delivered out of escrow. If a licensed real estate broker, Agent will comply with provisions of Chapter 475, F.S., as amended and FREC rules to timely resolve escrow disputes through mediation, arbitration, interpleader or an escrow disbursement order.

In any proceeding between Buyer and Seller wherein Agent is made a party because of acting as Agent hereunder, or in any proceeding where Agent interpleads the subject matter of the escrow, Agent shall recover reasonable attorney's fees and costs incurred, to be paid pursuant to court order out of the escrowed funds or equivalent. Agent shall not be liable to any party or person for mis-delivery of any escrowed items, unless such mis-delivery is due to Agent's willful breach of this Contract or Agent's gross negligence. This Paragraph 13 shall survive Closing or termination of this Contract.

**14. PROFESSIONAL ADVICE; BROKER LIABILITY:** Broker advises Buyer and Seller to verify Property condition, square footage, and all other facts and representations made pursuant to this Contract and to consult appropriate professionals for legal, tax, environmental, and other specialized advice concerning matters affecting the Property and the transaction contemplated by this Contract. Broker represents to Buyer that Broker does not reside on the Property and that all representations (oral, written or otherwise) by Broker are based on Seller representations or public records. **BUYER AGREES TO RELY SOLELY ON SELLER, PROFESSIONAL INSPECTORS AND GOVERNMENTAL AGENCIES FOR VERIFICATION OF PROPERTY CONDITION, SQUARE FOOTAGE AND FACTS THAT MATERIALLY AFFECT PROPERTY VALUE AND NOT ON THE REPRESENTATIONS (ORAL, WRITTEN OR OTHERWISE) OF BROKER.** Buyer and Seller (individually, the "Indemnifying Party") each individually indemnifies, holds harmless, and releases Broker and Broker's officers, directors, agents and employees from all liability for loss or damage, including all costs and expenses, and reasonable attorney's fees at all levels, suffered or incurred by Broker and Broker's officers, directors, agents and employees in connection with or arising from claims, demands or causes of action instituted by Buyer or Seller based on: (i) inaccuracy of information provided by the Indemnifying Party or from public records; (ii) Indemnifying Party's misstatement(s) or failure to perform contractual obligations; (iii) Broker's performance, at Indemnifying Party's request, of any task beyond the scope of services regulated by Chapter 475, F.S., as amended, including Broker's referral, recommendation or retention of any vendor for, or on behalf of, Indemnifying Party; (iv) products or services provided by any such vendor for, or on behalf of, Indemnifying Party; and (v) expenses incurred by any such vendor. Buyer and Seller each assumes full responsibility for selecting and compensating their respective vendors and paying their other costs under this Contract whether or not this transaction closes. This Paragraph 14 will not relieve Broker of statutory obligations under Chapter 475, F.S., as amended. For purposes of this Paragraph 14, Broker will be treated as a party to this Contract. This Paragraph 14 shall survive Closing or termination of this Contract.

#### DEFAULT AND DISPUTE RESOLUTION

**15. DEFAULT:**

- (a) **BUYER DEFAULT:** If Buyer fails, neglects or refuses to perform Buyer's obligations under this Contract, including payment of the Deposit, within the time(s) specified, Seller may elect to recover and retain the Deposit for the account of Seller as agreed upon liquidated damages, consideration for execution of this Contract, and in full settlement of any claims, whereupon Buyer and Seller shall be relieved from all further obligations under

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this Contract, or Seller, at Seller's option, may, pursuant to Paragraph 16, proceed in equity to enforce Seller's rights under this Contract. The portion of the Deposit, if any, paid to Listing Broker upon default by Buyer, shall be split equally between Listing Broker and Cooperating Broker; provided however, Cooperating Broker's share shall not be greater than the commission amount Listing Broker had agreed to pay to Cooperating Broker.

(b) **SELLER DEFAULT:** If for any reason other than failure of Seller to make Seller's title marketable after reasonable diligent effort, Seller fails, neglects or refuses to perform Seller's obligations under this Contract, Buyer may elect to receive return of Buyer's Deposit without thereby waiving any action for damages resulting from Seller's breach, and, pursuant to Paragraph 16, may seek to recover such damages or seek specific performance.

This Paragraph 15 shall survive Closing or termination of this Contract.

**16. DISPUTE RESOLUTION:** Unresolved controversies, claims and other matters in question between Buyer and Seller arising out of, or relating to, this Contract or its breach, enforcement or interpretation ("Dispute") will be settled as follows:

(a) Buyer and Seller will have 10 days after the date conflicting demands for the Deposit are made to attempt to resolve such Dispute, failing which, Buyer and Seller shall submit such Dispute to mediation under Paragraph 16(b).

(b) Buyer and Seller shall attempt to settle Disputes in an amicable manner through mediation pursuant to Florida Rules for Certified and Court-Appointed Mediators and Chapter 44, F.S., as amended (the "Mediation Rules"). The mediator must be certified or must have experience in the real estate industry. Injunctive relief may be sought without first complying with this Paragraph 16(b). Disputes not settled pursuant to this Paragraph 16 may be resolved by instituting action in the appropriate court having jurisdiction of the matter. This Paragraph 16 shall survive Closing or termination of this Contract.

**17. ATTORNEY'S FEES; COSTS:** The parties will split equally any mediation fee incurred in any mediation permitted by this Contract, and each party will pay their own costs, expenses and fees, including attorney's fees, incurred in conducting the mediation. In any litigation permitted by this Contract, the prevailing party shall be entitled to recover from the non-prevailing party costs and fees, including reasonable attorney's fees, incurred in conducting the litigation. This Paragraph 17 shall survive Closing or termination of this Contract.

#### STANDARDS FOR REAL ESTATE TRANSACTIONS ("STANDARDS")

#### 18. STANDARDS:

##### A. TITLE:

(i) **TITLE EVIDENCE; RESTRICTIONS; EASEMENTS; LIMITATIONS:** Within the time period provided in Paragraph 9(c), the Title Commitment, with legible copies of instruments listed as exceptions attached thereto, shall be issued and delivered to Buyer. The Title Commitment shall set forth those matters to be discharged by Seller at or before Closing and shall provide that, upon recording of the deed to Buyer, an owner's policy of title insurance in the amount of the Purchase Price, shall be issued to Buyer insuring Buyer's marketable title to the Real Property, subject only to the following matters: (a) comprehensive land use plans, zoning, and other land use restrictions, prohibitions and requirements imposed by governmental authority; (b) restrictions and matters appearing on the Plat or otherwise common to the subdivision; (c) outstanding oil, gas and mineral rights of record without right of entry; (d) unplatted public utility easements of record (located contiguous to real property lines and not more than 10 feet in width as to rear or front lines and 7 1/2 feet in width as to side lines); (e) taxes for year of Closing and subsequent years; and (f) assumed mortgages and purchase money mortgages, if any (if additional items, attach addendum); provided, that, none prevent use of Property for **RESIDENTIAL PURPOSES**. If there exists at Closing any violation of items identified in (b) – (f) above, then the same shall be deemed a title defect. Marketable title shall be determined according to applicable Title Standards adopted by authority of The Florida Bar and in accordance with law.

(ii) **TITLE EXAMINATION:** Buyer shall have 5 days after receipt of Title Commitment to examine it and notify Seller in writing specifying defect(s), if any, that render title unmarketable. If Seller provides Title Commitment and it is delivered to Buyer less than 5 days prior to Closing Date, Buyer may extend Closing for up to 5 days after date of receipt to examine same in accordance with this STANDARD A. Seller shall have 30 days ("Cure Period") after receipt of Buyer's notice to take reasonable diligent efforts to remove defects. If Buyer fails to so notify Seller, Buyer shall be deemed to have accepted title as it then is. If Seller cures defects within Cure Period, Seller will deliver written notice to Buyer (with proof of cure acceptable to Buyer and Buyer's attorney) and the parties will close this Contract on Closing Date (or if Closing Date has passed, within 10 days after Buyer's receipt of Seller's notice). If Seller is unable to cure defects within Cure Period, then Buyer may, within 5 days after expiration of Cure Period,

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## STANDARDS FOR REAL ESTATE TRANSACTIONS ("STANDARDS") CONTINUED

383 deliver written notice to Seller: (a) extending Cure Period for a specified period not to exceed 120 days within which  
384 Seller shall continue to use reasonable diligent effort to remove or cure the defects ("Extended Cure Period"); or  
385 (b) electing to accept title with existing defects and close this Contract on Closing Date (or if Closing Date has  
386 passed, within the earlier of 10 days after end of Extended Cure Period or Buyer's receipt of Seller's notice), or (c)  
387 electing to terminate this Contract and receive a refund of the Deposit, thereby releasing Buyer and Seller from all  
388 further obligations under this Contract. If after reasonable diligent effort, Seller is unable to timely cure defects, and  
389 Buyer does not waive the defects, this Contract shall terminate, and Buyer shall receive a refund of the Deposit,  
390 thereby releasing Buyer and Seller from all further obligations under this Contract.

391 **B. SURVEY:** If Survey discloses encroachments on the Real Property or that improvements located thereon  
392 encroach on setback lines, easements, or lands of others, or violate any restrictions, covenants, or applicable  
393 governmental regulations described in STANDARD A (i)(a), (b) or (d) above, Buyer shall deliver written notice of  
394 such matters, together with a copy of Survey, to Seller within 5 days after Buyer's receipt of Survey, but no later  
395 than Closing. If Buyer timely delivers such notice and Survey to Seller, such matters identified in the notice and  
396 Survey shall constitute a title defect, subject to cure obligations of STANDARD A above. If Seller has delivered a  
397 prior survey, Seller shall, at Buyer's request, execute an affidavit of "no change" to the Real Property since the  
398 preparation of such prior survey, to the extent the affirmations therein are true and correct.

399 **C. INGRESS AND EGRESS:** Seller represents that there is ingress and egress to the Real Property and title to  
400 the Real Property is insurable in accordance with STANDARD A without exception for lack of legal right of access.

401 **D. LEASE INFORMATION:** Seller shall, at least 10 days prior to Closing, furnish to Buyer estoppel letters from  
402 tenant(s)/occupant(s) specifying nature and duration of occupancy, rental rates, advanced rent and security  
403 deposits paid by tenant(s) or occupant(s) ("Estoppel Letter(s)"). If Seller is unable to obtain such Estoppel Letter(s)  
404 the same information shall be furnished by Seller to Buyer within that time period in the form of a Seller's affidavit  
405 and Buyer may thereafter contact tenant(s) or occupant(s) to confirm such information. If Estoppel Letter(s) or  
406 Seller's affidavit, if any, differ materially from Seller's representations and lease(s) provided pursuant to Paragraph  
407 6, or if tenant(s)/occupant(s) fail or refuse to confirm Seller's affidavit, Buyer may deliver written notice to Seller  
408 within 5 days after receipt of such information, but no later than 5 days prior to Closing Date, terminating this  
409 Contract and receive a refund of the Deposit, thereby releasing Buyer and Seller from all further obligations under  
410 this Contract. Seller shall, at Closing, deliver and assign all leases to Buyer who shall assume Seller's obligations  
411 thereunder.

412 **E. LIENS:** Seller shall furnish to Buyer at Closing an affidavit attesting (i) to the absence of any financing  
413 statement, claims of lien or potential lienors known to Seller and (ii) that there have been no improvements or  
414 repairs to the Real Property for 90 days immediately preceding Closing Date. If the Real Property has been  
415 improved or repaired within that time, Seller shall deliver releases or waivers of construction liens executed by all  
416 general contractors, subcontractors, suppliers and materialmen in addition to Seller's lien affidavit setting forth  
417 names of all such general contractors, subcontractors, suppliers and materialmen, further affirming that all charges  
418 for improvements or repairs which could serve as a basis for a construction lien or a claim for damages have been  
419 paid or will be paid at Closing.

420 **F. TIME:** Calendar days shall be used in computing time periods. **Time is of the essence in this Contract.** Other  
421 than time for acceptance and Effective Date as set forth in Paragraph 3, any time periods provided for or dates  
422 specified in this Contract, whether preprinted, handwritten, typewritten or inserted herein, which shall end or occur  
423 on a Saturday, Sunday, or a national legal holiday (see 5 U.S.C. 6103) shall extend to 5:00 p.m. (where the Property  
424 is located) of the next business day.

425 **G. FORCE MAJEURE:** Buyer or Seller shall not be required to perform any obligation under this Contract or be  
426 liable to each other for damages so long as performance or non-performance of the obligation, or the availability of  
427 services, insurance or required approvals essential to Closing, is disrupted, delayed, caused or prevented by Force  
428 Majeure. "Force Majeure" means: hurricanes, floods, extreme weather, earthquakes, fire, or other acts of God,  
429 unusual transportation delays, or wars, insurrections, or acts of terrorism, which, by exercise of reasonable diligent  
430 effort, the non-performing party is unable in whole or in part to prevent or overcome. All time periods, including  
431 Closing Date, will be extended a reasonable time up to 7 days after the Force Majeure no longer prevents  
432 performance under this Contract, provided, however, if such Force Majeure continues to prevent performance under  
433 this Contract more than 30 days beyond Closing Date, then either party may terminate this Contract by delivering  
434 written notice to the other and the Deposit shall be refunded to Buyer, thereby releasing Buyer and Seller from all  
435 further obligations under this Contract.

436 **H. CONVEYANCE:** Seller shall convey marketable title to the Real Property by statutory warranty, trustee's,  
437 personal representative's, or guardian's deed, as appropriate to the status of Seller, subject only to matters  
438 described in STANDARD A and those accepted by Buyer. Personal Property shall, at request of Buyer, be

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## STANDARDS FOR REAL ESTATE TRANSACTIONS ("STANDARDS") CONTINUED

transferred by absolute bill of sale with warranty of title, subject only to such matters as may be provided for in this Contract.

### **I. CLOSING LOCATION; DOCUMENTS; AND PROCEDURE:**

(i) **LOCATION:** Closing will be conducted by the attorney or other closing agent ("Closing Agent") designated by the party paying for the owner's policy of title insurance and will take place in the county where the Real Property is located at the office of the Closing Agent, or at such other location agreed to by the parties. If there is no title insurance, Seller will designate Closing Agent. Closing may be conducted by mail, overnight courier, or electronic means.

(ii) **CLOSING DOCUMENTS:** Seller shall at or prior to Closing, execute and deliver, as applicable, deed, bill of sale, certificate(s) of title or other documents necessary to transfer title to the Property, construction lien affidavit(s), owner's possession and no lien affidavit(s), and assignment(s) of leases. Seller shall provide Buyer with paid receipts for all work done on the Property pursuant to this Contract. Buyer shall furnish and pay for, as applicable, the survey, flood elevation certification, and documents required by Buyer's lender.

(iii) **FinCEN GTO NOTICE.** If Closing Agent is required to comply with the U.S. Treasury Department's Financial Crimes Enforcement Network ("FinCEN") Geographic Targeting Orders ("GTOs"), then Buyer shall provide Closing Agent with the information related to Buyer and the transaction contemplated by this Contract that is required to complete IRS Form 8300, and Buyer consents to Closing Agent's collection and report of said information to IRS.

(iv) **PROCEDURE:** The deed shall be recorded upon **COLLECTION** of all closing funds. If the Title Commitment provides insurance against adverse matters pursuant to Section 627.7841, F.S., as amended, the escrow closing procedure required by STANDARD J shall be waived, and Closing Agent shall, **subject to COLLECTION of all closing funds**, disburse at Closing the brokerage fees to Broker and the net sale proceeds to Seller.

**J. ESCROW CLOSING PROCEDURE:** If Title Commitment issued pursuant to Paragraph 9(c) does not provide for insurance against adverse matters as permitted under Section 627.7841, F.S., as amended, the following escrow and closing procedures shall apply: (1) all Closing proceeds shall be held in escrow by the Closing Agent for a period of not more than 10 days after Closing; (2) if Seller's title is rendered unmarketable, through no fault of Buyer, Buyer shall, within the 10 day period, notify Seller in writing of the defect and Seller shall have 30 days from date of receipt of such notification to cure the defect; (3) if Seller fails to timely cure the defect, the Deposit and all Closing funds paid by Buyer shall, within 5 days after written demand by Buyer, be refunded to Buyer and, simultaneously with such repayment, Buyer shall return the Personal Property, vacate the Real Property and re-convey the Property to Seller by special warranty deed and bill of sale; and (4) if Buyer fails to make timely demand for refund of the Deposit, Buyer shall take title as is, waiving all rights against Seller as to any intervening defect except as may be available to Buyer by virtue of warranties contained in the deed or bill of sale.

**K. PRORATIONS; CREDITS:** The following recurring items will be made current (if applicable) and prorated as of the day prior to Closing Date, or date of occupancy if occupancy occurs before Closing Date: real estate taxes (including special benefit tax assessments imposed by a CDD), interest, bonds, association fees, insurance, rents and other expenses of Property. Buyer shall have option of taking over existing policies of insurance, if assumable, in which event premiums shall be prorated. Cash at Closing shall be increased or decreased as may be required by prorations to be made through day prior to Closing. Advance rent and security deposits, if any, will be credited to Buyer. Escrow deposits held by Seller's mortgagee will be paid to Seller. Taxes shall be prorated based on current year's tax. If Closing occurs on a date when current year's millage is not fixed but current year's assessment is available, taxes will be prorated based upon such assessment and prior year's millage. If current year's assessment is not available, then taxes will be prorated on prior year's tax. If there are completed improvements on the Real Property by January 1st of year of Closing, which improvements were not in existence on January 1st of prior year, then taxes shall be prorated based upon prior year's millage and at an equitable assessment to be agreed upon between the parties, failing which, request shall be made to the County Property Appraiser for an informal assessment taking into account available exemptions. In all cases, due allowance shall be made for the maximum allowable discounts and applicable homestead and other exemptions. A tax proration based on an estimate shall, at either party's request, be readjusted upon receipt of current year's tax bill. This STANDARD K shall survive Closing.

**L. ACCESS TO PROPERTY TO CONDUCT APPRAISALS, INSPECTIONS, AND WALK-THROUGH:** Seller shall, upon reasonable notice, provide utilities service and access to Property for appraisals and inspections, including a walk-through (or follow-up walk-through if necessary) prior to Closing.

**M. RISK OF LOSS:** If, after Effective Date, but before Closing, Property is damaged by fire or other casualty ("Casualty Loss") and cost of restoration (which shall include cost of pruning or removing damaged trees) does not exceed 1.5% of Purchase Price, cost of restoration shall be an obligation of Seller and Closing shall proceed pursuant to terms of this Contract. If restoration is not completed as of Closing, a sum equal to 125% of estimated

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## STANDARDS FOR REAL ESTATE TRANSACTIONS ("STANDARDS") CONTINUED

cost to complete restoration (not to exceed 1.5% of Purchase Price) will be escrowed at Closing. If actual cost of restoration exceeds escrowed amount, Seller shall pay such actual costs (but, not in excess of 1.5% of Purchase Price). Any unused portion of escrowed amount shall be returned to Seller. If cost of restoration exceeds 1.5% of Purchase Price, Buyer shall elect to either take Property "as is" together with the 1.5%, or receive a refund of the Deposit thereby releasing Buyer and Seller from all further obligations under this Contract. Seller's sole obligation with respect to tree damage by casualty or other natural occurrence shall be cost of pruning or removal.

**N. 1031 EXCHANGE:** If either Seller or Buyer wish to enter into a like-kind exchange (either simultaneously with Closing or deferred) under Section 1031 of the Internal Revenue Code ("Exchange"), the other party shall cooperate in all reasonable respects to effectuate the Exchange, including execution of documents; provided, however, cooperating party shall incur no liability or expense related to the Exchange, and Closing shall not be contingent upon, nor extended or delayed by, such Exchange.

**O. CONTRACT NOT RECORDABLE; PERSONS BOUND; NOTICE; DELIVERY; COPIES; CONTRACT EXECUTION:** Neither this Contract nor any notice of it shall be recorded in any public records. This Contract shall be binding on, and inure to the benefit of, the parties and their respective heirs or successors in interest. Whenever the context permits, singular shall include plural and one gender shall include all. Notice and delivery given by or to the attorney or broker (including such broker's real estate licensee) representing any party shall be as effective as if given by or to that party. All notices must be in writing and may be made by mail, personal delivery or electronic (including "pdf") media. A facsimile or electronic (including "pdf") copy of this Contract and any signatures hereon shall be considered for all purposes as an original. This Contract may be executed by use of electronic signatures, as determined by Florida's Electronic Signature Act and other applicable laws.

**P. INTEGRATION; MODIFICATION:** This Contract contains the full and complete understanding and agreement of Buyer and Seller with respect to the transaction contemplated by this Contract and no prior agreements or representations shall be binding upon Buyer or Seller unless included in this Contract. No modification to or change in this Contract shall be valid or binding upon Buyer or Seller unless in writing and executed by the parties intended to be bound by it.

**Q. WAIVER:** Failure of Buyer or Seller to insist on compliance with, or strict performance of, any provision of this Contract, or to take advantage of any right under this Contract, shall not constitute a waiver of other provisions or rights.

**R. RIDERS; ADDENDA; TYPEWRITTEN OR HANDWRITTEN PROVISIONS:** Riders, addenda, and typewritten or handwritten provisions shall control all printed provisions of this Contract in conflict with them.

**S. COLLECTION or COLLECTED:** "COLLECTION" or "COLLECTED" means any checks tendered or received, including Deposits, have become actually and finally collected and deposited in the account of Escrow Agent or Closing Agent. Closing and disbursement of funds and delivery of closing documents may be delayed by Closing Agent until such amounts have been COLLECTED in Closing Agent's accounts.

**T. RESERVED.**

**U. APPLICABLE LAW AND VENUE:** This Contract shall be construed in accordance with the laws of the State of Florida and venue for resolution of all disputes, whether by mediation, arbitration or litigation, shall lie in the county where the Real Property is located.

**V. FIRPTA TAX WITHHOLDING:** If a seller of U.S. real property is a "foreign person" as defined by FIRPTA, Section 1445 of the Internal Revenue Code ("Code") requires the buyer of the real property to withhold up to 15% of the amount realized by the seller on the transfer and remit the withheld amount to the Internal Revenue Service (IRS) unless an exemption to the required withholding applies or the seller has obtained a Withholding Certificate from the IRS authorizing a reduced amount of withholding.

(i) No withholding is required under Section 1445 of the Code if the Seller is not a "foreign person". Seller can provide proof of non-foreign status to Buyer by delivery of written certification signed under penalties of perjury, stating that Seller is not a foreign person and containing Seller's name, U.S. taxpayer identification number and home address (or office address, in the case of an entity), as provided for in 26 CFR 1.1445-2(b). Otherwise, Buyer shall withhold the applicable percentage of the amount realized by Seller on the transfer and timely remit said funds to the IRS.

(ii) If Seller is a foreign person and has received a Withholding Certificate from the IRS which provides for reduced or eliminated withholding in this transaction and provides same to Buyer by Closing, then Buyer shall withhold the reduced sum required, if any, and timely remit said funds to the IRS.

(iii) If prior to Closing Seller has submitted a completed application to the IRS for a Withholding Certificate and has provided to Buyer the notice required by 26 CFR 1.1445-1(c) (2)(i)(B) but no Withholding Certificate has been received as of Closing, Buyer shall, at Closing, withhold the applicable percentage of the amount realized by Seller on the transfer and, at Buyer's option, either (a) timely remit the withheld funds to the IRS or (b) place the funds in escrow, at Seller's expense, with an escrow agent selected by Buyer and pursuant to terms negotiated by the

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## STANDARDS FOR REAL ESTATE TRANSACTIONS ("STANDARDS") CONTINUED

parties, to be subsequently disbursed in accordance with the Withholding Certificate issued by the IRS or remitted directly to the IRS if the Seller's application is rejected or upon terms set forth in the escrow agreement.

(iv) In the event the net proceeds due Seller are not sufficient to meet the withholding requirement(s) in this transaction, Seller shall deliver to Buyer, at Closing, the additional COLLECTED funds necessary to satisfy the applicable requirement and thereafter Buyer shall timely remit said funds to the IRS or escrow the funds for disbursement in accordance with the final determination of the IRS, as applicable.

(v) Upon remitting funds to the IRS pursuant to this STANDARD, Buyer shall provide Seller copies of IRS Forms 8288 and 8288-A, as filed.

**W. RESERVED**

**X. BUYER WAIVER OF CLAIMS:** *To the extent permitted by law, Buyer waives any claims against Seller and against any real estate licensee involved in the negotiation of this Contract for any damage or defects pertaining to the physical condition of the Property that may exist at Closing of this Contract and be subsequently discovered by the Buyer or anyone claiming by, through, under or against the Buyer. This provision does not relieve Seller's obligation to comply with Paragraph 10(j). This Standard X shall survive Closing.*

## ADDENDA AND ADDITIONAL TERMS

**19. ADDENDA:** The following additional terms are included in the attached addenda or riders and incorporated into this Contract (**Check if applicable**):

- |  |   |   |
|--|---|---|
| <input type="checkbox"/> A. Condominium Rider      | <input type="checkbox"/> K. RESERVED                          | <input type="checkbox"/> T. Pre-Closing Occupancy       |
| <input type="checkbox"/> B. Homeowners' Assn.      | <input type="checkbox"/> L. RESERVED                          | <input type="checkbox"/> U. Post-Closing Occupancy      |
| <input type="checkbox"/> C. Seller Financing       | <input type="checkbox"/> M. Defective Drywall                 | <input type="checkbox"/> V. Sale of Buyer's Property    |
| <input type="checkbox"/> D. Mortgage Assumption    | <input type="checkbox"/> N. Coastal Construction Control Line | <input type="checkbox"/> W. Back-up Contract            |
| <input type="checkbox"/> E. FHA/VA Financing       | <input type="checkbox"/> O. Insulation Disclosure             | <input type="checkbox"/> X. Kick-out Clause             |
| <input type="checkbox"/> F. Appraisal Contingency  | <input type="checkbox"/> P. Lead Paint Disclosure (Pre-1978)  | <input type="checkbox"/> Y. Seller's Attorney Approval  |
| <input type="checkbox"/> G. Short Sale             | <input type="checkbox"/> Q. Housing for Older Persons         | <input type="checkbox"/> Z. Buyer's Attorney Approval   |
| <input type="checkbox"/> H. Homeowners/Flood Ins.  | <input type="checkbox"/> R. Rezoning                          | <input type="checkbox"/> AA. Licensee Property Interest |
| <input type="checkbox"/> I. RESERVED               | <input type="checkbox"/> S. Lease Purchase/ Lease Option      | <input type="checkbox"/> BB. Binding Arbitration        |
| <input type="checkbox"/> J. Interest-Bearing Acct. |   | <input type="checkbox"/> Other: _____                   |

**20. ADDITIONAL TERMS:**

### COUNTER-OFFER/REJECTION

☐ Seller counters Buyer's offer (to accept the counter-offer, Buyer must sign or initial the counter-offered terms and deliver a copy of the acceptance to Seller).

☐ Seller rejects Buyer's offer.

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## Practice

592 **THIS IS INTENDED TO BE A LEGALLY BINDING CONTRACT. IF NOT FULLY UNDERSTOOD, SEEK THE**  
593 **ADVICE OF AN ATTORNEY PRIOR TO SIGNING.**

594 **THIS FORM HAS BEEN APPROVED BY THE FLORIDA REALTORS AND THE FLORIDA BAR.**

595 *Approval of this form by the Florida Realtors and The Florida Bar does not constitute an opinion that any of the*  
596 *terms and conditions in this Contract should be accepted by the parties in a particular transaction. Terms and*  
597 *conditions should be negotiated based upon the respective interests, objectives and bargaining positions of all*  
598 *interested persons.*

599 AN ASTERISK (\*) FOLLOWING A LINE NUMBER IN THE MARGIN INDICATES THE LINE CONTAINS A BLANK  
600 TO BE COMPLETED.

601\* Buyer: \_\_\_\_\_ Date: \_\_\_\_\_  
          **Bill B Buyer**

602\* Buyer: \_\_\_\_\_ Date: \_\_\_\_\_  
          **Bonnie B Buyer**

603\* Seller: \_\_\_\_\_ Date: \_\_\_\_\_  
          **Steven S Seller**

604\* Seller: \_\_\_\_\_ Date: \_\_\_\_\_  
          **Stacey S Seller**

605 Buyer's address for purposes of notice	Seller's address for purposes of notice
606* _____	_____
607* _____	_____
608* _____	_____

609 **BROKER:** Listing and Cooperating Brokers, if any, named below (collectively, "Broker"), are the only Brokers  
610 entitled to compensation in connection with this Contract. Instruction to Closing Agent: Seller and Buyer direct  
611 Closing Agent to disburse at Closing the full amount of the brokerage fees as specified in separate brokerage  
612 agreements with the parties and cooperative agreements between the Brokers, except to the extent Broker has  
613 retained such fees from the escrowed funds. This Contract shall not modify any MLS or other offer of compensation  
614 made by Seller or Listing Broker to Cooperating Brokers.

615* _____	_____
616 <b>Cooperating Sales Associate, if any</b>	<b>Listing Sales Associate</b>

617* _____	_____
618 <b>Cooperating Broker, if any</b>	<b>Listing Broker</b>

Buyer's Initials \_\_\_\_\_ Page 12 of 12 Seller's Initials \_\_\_\_\_

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Practice

## Buyer's Real Property Information, Disclosure and Agreement

This agreement is presented to assist you in making an informed decision on the purchase of real property in Florida. You should carefully read all agreements to ensure your complete understanding and obligations of the transaction. A real estate broker is a person qualified to give information about real estate. If legal, tax or other advice is desired, consult a competent professional in that field.

**1. Inspections** – You should exercise any right that you have to arrange for any inspections which you feel are necessary to satisfy yourself as to the condition of the property. It will be your responsibility to pay for such inspections. It is prudent to obtain, at a **minimum**, a Professional Home Inspection, Wood Destroying Organism inspection and a property survey. If specific issues arise from those inspections, then you may consider additional inspections by a licensed contractor for specific issues raised. All inspections **MUST** be completed, and notice provided to seller within the inspection time period on your contract. You may want to verify zoning, square footage and permitted property uses as well. You agree not to rely on Broker for matters related to Property Condition, or to inspect, re-inspect or perform your walk-through inspection.

**2. Future Property Taxes** – The Florida Save Our Homes Amendment limits the increase in tax-assessed value of a homesteaded property until the deed is transferred. In the year following the closing of this sale, the tax assessed value may change which may result in a tax amount significantly higher than this year's tax amount. Existence of or loss of homestead or other exemptions may also affect the new tax amount. Broker is not qualified to estimate future tax amounts and recommends that you contact the county Property Appraisers office for tax information.

**3. Insurance** – In Florida, Homeowners and Flood insurance require your attention immediately after the completion of your inspections or before. If you are purchasing a home that is older than 20 years or is in a Flood Zone of "A" or "V" classification you should obtain a Homeowners and/or a Flood insurance quote from an insurance agent prior to writing your sales contract. If you are buying in an "A" or "V" designated Flood Zone an elevation certificate will most likely be needed to obtain a Flood Insurance quote. If the Seller does not have a current one available you will be responsible to pay for one to be completed in addition to a survey. Additional information can be obtained at: <http://www.fema.gov/national-flood-insurance-program>

**4. Escrow Deposits** – Funds placed in escrow will be held in compliance with Florida Law. Keller Williams On The Water does not maintain an escrow account and your funds will be held by an attorney's office or title company. In the event of escrow dispute those funds will be dispersed following that company's policies and procedures and Florida Law. It is recommended that you seek the advice of an attorney for all escrow disputes and related items.

**5. School Zones** – Due to the growth in our area, school districts regularly redistrict. Purchasers are advised to research the school zones; both current and projected, for the property they are interested in buying. Sellers, Realtors and Real Estate Companies cannot be held responsible for these changes. "School Choice" and "magnet schools" are options that are available in some districts. It is recommended that you contact the appropriate district for specific information.

**6. Sex Offender/Predator Information** – The Florida Sexual Predators Act (Florida Statute 775.21) requires all sexual offenders and predators to register with the Florida Department of Law Enforcement (FDLE). This information is available to the public and may be obtained by referring to the FDLE website at [www.fdle.state.fl.us](http://www.fdle.state.fl.us) or by calling the FDLE at 888-FL-PREDATOR (888-357-7332). If this important to you, contact FDLE prior to entering into a contract.

**7. Hazardous Material Information** – There are many hazardous materials that could affect the properties you may be shown as a potential purchaser. The broker will generally have no knowledge of those hazardous materials and does not have the technical expertise to advise you of their presence or to ascertain whether or not they are present. Hazardous substances in the home can include cleaning chemicals, Defective Drywall, mold, lawn and garden chemicals, lead-based paint and a variety of indoor air pollutants that can accumulate in improperly ventilated buildings. Hazardous substances outside the home include those found in contaminated land water, landfills and other disposal sites and industrial air and water remissions. Some of the more common hazardous substances are asbestos, groundwater contamination, lead-based paint, urea formaldehyde foam insulation and radon gas. Additional information pertaining to those substances is available from the U.S. Environmental Protection Agency or the Florida Department of Health and Rehabilitative Services.

Buyer(s) \_\_\_\_\_

**8. Mold** – Mold is found both indoors and outdoors. The presence of mold may cause property damage or health problems. Should you desire a mold inspection or additional information about mold, contact a professional trained in this field. Your agent must be informed if you wish a mold inspection prior to the preparation of a Sale and Purchase Contract.

**9. Radon** – Radon is a naturally occurring radioactive gas that when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information about radon and radon testing may be obtained from your county public health unit.

**10. Pinhole leaks** – Pinhole leaks sometimes occur in copper water supply lines, ask your home inspector if they feel there are any pinhole leak issues that would affect the property your are purchasing.

**11. Hidden Defects/Disclosures** – Florida case law creates an affirmative obligation for the seller to disclose, where the Seller has actual knowledge, of any facts that would materially affect the value of the property, and which facts are not readily observable. While there is no requirement of law for a Seller to fill out a specific written "Sellers Disclosure", most real estate agents provide one for their Seller to complete. If one is available, review it carefully prior to entering in to a sales contract.

**12. Brokerage Fees** – It is agreed that Keller Williams Realty is due a Brokerage Fee of no less than 3.5% of the purchase price of the home/land that you close on. Brokerage Fees that are **paid by the Seller** are stated in the purchase agreement and/or MLS. Any shortages to this amount (3.5%) will be negotiated through a seller credit towards buyers cost to close, prepaid items and settlement fees. Shortages will be charged to you at closing on your Settlement Statement, that amount **or more** will be covered by the seller credit. Should negotiations fail to glean a seller credit, you will not be responsible for any shortfalls.

**13. Closing Costs** – I (we) agree that at closing, additional sums will be required from the Buyer, in the form of closing costs. The mortgage lender and/or closing agent will provide an estimate of these costs. To be included in these costs is an additional brokerage fee of \$495 paid by you, payable to Keller Williams on The Water, which will be collected at closing.

**14. Affiliated Businesses and Third Party Vendors** - This is to give you notice that the owners of Keller Williams Realty On The Water (Broker) and/or its agents have a business relationship/arrangement and/or a financial interest with the following companies: Title Alliance of the Gulf Coast, Movement Mortgage, Bank of England, ADT, Verizon, American Home Shield, Republic Home Warranty, \_\_\_\_\_. Because of these relationships Broker and/or its agent may receive a financial or other benefit. You may be provided these contacts along with other third party service providers (included but not limited to, attorneys, title agents, inspectors, contractors, handyman, moving services etc.) that our other customers have used or whom we are aware of. Our doing so will not be construed to be a recommendation of, nor is Broker warranting the work of any such providers. The final choice of any service provider rests solely with You and **You are not obligated in any way** to use such providers. You agree to hold Broker harmless form all claims that arise out of the selection or use of any such provider.

**15. Home Warrantee Plans** – Home warrantee plans are a good way to protect your new investment. Ask your sales agent for more information.

**16. Investment Counseling** – Evaluation of the selected property, as to "investment potential", is not a function of Real Estate. Buyers are directed to seek investment counseling from a qualified Accountant or Financial Advisor.

Agreed: \_\_\_\_\_  
Date

Agreed: \_\_\_\_\_  
Date

Printed \_\_\_\_\_

Printed \_\_\_\_\_

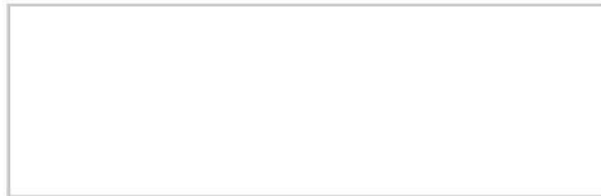
Certain items and events are not covered by this contract.  
Please refer to the exclusions listed on pages 11-15 of this document.



# Welcome to Your Simple Policy

*Brought to You by Residential Warranty Services*

All policy information can be found on pages 3-19. In addition, your free Home Maintenance Guide begins on page 20. Thank you for choosing Residential Warranty Services for your home warranty needs!



## Contents

- 3 Welcome
- 4 Terms and Definitions
- 5 Contract Details
- 6 Service Call Fees
- 10 Getting Service
- 11 Systems Coverage Summary
- 15 Limits of Liability

*"The Simple Warranty from RWS allows us to cover nearly every mechanical component in the home with fewer exclusions than other policies. Between the high level of coverage and best service in the industry, we hope to make you a client for life."*

Nathan Thornberry  
Owner, Residential Warranty Services

## Welcome.

Your home warranty covers mechanical malfunctions for the items described, and lasts for one year from the date of purchase. Renewal of the contract is recommended and will be offered prior to the expiration of the contract.

The Simple Warranty by Residential Warranty Services represents the broadest coverage available in the market today—with coverage for every potential failure covered by competing products and then some. In fact, if you are ever denied coverage for a claim that can be verified eligible by any other contract—we will either cover it or give you 100% of your premiums back. It's that simple.

The Simple Warranty goes beyond the coverage offered by other providers. Most policies simply exclude drain line stoppage,

garage door springs, washers, dryers, well pumps, sewage pumps, and water softeners. We include all of these components, as well as HVAC, electrical, plumbing, and kitchen appliances. We even cover alarm systems. Our goal is your complete and total satisfaction and to create a customer for life. We're your partner in home ownership, and we take our responsibility of protecting your home (and your pocketbook) seriously.

That's why we include, free of charge, our Termite Protection Plan with every single Simple contract we deliver.

We can be reached at **1-800-544-8156**. Make sure to tell the operator you are a Simple Warranty contract holder for priority service.



The Simple Warranty is a contract offered by Residential Warranty Services, Inc.

Residential Warranty Services / Simple Warranty  
Form A, Rev. 10/17

# Terms and Definitions

Here are some important terms to know, and the definitions you see here are how they are used throughout the contract;

## Terms

### Aggregate Limit of Liability

Any cap on coverage for a system or systems as specified by the contract. The cap would consist of any and all claims made in a single contract year. Any and all limitations specified reset upon the renewal of the contract.

### Claim

Any time a current, covered failure is reported to RWS by the Contract Holder.

### Non-claim

Any time an incident outside of coverage is reported to RWS by the Contract Holder.

### Contract Holder

The person or persons to whom the benefit of the Warranty from RWS is owed.

### RWS

Acronym used to describe Residential Warranty Services, Inc., your home warranty provider.

### Service Call Fee

The Service Call Fee is a fee incurred by the Contract Holder each time a claim is made and for each mechanical malfunction repaired under the contract terms.

### Contract

This term is only used to describe your home warranty / residential service contract / home protection plan and should not be given any additional meaning or interpretation beyond those given in this binder. This is not a contract of insurance; it is a service agreement.

## Claim Types Defined

### Emergency Claim

A furnace or heating system condition resulting in no heat when outdoor temperatures reported are less than 55 °F; a sump pump malfunction when a risk of water intrusion via the sump pit exists, or an active pressurized water leak where the active leak cannot be temporarily resolved by a valve.

### Non-Emergency Claim

Any claim type not specifically listed in the classification of "emergency" or "urgent" claims defined.

### Urgent Claim

No hot water, no water or a plumbing leak that requires the main water valve to be shut off to prevent damage, refrigerator not cooling, air conditioning system not cooling.

### Don't worry:

Your emergency claims are handled 24/7! See page 8 for details.

### It's Simple:

After claim approval, you have the freedom to choose your own contractor. See page 11 for details.

## Contract Terms

This contract covers all items as described and excludes all others.

Call RWS at **1-800-544-8156**, and report your covered issue along with the make of the covered item. The service call fee will be due to the servicing contractor upon arrival. RWS has the right to select the service contractor, but the type of contractor to be dispatched is ultimately up to the Contract Holder.



**To report a claim, contact Residential Warranty Services / 1-800-544-8156**

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# Contract Details

Including Listing Coverage terms and the short list of aggregate limits of liability.

## Listing Coverage (Seller's Coverage)

Listing coverage is for the seller of a property listed with a multiple listing system member only. The coverage is the same as that of the buyer's coverage, with two exceptions;

1. Listing coverage does not cover pre-existing conditions or defects discovered by a property inspector.
2. The aggregate limit of liability is **\$500.00**.

Failure to pay for the contract at closing will result in reasonable attorney's fees to be added to the total due that is incurred by RWS in collecting the warranty premiums from the seller. In other words, in consideration of coverage provided during the listing period, the seller agrees to purchase a contract from RWS for the subject contract for the buyers at closing. If you don't plan on providing the warranty to the buyers at the time of closing, you have the option to offer the warranty without instituting the listing coverage.

## Unilateral Contract

This service contract is a contract of adhesion, unilaterally presented by RWS to the contract holder. Payment or acceptance of coverage indicates acceptance of the terms and conditions. This contract may only be modified in writing, if signed by both the contract holder and the director of the warranty department.

## Additional Coverage Limits Offered

**Access Fees- up to \$50 per claim, \$200 aggregate.**

Home warranties generally exclude normal costs associated with gaining access to home mechanical systems that are behind drywall, beneath concrete, or otherwise not readily accessible. RWS will automatically pay up to \$50 towards that costs on any covered claim.

**Aggregate limit for the contract is \$25,000. See chart below for system limitations.**

## Aggregate Limit of Liability

*Keeping in mind that each claim is only covered for the actual mechanical failure, for the duration of the policy the aggregate limit of liability for the buyer of the property, for each of the home's systems, is as follows (all totals are the gross repair costs):*

**HVAC \$10,000.00**  
Furnaces, air conditioners, heat pumps, duct-work, and all other HVAC components.

**Electrical \$5,000.00**  
Main panels, sub panels, branch wiring, exhaust fans, and all other electrical system components.

**Plumbing \$5,000.00**  
Supply lines, drain lines, and all other plumbing system components with the exception of well pump, sewage pumps, water softeners and water heaters.

**Appliances \$5,000.00**  
Refrigerators, dishwashers, ovens, stoves, built-in microwaves, garbage disposals,

range hoods, trash compactors, washers, and dryers.

**Well Pump \$500.00**  
Well pumps, pressure tanks, all plumbing and electrical components running to and from well pumps and pressure tanks.

**Sewage Pump \$500.00**  
Sewage pumps, pit alarms, covers, all plumbing and electrical components relating to the sewage pump(s).

**Roof Leak Repair \$500.00**  
Roof leak repair work, composition shingles, flashing.

**Water Heater(s) \$1000.00**  
Water heater repair work & replacement (covers the replacement cost of most water heaters).

**Water Softener \$500.00**  
Standard residential water softening unit, components and plumbing to and from the unit.

**Optional Add-On Coverage**  
Pool/Spa – \$500 for heaters, \$500 for all other components.  
Septic Tank – \$275

The aggregate limit of liability for the simple warranty contract is \$25,000.00. This total includes the gross invoices for all claims made during a single contract term.

*\*See systems coverage summary for complete terms and conditions.*

# Service Calls

Making a claim with the Simple Warranty is easy.  
Read the guidelines below to find out how!

## Service Call Fee

The Service Call Fee for the Simple Warranty by RWS is \$150.00 per mechanical failure, unless otherwise specified. The service call fee is the payment the Contract Holder must make to the servicing contractor on each and every claim in accordance with this contract. RWS is responsible for the cost of approved repairs beyond the service call fee, subject to the limitations of liability.

A service call fee applies to each mechanical breakdown, for each distinct malfunction. At times, multiple malfunctions may be discovered in the same component. A service call fee would apply for each repair or the actual cost to repair, whichever is less.

## Non-Claims

In the event of a "non-claim," whereby a contractor is requested and the mechanical malfunction is either not covered by the contract or is not related to the contractor's trade, the trip charge from the contractor will be payable by the Contract Holder. RWS claims representatives are well-trained and will do everything within their power to ensure the right contractor is dispatched the first time. However, the ultimate determination of whether to request service and by what type of contractor is up to the Contract Holder.

## Making a Claim

All claim types can be made during normal business hours, from 8:00 AM to 5:00 PM, EDT, by calling 1-800-544-8156. A claims processor will field your call and ask you to provide contact numbers, an email address, and a description of the problem. If the claim is not covered under the

warranty contract, we will inform you so that you do not have to pay a service call fee for a non-claim. If the claim appears to fall under the warranty coverage provided, then the claims processor will forward your claim to a contractor, who will then call you to schedule an appointment time. RWS will make every reasonable effort to get a service contractor dispatched within 24 business hours of contacting RWS. Urgent claims will be processed ahead of non-emergency claims.

Emergency claims will be handled 24-hours a day for Contract Holders. Just call 1-800-544-8156 and follow the simple instructions provided.

## Overtime fees

Nearly every home warranty contract charges overtime fees. Not RWS- when you truly need service after hours for your Emergency claim, you pay the exact same amount as you would any other time.

In other words, there are no overtime fees assessed by RWS for Emergency claims. If you choose to have a Non-emergency or Urgent claim addressed outside of normal business hours, additional fees may apply as assessed by the contractor.

## Mandatory Additional Coverages

While most policies require the purchase of coverage for multiple furnaces, water heaters, and other components- the Simple Warranty by RWS covers these additional components automatically. No fees apply.



A service call fee applies for each mechanical failure or the actual cost to repair, whichever is less.

To make a claim, call  
1-800-544-8156  
during normal business hours:  
8:00 AM to 5:00PM EDT



**This contract covers an unlimited number of:**

- HVAC Systems
- Water Heaters
- Sump Pumps
- Sewage Pumps
- Well Pumps
- Kitchen Appliances
- Garage Door Openers
- Garage Door Springs

It's included in the contract. The only reason we wouldn't cover these components under the terms of this contract would be because the square footage of the covered property had been reported to us inaccurately. Please confirm your square footage with us by calling 1-800-544-8156. It's not required by any means, and we do our best to ensure we receive accurate information for billing purposes at the time the warranty order is placed.

**Basis for Coverage**

Unless otherwise agreed to in writing, all claims must be made between the date of contract commencement at noon and the date of expiration at midnight. This contract covers mechanical breakdowns to covered items as specified herein. The Contract Holder is entitled to service beyond the date of the warranty's expiration so long as the claim has been filed within the warranty period.

The Contract Holder may be offered a renewable contract in the form of a renewal notice in the month preceding the expiration of their contract. Contract Holders who renew their existing home warranty contract with RWS will receive a renewal discount off of current rates. For more information regarding renewal of your contract, please call RWS at 1-800-544-8156.

This contract covers only items as described and excludes all others. All repairs will be made/offered in a manner determined by RWS. RWS shall have

the sole option of determining in what manner mechanical breakdowns will be corrected. Contract Holder has the option of taking a cash payment in lieu of repair on any claim, a decision that must be made after diagnosis and approval of the claim by RWS and before any repairs have commenced and/or parts have been ordered on their behalf.

There are no optional coverages with the Simple Warranty by RWS except the pool/spa and septic tank contract optional add-ons. In other words, your contract includes all components as listed in this contract without paying any additional fees.

The coverage in this contract applies only to items falling within the perimeter of the foundation of the home and attached garages with the exception of air conditioning units and well pumps. This contract only applies to homes on permanent foundations.

Each and every distinct breakdown of any part or component of any covered mechanical system, as determined by an authorized contractor, constitutes a distinct claim for which the Contract Holder will be responsible for a service call fee or the actual cost, whichever is lower. The service call fee is payable to the contractor at time of service unless otherwise specified by RWS.

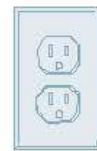
**Do Not Call a Contractor Before You Call RWS.**

RWS will not be liable for any costs associated with a contractor selected by the Contract Holder without prior authorization. Contract Holder's contractors contacted prior to making a claim with RWS and without prior authorization will not be considered.



**Overtime Fees:**

There are no overtime fees assessed by RWS for Emergency Claims. See this page for further details.



Unlimited number of additional appliances are covered.



Page 7

Residential Warranty Services / Simple Warranty  
Form A, Rev. 10/17

for servicing any claim, nor will any bill be reimbursed. RWS does not cover component damaged by outside contractors. This includes but is not limited to scheduled maintenance for HVAC systems. Before you have work done, call RWS to find out if it is covered.

### Contractor Availability

RWS will make every reasonable effort to get a contractor dispatched within 8 hours of making an emergency claim, within 24 hours in the case of an urgent claim, and within 48 hours for all other claims. During certain exceptional high volume claim periods, these times may be exceeded. RWS is not responsible for damage caused by delays in service.

Should the trade of the contractor requested not be the trade necessary to fix a covered issue, it will be treated as a "non-claim."

### More on Getting Service After-Hours

Any claim, regardless of classification, may be handled after normal business hours based on the availability of RWS authorized contractors. For any claims not classified as Emergency claims (see page 5 for more details), RWS shall only be liable for the standard costs of repairing the failed part, beyond any applicable Service Call Fee(s). Hence, the Contract Holder would be responsible for any overtime charges imposed by the contractor.

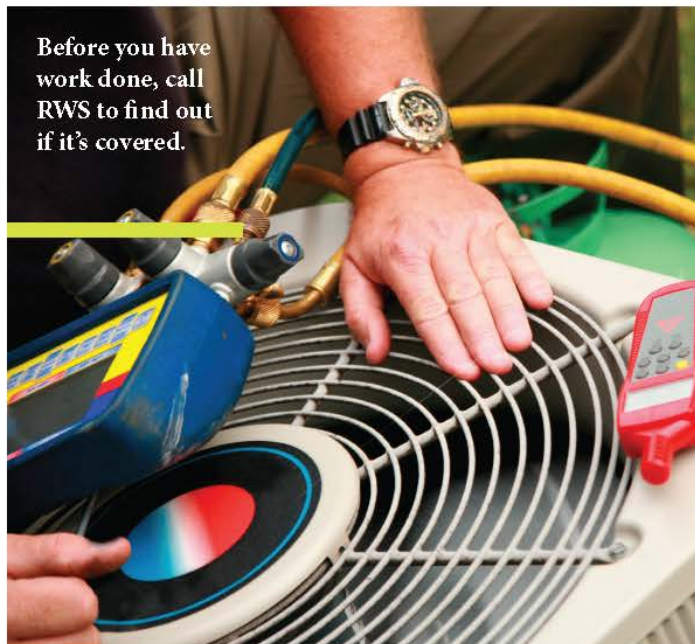
Emergency claims are handled per the terms of this contract excepting only that overtime charges are covered by RWS. Please note that overtime charges applied to urgent or non-emergency claims are the responsibility of the Contract Holder.

### Return Service Calls

If the contractor does not adequately rectify the mechanical issue reported by the Contract Holder on the first visit, and a similar problem persists shortly after a service call, please call RWS to inform them of the unsatisfactory repair. If the problem is related to inadequate repair, the contractor will come back out to commence further repairs at no additional cost to the Contract Holder when that contractor is in the RWS network.

### Right of the Contract Holder

The contractor selected by RWS does not have to be the contractor to perform the repair. After diagnosis and before any repair actions have commenced, the Contract Holder may request cash in lieu of repair for that claim. RWS is not responsible for the work of contractors outside of our network under our "single service call fee per mechanical failure" contract (see next section).



### Single Service Call Fee per Claim

RWS is not a contractor. However, all third party contractors in RWS' network are screened for mandatory qualifications, insurance, and references. Most RWS contractors have served hundreds if not over a thousand RWS claims. RWS does not guarantee the work of our network contractors, nor do we insure them for liabilities they may incur in the course of offering service. Should a Contract Holder or Contract Holder's property sustain any sort of damage resultant from the work of a contractor, the contractor should be notified immediately.

RWS does, however, have a single service call fee per mechanical failure contract. Should a single mechanical malfunction result in the replacement of a component (i.e. a gas valve, faucet, disposal, motor, switch, relay, etc.), and that same component fails at any time during the same contract year, it shall be fixed or replaced at no additional cost to the Contract Holder. The circumstances under which the component failed must be covered by the warranty and RWS reserves the right to send the same contractor to the home if the problem persists during the same warranty period. Furthermore, it is our policy that our contractors leave a copy of the invoice for work performed at the warranted property for any repair. Each contractor has their own contract on how long they guarantee their workmanship and parts, which may extend beyond the term of your warranty with RWS. Call the contractor for further details or inquire about their guarantees at the time service is performed.



Call us at:  
**1-800-544-8156**  
for 24 hour claims  
service.

Do not call a  
contractor prior to  
approval.

### Second Opinions

RWS reserves the right to a second opinion after the diagnosis of a covered issue by an approved RWS contractor, at the cost of RWS and at no further cost to the Contract Holder. In the event of an "emergency" claim as defined by the contract, if the Contract Holder incurs hotel fees as a result of RWS exercising the option to receive a second opinion which takes more than 24 hours

to complete, RWS shall reimburse the Contract Holder up to \$100 per night a covered claim's decision has not been made.

In the case of a Contract Holder opting to utilize their own contractor, RWS reserves the right to a second opinion after diagnosis and estimates, at the cost of RWS less the service call fee that applies to that claim.

# Getting Service

Getting the contractor you want is simple with RWS. Just follow these 3 easy steps to make a claim and choose your contractor.

## Call Your Own Contractor Option

While most warranty companies will only permit you to utilize the contractor of their choosing, RWS allows our Simple Warranty clients the option to utilize the contractor of their choosing. The process for using your own contractor is as follows:

### Step 1

Call RWS at 1-800-544-8156 to report your covered issue along with the make of the covered item and let the operator know that you would like to contact a contractor of your own choosing.

### Step 2

Call any contractor you would like, but make sure to let them know that you are working with RWS and that all repairs must be approved prior to commencing. In other words, the contractor needs to deliver to RWS a detailed diagnosis including:

- a. The cause of the malfunction.
- b. What components need repair or replacement and for what reason; and
- c. A detailed estimate including:
  - i. Itemized parts list and corresponding prices
  - ii. The total number of hours the job will take and the hourly rate being charged.

### Step 3

Call RWS with the diagnosis and estimate prior to proceeding with the repair(s). Upon RWS approval of the diagnosis, repair, and costs, the contractor will receive billing instructions from the RWS representative\*



## Important!

**RWS has the right to request multiple estimates or diagnosis at its discretion,** which may include contacting a contractor of RWS' choosing and/or a RWS representative. RWS is not responsible for damages caused by contractors outside of the RWS network. Contract Holder assumes all responsibility for the actions of their own contractor.

### Why would RWS approve a claim but request a second estimate?

RWS handles literally tens of thousands of home warranty claims, and while pricing on some service calls are fairly consistent in some areas, other service

calls have large disparities in pricing. RWS has the option to request additional estimates and to even consult with their own network contractor where pricing exceeds RWS' standard pricing levels.

When a claim is approved and accepted by RWS to utilize your own contractor, RWS will automatically deduct the service call fee from the amount of that approved claim. You will pay the contractor directly that amount. Many contractors offer free diagnosis/estimates, and RWS would suggest when you utilize your own contractor that you request this level of service from the contractor because you will be responsible for paying the diagnosis

fee. If the contractor charges a fee for a diagnosis, it will not be credited toward the service call fee in any of the following situations;

- a.) The contractor's estimate was not approved due to exceeding RWS' standard pricing levels;
- b.) The contractor's diagnosis is in error or fraudulent;
- c.) If another contractor completes the work required.

### Required Notification

RWS is not responsible or otherwise liable for repairs or associated costs incurred before prior authorization is granted by RWS.

\*Please see the Limits of Liability beginning on page 15, for complete terms and conditions.

# Systems Coverage Summary

## CENTRAL HEATING SYSTEM

**Covered:** This contract covers heating units including forced air systems and heat pumps, heat exchangers, secondary heat exchangers, burners, elements, furnace mounted humidifiers, electronic air cleaners, baseboard electric heating systems, thermostats, accessible interior gas lines, accessible ductwork, permanently mounted wall units, inaccessible ductwork (Contract Holder must pay to gain access), flues & vents, registers, grills, clocks. Geothermal, oil, steam, water, wood burning, coal, radiant heat and solar systems are covered with a \$1500 aggregate limitation. Zone dampers and zone control systems are covered with a \$500 aggregate limitation.

**Example of Items/ Conditions that are Not Covered:** Furnaces using converted fuel type, portable units, and any equipment typically intended for use in commercial/non-residential applications, chimneys, chimney liners, crane charges, fuel lines & storage tanks. In-ground geothermal components and leak checks are not covered under this contract.

### Also Covered:

Heat lamps  
Routine maintenance and cleaning (*call our office to schedule.*)  
Coolant evacuation & recovery  
Permit fees  
Filters & filter media (*Just call with specifications and we will deliver!*)  
Condensate line clearing/stoppages  
Cleaning and re-lighting of pilots  
No limitation on number of systems



## CENTRAL AIR CONDITIONING SYSTEM

**Covered:** Electric central air conditioning unit or heat pump, including compressors, coils, motors, belts, pulleys, and related components attached to air conditioning units, leaking refrigerant lines, thermostats, cleaning of condensate drain lines, float assembly, window units, condenser casings, filters. (See Central Heating System for terms on other unit types and zone systems)

**Example of Items/ Conditions that are Not Covered:** Gas fired air conditioners, lithium/glycol units, "burnt" refrigerant conditions (an indication of a lightning strike or electrical surge causing damage to the unit), leak checks, chillers, and chiller components.

### Also Covered:

Routine maintenance and cleaning (*call our office to schedule.*)  
Coolant evacuation & recovery  
Permit fees  
Filters & filter media- just call with specifications and we will deliver!  
Condensate line clearing/stoppages  
No limitation on number of systems  
Condensate pumps  
Condensate lines  
Interconnecting Freon lines  
Rooftop Units

## PLUMBING

**Covered:** Water pipes, waste pipes, gas pipes, vent pipes, faucets (builder standard for replacement), valves, sill cocks, assembly parts within the toilet tank, shower and tub valves (builder standard for replacement), diverter valve, angle stops, risers and gate valves, drain valve, hose bibs, vent and sewer lines, normal stoppages, toilet seats & lids, whirlpool tub mechanical components, pressure regulating devices, sewage pumps, sump pumps, well pumps, basket strainers, water softeners, water filters & purifiers, instant-hot water systems, bidets, plumbing within the perimeter of the home, plumbing within the foundation or slab, caulking and grouting, freeze damage (the warranted property must have had heat on at the time of the occurrence), and shower heads.

**Example of Items/ Conditions that are Not Covered:** Any condition resulting from tree roots, plumbing components outside of the foundation or in unheated areas, bathtubs and shower enclosures, sinks, toilet tanks, conditions involving structural issues or settlement, holding tanks, steam rooms and saunas, lawn sprinkler

RWS  
Exclusive!

### "Also Covered"

Take a look at the "Also Covered" sections, these are items specifically excluded by other warranty companies that we cover as a part of the Simple Warranty.



**Caulking and grouting, instant hot water systems, and pressure regulating devices** are just a few of the additional coverages for plumbing exclusive to the Simple Warranty.

systems, fire suppression systems, any loss arising from mineral or chemical deposits, insufficient capacity or water residue, damage caused by plumbing issues, pools, spas, and their respective equipment. This contract does not cover water quality, softness, or purity issues.

**Also Covered:**

Caulking and grouting  
Instant hot water systems  
Pressure regulating devices  
Freeze damage (see terms)  
Jetted bathtub- including electrical controls, plumbing lines, air pumps, pumps, and motors.

**Do not call a contractor prior to approval.**

**Call 1-800-544-8156  
24 hours for claims service**



**ELECTRICAL SYSTEMS**

**Covered:** Main panels, sub-panels, breakers, switches, receptacles, interior wiring, wiring to air conditioning unit, attic and exhaust fans, doorbell wiring, telephone wiring, non-proprietary alarm system equipment, fixtures (builder grade for replacement), carbon monoxide detectors, smoke alarms, and timers.

**Example of Items/ Conditions that are Not Covered:** Loss arising out of power failure or surge, conditions of overload or inadequate capacity, intercom systems, DC components, meter boxes, electrical items located outside the perimeter of the home and attached garage, any repairs necessary upline from the main panel.

**Also covered**

Load control devices  
Touch pad assemblies  
Transmitters and remotes  
Corrosion caused by moisture  
Data lines (CAT 5)  
Central vacuum system main unit (does not cover lines & accessories)  
Belts, shutters, and filters for exhaust, attic, or ceiling fans

**WATER HEATERS**

**Covered:** Water heater tank, elements, gas valves and lines, thermocouple, vent pipes & lines, insulation and insulation blankets, racks, straps, hot water dispensers, flues, and thermal expansion tanks.

**Example of Items/ Conditions that are Not Covered:** Solar components, magnesium rod failures, lime buildup, and noise without a related mechanical malfunction.

**Also covered**

Tankless water heating systems  
Base pans  
Sediment (when it can be removed by draining the unit)

**SUMP PUMPS**

**Covered:** Standard AC groundwater sump pumps, switches, receptacles, evacuation lines.

**Example of Items/ Conditions that are Not Covered:** Battery backup systems, pedestal systems, lack of capacity, grinder pumps utilized as sump pumps, and conditions caused by debris in the pump.

**Also covered**

Portable and non-hard piped unit that is permanently installed  
Backup units (except battery powered units)

**GARAGE DOOR OPENERS**

**Covered:** Garage door opener units of a standard residential grade, including motor, receive board, relays, switches, drive trains, capacitors, push arm, track assembly, door hardware, remote sending units, standard maintenance, infrared sensors, chains, key pads.

**Example of Items/ Conditions that are Not Covered:** Doors, frequency interference, damage caused by malfunctions.

**Also covered**

Hinges  
Springs (see Garage Door Spring section)

**GARAGE DOOR SPRING**

**Covered:** Garage door springs, when broken.

**Example of Items/ Conditions that are Not Covered:** Damage caused to the door, cables, lines, replacement of counter-balancing spring (often recommended but not required).



**Remember:** There are no overtime fees assessed by RWS for Emergency Claims. See page 8 for details.



**Garage Door Spring Coverage!**  
No longer an additional charge; garage door spring coverage is included exclusively for Simple warranty contract holders.

# Appliances

## REFRIGERATOR

**Covered:** Refrigerator or combination refrigerator/freezer, icemaker, compressors, condensers, evaporators, fan motors, timers, thermostats, wiring, racks, shelves, door seals, door alarms, consequential food spoilage (see aggregate limits).

**Example of Items / Conditions that are Not Covered:** Televisions/media centers, walk-in units, structural components, beverage and ice dispensers, panels and cabinetry, drawers, external thermostats, wine cooler and/or refrigerator.

### Also covered!

Disposal of old equipment  
Light bulbs and fixtures  
Drip pans  
Springs

## RANGE / OVEN

**Covered:** Elements, burners, over range exhaust fan, thermostat, wiring, igniters, clocks, rotisseries, racks, handles, knobs, interior lining, and other related components and parts to a built-in range/oven. Sensi-heat burners will be replaced with standard burners.

**Example of Items/ Conditions that are Not Covered:** Self-cleaning mechanisms, meat probes. Damage to glass on oven door or glass top surface.

## DISHWASHER

**Covered:** Built-in dishwashing units and related parts and equipment, including timers, motors, heating elements, hinges and latches, wash arms, fill valves, spray arm, racks, baskets, and rollers.

**Example of Items/ Conditions that are Not Covered:** Panels, cabinetry, effectiveness of cleaning, valves clogged by sediment or lime buildup, interior tub leaks.



## MICROWAVE

**Covered:** Built-in microwave, parts, and components including electric timer, transformer, magnetron tube, door latch, touch tone panel, interior lining, clocks, and shelves.

**Example of Items/ Conditions that are Not Covered:** Glass, countertop units, rotisseries, cooking accessories, removable trays, lights, panels and cabinetry, toaster units, units connected to a wall oven, turntables.

## GARBAGE DISPOSAL

**Covered:** Built-in garbage disposal and all related parts and components, including motor, wiring, blades, switches and casing.

**Example of Items / Conditions that are Not Covered:** Failure due to a clog, corrosion, or rust.

## EXHAUST FAN

**Covered:** All parts and components of standard size overhead exhaust fans, both recirculating and non.

## TRASH COMPACTOR

**Covered:** Built-in trash compactor and component parts, including motors, switches and relays, wiring, and tracks.

**Example of Items/ Conditions that are Not Covered:** Lock and key assemblies, removable buckets, door seals, knobs/handles/pedals, racks, panel and cabinetry, automatic deodorizers, and loss due to corrosion/rust.

## WASHER & DRYER

**Covered:** Clothes washer and dryer, related components including motors, pumps, timers, wiring, relays and switches, belts, hoses, thermostats, heating elements and burners, lint screens, gas valve, and pulleys.

**Example of Items/ Conditions that are Not Covered:** Soap dispensers, plastic tubs, filter screens knobs, dials, venting, door seals, panels and cabinetry.



Have older appliances/systems that you want to replace?

Contract holder may request cash in lieu of repair on any claim.



RWS is dedicated to protecting the simple things in your home so you can rest easy.

### WELL PUMP

**Covered:** Well pump, electrical and plumbing lines to and from the unit, pressure switch, motor, impellers, seals, controls, pressure tanks.

#### *Example of Items/ Conditions that are Not Covered:*

Well drilling, geothermal system pumps, booster pumps, hoisting or removal, redrilling of wells, well casings, failure due to water impurity, excavation or other charges necessary to gain access to the pump, joint wells, and tampering.

### SEWAGE PUMP

*Sometimes referred to as a "lift station"*

**Covered:** Standard residential grade sewage pump located within the perimeter of the home, adjacent plumbing lines, and power supply.

#### *Example of Items/ Conditions that are Not Covered:*

Conditions resulting from debris stuck in pump.

### WATER SOFTENER

**Covered:** Standard residential water softening unit, components and plumbing to and from the unit.

#### *Example of Items/ Conditions that are Not Covered:*

Softening effectiveness, system failure due to sediment or lime buildup, conditions of insufficient or excessive water pressure, color or purity of the water, water purification systems, reverse osmosis systems, salt replacement, rust or corrosion, systems that do not run on electric power.



### ROOF LEAK REPAIR

**Covered:** Leaks only, to rolled roofing, composition shingles, and flashing.

#### *Example of Items/ Conditions that are Not Covered:*

Water damage, leaks resulting from wind and storm conditions (or any harsh weather condition), missing shingles, routine periodic maintenance, damage due to persons walking or standing on roof, and gutters.

### DRAIN LINE STOPPAGE

**Covered:** Stoppages accessible and clearable by a sixty foot standard sewer cable or by hydro-jetting. Home must have a clean-out installed. If one is not present, Contract Holder is required to install one at their own cost prior to making a claim under drain line stoppage.

#### *Example of Items/ Conditions that are Not Covered:*

Outside influences, such as roots, excavation, modifications to sewer lines to make them accessible. Roof vent entry is not covered by this contract.

### TERMITE PROTECTION PLAN

**Covered:** Conventional chemical treatment in the case of a new infestation.

**Requirement:** The home must have had a clear termite report within the six month period preceding the start of the contract.

#### *Example of Items/ Conditions that are Not Covered:*

Baiting systems, infestations resulting from removal or non-maintenance of baiting systems, damage caused by wood destroying insects, infestation in decks, fencing, or any other area outside the perimeter of the foundation of the home and attached garage.

### OPTIONAL ADD-ON COVERAGE POOL/SPA MECHANICAL

**Covered:** In-ground pool and spa mechanical systems, including above ground accessible piping, above ground accessible working components of the pumping, heating, and filtration system, heaters, primary circulator pump and motor, relays, impellers, filters, back flush valves, pressure gauges, housings, and laterals.

#### *Example of Items/Conditions that are Not Covered:*

Liners, structural defects, underground components, ionizers, chlorinators, maintenance, filter media, any condition arising from the process of opening or closing the pool, pool cover, cover motors, skimmers, pop up heads, waterfalls or fountains, pool sweeps, cleaning equipment, lights, jets.

### SEPTIC TANK PUMPING

**Covered:** Up to one tank pumping in the case of system failure due to a full septic tank. Coverage may only become effective if a septic certification was completed within 90 days prior to close of sale and coverage only becomes effective 30 days after the closing.

*(Septic Tank coverage continued on next page.)*



**Termite Protection Plan:** included with a clear termite report within the six month period preceding the start of the contract.

**Example of Items/Conditions that are Not Covered:** Multiple pumpings, leach fields and other septic components, disposal of waste, chemical treatments, tanks, cesspools, any costs associated with gaining or finding access to the septic tank.

#### OTHER COVERAGE

*Also covered by this contract:* If a mandatory code upgrade is required as part of a covered system repair or replacement, RWS will cover up to \$400 towards the mandatory upgrade, including those related to changing refrigerant types in air conditioning systems. To qualify for this payment, the homeowner must submit the applicable legal code showing that the upgrade was

mandatory. This shall be applied to the aggregate limitation of the system that was benefited by the coverage.

#### Cancellation

RWS may cancel this contract without refund to the Contract Holder under any of the following circumstances: (1) In the event of fraud or misrepresentation by the Contract Holder or any related parties, (2) If the Contract Holder fails to pay any fee associated with this contract including, but not limited to; service call fees and payments for the service contract itself, or (3) If the home is vacated or has been left vacant in the past.

## Limits of Liability

1. RWS is not responsible for the cost to gain access or close access to a covered item except where specified.
2. RWS reserves the right to a second opinion at no additional charge to the Contract Holder unless the first contractor was chosen by the Contract Holder, in which case additional charges may apply.
3. Coverage for all items encased in concrete is limited to **\$400 aggregate**.
4. RWS does not cover items where environmental issues arise such as lead, mold, or asbestos. RWS is not responsible for the presence of lead, mold, asbestos or any other environmental hazard nor the removal of the same.
5. RWS does not cover consequential or secondary damage caused by malfunctions of covered items except where specified. For example, if a covered plumbing issue results in damage to drywall on the walls or ceiling of the house, RWS is not responsible for these secondary damages. RWS is not an insurer.
6. RWS does not pay for the costs of permits except where specified.
7. RWS reserves the right to make a cash payment to a Contract Holder in lieu of repair/replacement for the defective part(s). The cash payment will reflect RWS negotiated cost for service and may be less than retail.
8. RWS shall be responsible only for the costs of the failed part and the cost of installation in the case of an obsolete or unavailable part. The cash payment will reflect RWS negotiated cost for service and may be less than retail.
9. Repairs necessary as a result of any act of nature, misuse, abuse, lack of maintenance, improper installation, wind, rain, tornado, fire, hurricane, riots, civil commotion, or any other outside influence, natural or unnatural, including a previous contractor's work, are not covered under this contract.
10. RWS will make commercially reasonable efforts to fulfill its obligations under this contract. Certain causes and events out of RWS's control may result in RWS' inability to perform, in whole or in part. If this occurs, RWS's obligations shall be suspended

to the extent necessary by such event and, in no way, shall RWS be liable to the contract holder or any party for its failure to fulfill its obligations or for damages caused. Events include, but are not limited to, acts of god, fire, war, flood, earthquake, hurricanes, tornadoes, other natural disasters, acts of terrorism, acts of any governmental agency, accidents, strikes, labor troubles, shortages in supply, changes in law, rules, or regulations of any governmental authority, and any other cause beyond RWS's reasonable control.

11. RWS is not the servicing contractor; all RWS network contractors are independent, third parties to RWS, though all are screened for mandatory qualifications, insurance, and references. Most network contractors have serviced hundreds of RWS claims for our contract holders and, as a risk management company, we cannot guarantee the work of our contractors, or take responsibility for liabilities they may incur through the course of work. Any statement made by a contractor, whether or not they are an RWS network contractor, is their personal opinion and not binding on RWS, including any statements regarding coverage or extent of coverage under the contract.

12. Solar systems, holding tanks, system management controllers, and/or electronic equipment are not covered under this contract unless specified.

13. Commercial equipment is not covered. Commercial-like equipment and non-domestic equipment is limited to **\$500 aggregate coverage for the contract term**. Any premium, ultra-premium, double-wall ovens, and combination ovens (i.e. oven/microwave) have an **aggregate coverage limit of \$600**.

14. RWS has the sole right of determining whether a component shall be repaired or replaced. Replacement components shall have similar capacity and features, however RWS is not responsible for matching brand, color, dimensions, or for modifying cabinets or structures of any kind.

15. RWS is only responsible for standard replacement costs of the failed part, even if the best option for the Contract Holder is a full replacement. Should the Contract Holder wish to replace a repairable item, at their election the Contract Holder may choose to receive a cash payment or allowance in lieu of repair. In such cases, the cash payment shall be made in accordance with RWS negotiated service and repair rates and may be less than retail.

16. Refrigerant is covered at a rate of up to \$40 per pound.
17. Contract Holder is responsible for the costs of access to units and/or components that are on rooftops or otherwise elevated. RWS will not cover components travelling through community property.
18. RWS will pay a **maximum of \$250 for induction fans** on water heater and HVAC systems.
19. Washer/Dryer coverage is **limited to \$400 for each unit**.
20. RWS is not responsible for the cost of leak checks; customer shall be responsible for all costs related to locating the leak.
21. This contract does not apply to leased equipment and any and all other warranties shall be exhausted first. Coverage applies only to real property, fixtures, and appurtenances.
22. Coverage may be voided if the correct square footage, including finished and non-finished spaces, was not reported to RWS and was not appropriately ordered.
23. This contract is a service contract and not a reimbursement contract. You must call for service at 1-800-544-8156.

24. The aggregate limitation for Termite Treatment is \$700. Septic tank pumping is limited to \$275 aggregate. Pool/Spa coverage is limited to \$500 for heaters and \$500 for all other components. The aggregate limitation for drain line stoppage is \$275. The aggregate limitation for garage door spring coverage is \$250.

25. RWS will pay a maximum of \$1000 for pre-existing conditions that were not known to any party involved in the transaction. As a part of the verification process, the Contract Holder will be required to provide RWS with a copy of any home inspection reports and seller's disclosure statements. No other pre-existing conditions are covered under this policy, unless specified.

26. Reimbursement rates for Contractors NOT in RWS's network: up to \$75 per hour for labor charges (up to \$100 per hour for emergency labor charges), up to 10% over distributor cost for material costs, shipping costs up to \$50, where applicable, and up to \$30 for trip charges.

27. Maintenance costs, including routine or standard maintenance, are covered at a rate of up to \$200 annually – these include, but are not limited to: cleaning and air filter replacements.

## Additional Terms and Conditions

All Claims and disputes regarding this contract or its provisions shall be governed, construed, and enforced in accordance with the laws of Hamilton County, in the state of Indiana. Each party hereby consents to the exclusive personal jurisdiction and venue of the courts, state and federal, having jurisdiction therein. Contract holders may have other legal rights that vary from state to state and so are responsible for informing themselves to the laws of their jurisdictions and compliance therewith.

The administrator name and name of the provider and servicer of this policy is: Residential Warranty Services, Inc. located at 698, Pro Med Lane, Carmel, IN 46032 ("RWS"). Toll-Free 1-800-544-8156.

The contract terms expressly listed herein constitute the entire agreement between RWS and the contract holder. Any claim, dispute or controversy regarding this contract or the relationship among the parties ("Claim"), by or on behalf of a contract holder, will take place on an individual basis. Class actions, collective actions, and other similar representative proceedings of any kind or nature are not permitted. By entering into this contract, you agree that you may bring claims against RWS or its affiliates only in your individual capacity.

Any failure by RWS to assert a right or enforce a requirement under this contract shall not be deemed a waiver of that or any other right or requirement and shall not preclude RWS from asserting any right or enforcing any requirement at any time. If any provision of this contract is held to be illegal, invalid, or unenforceable, for any reason, that provision shall be limited or eliminated to the minimum extent necessary so that this contract shall otherwise remain in full force and effect and enforceable.

1. Please find on the cover sheet of this warranty the name(s) of the service contract seller and the service contract holder, as well as the price of this service contract. The total purchase price of this service contract can be found on your invoice. All pricing for RWS policies are clearly enumerated on our order forms. For a copy of your invoice, or copies of any of our printed materials,

please call our offices at

1-800-544-8156. Any contract not paid in full is invalid.

2. This contract is transferable. A transfer fee of \$35 may apply.

3. All of our service contracts are service call fee-based. The SIMPLE contract carries a \$150.00 service call fee for all claims unless otherwise stated.

4. This contract contains all terms and conditions including those regarding merchandise and services to be provided, limitations, exceptions, and conclusions. Contract holder must comply with manufacturer's instructions for maintenance and installation of components for failures to be covered.

### State Specific Terms and Conditions

1. Obligations of the provider under this service contract are guaranteed under a reimbursement insurance contract in applicable states. If the provider fails to pay or provide service on a claim within sixty days after proof of loss has been filed, the contract holder is entitled to make a claim directly against the insurance company as follows. The providers of warranty coverage under this service contract (and the direct obligor for any and all claims made) in the individual states are as follows: **VA, KY, MO, AL, OK, FL, NV, UT, NC, VT, IA, NH, AR, MA, NJ, WY, and HI RESIDENTS.** Lyndon Southern Insurance Company (10151 Deerwood Park Blvd., Bldg. 100, Ste 500, Jacksonville, Florida 32256). **GA RESIDENTS.** Insurance Company of the South (10151 Deerwood Park Blvd., Bldg. 100, Ste. 500, Jacksonville, FL 32256). **NY and WI RESIDENTS.** Adantic Specialty Insurance Company (605 North Highway 169, Suite 800, Plymouth, MN 55441). **WA RESIDENTS.** This policy is backed by the full faith and credit of the Service Contract Provider - 4Warranty (10151 Deerwood Park Blvd., Bldg. 100, Ste. 500, Jacksonville, Florida 32256).

2. This service contract is not mandatory as a part of any real estate transaction or otherwise and may be waived prior to its acceptance.

3. All claims shall be made by calling 1-800-544-8156 PRIOR to any service or diagnosis being performed. All initiation of covered services will transpire within 72 hours of request for service and immediately for heating services during winter months.

4. **SC, KY, MO, AL, NV, NY, IL, NC, WI, AR, MA, NJ, WA, WY, LA, NM, VT, HI RESIDENTS.** If no claim has been filed the original contract holder may return this service contract within thirty days of the date of mailing unless coverage was provided at the time of sale in which case the original contract holder may return this service contract within ten days, for a full refund subject to the following restrictions: **AL, NV, WI, WY RESIDENTS.** a 10% penalty per month will be added if the refund is not paid or credited within forty-five days after the return of the service contract to the provider; **IL RESIDENTS.** a cancellation fee that does not exceed the lesser of 10% of the contract price or \$50 will be applied; and **NY RESIDENTS.** a cancellation equaling the actual costs and charges needed to issue and service the warranty will be applied.

**SC RESIDENTS:** In the event of a dispute with the provider of this contract, you may contact the South Carolina Department of Insurance, Capitol Center, 1201 Main Street, Ste. 1000, Columbia, South Carolina 29201 or (800)768-3467. This agreement is not an insurance contract.

**AL RESIDENTS:** The right to void the service contract is not transferable and only applies to the original service contract purchaser (Sec. 8-32-3(g) Code of Alabama, 1975). In the event the original service contract holder makes a written demand for cancellation of a service contract pursuant to the terms of the service contract, the provider shall refund to the service contract holder the unearned portion of the full purchase price of the service contract including the unearned portion of any premiums paid for any applicable reimbursement insurance contract after subtracting a twenty-five dollar administrative fee for the issuance of the service contract if such fee is provided for in the service contract. Any refund due a service contract holder may be credited to any outstanding balance of the account of the service contract holder and the excess, if any, shall be refunded to the service contract holder. Furthermore, any cancellation by the provider, for reasons other than those enumerated within the service contract brochure shall require written notice stating the effective date of cancellation and the reason for the cancellation, at least five days prior to the cancellation date, sent to the last known address of the service contract holder

**IL and VT RESIDENTS:** This service contract does not cover failure resulting from normal wear and tear.

**FL RESIDENTS:** The provider, Lyndon Southern Insurance Company, holds Florida License #03698). The "Administrator" is Residential Warranty Services, Inc., 698 Pro Med Lane, Carmel, IN 46032 and the terms "You", "Your", "Contract Holder", and "Owner" refer to the purchaser of this home warranty. The rate charged to you for this home warranty is not subject to regulation by the FLOIR. You may cancel this home warranty at any time – if you cancel within ten days of the date of purchase, we will refund one hundred percent of the home warranty price paid, less any claims paid. If you cancel after ten days from the date of purchase, we shall refund ninety percent of the unearned pro-rate premium less any claims that have been paid. If we cancel this home warranty for any reason

other than for fraud or misrepresentation, we shall refund one hundred percent of the pro-rate premium paid, less any claims paid. Florida law prohibits the lender from requiring the purchase of a home warranty as a condition to the making of the loan. This home warranty may not provide listing period coverage free of charge.

**NV RESIDENTS:** Obligations of the provider under this service contract are guaranteed under a reimbursement insurance contract. If the provider fails to pay or provide service on a claim within sixty days after proof of loss has been filed, the contract holder is entitled to make a claim directly against the insurance company, Lyndon Southern Insurance Company, at 10151 Deerwood Park Blvd., Bldg 100, Ste 500, Jacksonville, Florida 32256. This service contract is not mandatory as a part of any real estate transaction or otherwise and may be waived prior to its acceptance. All claims shall be made by calling 1-800-544-8156 prior to any service or diagnosis being performed. Pursuant to NRS 690C.250(1), Contract Holders may return the contract, as long as no claims have been made, within at least twenty days of the mailing date or within ten days if the service contract is delivered at the time of sale ("Free Look Period") for a full refund of the purchase price, as determined by the corresponding invoice (considered part of the contract) provided to the contract holder by the provider. Any refund owed under this statute will be issued within forty-five days after cancellation or else a ten percent penalty will be accrued for each thirty day period the refund remains unpaid. If the contract holder cancels outside of the Free Look Period, the purchase price will be refunded pro rata in accordance with NAC 690C.120(2)-(4). If the Provider cancels the contract for any of the reasons stated herein, no cancellation fee is assessed and no cancellation is effective until at least fifteen days after cancellation notice is mailed to the Contract Holder and a pro rata refund will be issued pursuant to NAC 690C.120(1). Not reporting or ordering the correct square footage, including finished and non-finished spaces, is considered fraud or material misrepresentation; Not reporting that the house was vacated (i.e. having no furniture, fixtures, or inhabitants) prior to the contract terms is considered a material misrepresentation; if your home is vacated during the contract terms, it is a material change in the nature of required services; refusal to pay the provider an amount when due – all are grounds for cancellation of your contract. Refusal to pay a fee associated with your policy outside of what is mentioned above is grounds for a cessation of future coverage of your contract, by the provider, and the owed amount will be deducted if the policy is cancelled. Pursuant to Bulletin 08-010 and Regulation R067-07, if your covered emergency claim renders your dwelling unfit for habitation according to the aforementioned regulations, and repairs cannot practicably be completed within three calendar days, the days, the Provider will provide a status report to the Contract Holder – in Nevada only, an air conditioning system not cooling is considered an emergency claim. For suits upon causes of action regarding the substantive provisions of this contract, Nevada law governs.

**GA RESIDENTS:** Upon return of the service contract to the provider in writing, if no claim has been made under this service contract, the excess of the consideration paid shall be refunded to the contract holder in accordance with O.C.G.A. 33-7-6(c) (3). Any cancellation by the provider may only be for fraud, material misrepresentation, or non-payment and notice of such will be remitted to the contract holder, in writing, not less than thirty days from the cancellation date and any unearned premium shall be refunded on a pro rata basis, in accordance with OCGA 33-24-44. If the contract has been in effect for less than sixty days or is canceled, at any time, for non-payment,

cancellation by the provider will be remitted to the contract holder, in writing, not less than ten days from the cancellation date, in accordance with OCGA 33-24-44(d).

**UT RESIDENTS:** This service contract or warranty is subject to limited regulation by the Utah Insurance Department. To file a complaint, contact the Utah Insurance Department. Coverage afforded under this contract is not guaranteed by the Property and Casualty Guaranty Association.

**TX RESIDENTS:** This contract is issued by a Residential Service Company licensed by the Texas Real Estate Commission. Complaints about this contract or company may be directed to the Texas Real Estate Commission at P.O. Box 12188, Austin, TX 78722-2188 (512) 936-3049. The purchase of a residential service contract or home warranty contract is optional and similar coverage may be purchased from other residential service companies or insurance companies authorized to conduct business in Texas. **NOTICE: THIS COMPANY PAYS PERSONS NOT EMPLOYED BY THE COMPANY FOR THE SALE, ADVERTISING, INSPECTION, OR PROCESSING OF A RESIDENTIAL SERVICE CONTRACT UNDER TEXAS OCCUPATIONS CODE 1303.304.**

**CO RESIDENTS:** Actions under a preowned home warranty service contract may be covered by the provisions of the Colorado Consumer Protection Act or the Unfair Practices Act, Articles 1 and 2 of Title 6, C.R.S. and any party to such a contract may have a right of civil action under those laws, including obtaining the recourse or penalties allowed therein.

**NC RESIDENTS:** The contract holder may cancel this contract at any time and receive a pro rata refund, less any claims paid on the contract and less an administration fee that will not exceed ten (10%) percent of the pro rata refund rate.

**WI RESIDENTS:** If a claim has been filed within 20 days of delivery, the purchaser may cancel the service contract and the provider will refund the purchase price, less any claims paid and a ten (10%) percent administrative fee. The right to void the service contract provided is not transferable. The provider of the service contract shall mail a written notice to the service contract holder at the last known address of the service contract holder contained in the records of the provider at least five (5) days prior to cancellation by the Provider. If the cancellation is for a reason other than non-payment of the provider fee a refund will be issued, less any claims paid and an administrative fee not to exceed ten percent. Refusal to pay a fee associated with your policy outside of what is mentioned above is grounds for a cessation of future coverage of your contract, by the provider, and the owed amount will be deducted if the policy is cancelled. Suit upon causes of action arising within this state against the provider shall be brought in the county where the cause of action arose or in the county where the policyholder instituting the action arises lives. The contract holder may cancel this contract at any time and receive the unearned pro rata refund, less any claims paid on the contract and less an administration fee that will not exceed ten (10%) percent of the pro rata refund rate. **THIS CONTRACT IS SUBJECT TO LIMITED REGULATION BY THE OFFICE OF THE COMMISSIONER OF INSURANCE.**

**IA RESIDENTS:** The issuer of this contract is subject to regulation by the insurance division of the department of commerce of the State of Iowa. Complaints which are not settled by the issuer may be sent to the insurance division.

**NH RESIDENTS:** In the event you do not receive satisfaction

under this contract, you may contact the New Hampshire insurance department at 21 S Fruit St, #14, Concord, NH 03301 or at (800) 852-3416.

**AR, MA, and NJ RESIDENTS:** Written advance notice will be provided if the policy is cancelled for any reason not stated under the cancellation clause herein.

**WA RESIDENTS:** A ten percent (10%) penalty per month shall be applied to refunds not paid or credited within thirty (30) days of receipt of returned service contract. We may not cancel this service contract without providing You with written notice at least twenty-one (21) days prior to the effective date of cancellation. Such notice shall include the effective date of cancellation and the reason for cancellation. You are not required to wait sixty (60) days before filing a claim directly with the Service Contract Provider.

**WY RESIDENTS:** The right to void the service contract provided is not transferable. The provider of the service contract shall mail a written notice to the service contract holder at the last known address of the service contract holder contained in the records of the provider at least ten (10) days prior to cancellation by the Provider – prior notice is not required if the reason for cancellation is nonpayment of the provider fee, a material misrepresentation by the service contract holder to the provider or a substantial breach of duties by the service contract holder relating to the covered product or its use. The class action waiver listed under the Additional Terms and Conditions does not apply to Wyoming residents and suit upon causes of action arising within this state against the provider shall be brought in the county where the cause of action arose or in the county where the policyholder instituting the action arises.



## Term

SewerGard protection is offered for the duration of your Simple policy. All claims must be received by RWS within the term of the agreement. This agreement is not transferable to any other property outside of the one listed on your home inspection report. Any costs above what is expressly stated as covered herein are the responsibility of the homeowner.

## Coverage

During the agreement term, only the directly affected portions of the following components are covered against failure due to normal wear and tear:

1. "Water Line". The water line is the single lateral water service line from the point of the water utility's connection to the point of the water meter or main shut off line inside the home. The water line also includes well water lines, excluding those exceeding five feet under the surface level of the yard.

2. "Sewer Line". The sewer line is the single lateral sewer service line from the point of the home's exterior wall to the point of connection to the sewer utility's wastewater collection system or septic tank.

## Covered Repairs

This agreement covers only repairs as specified and excludes all others. Coverage is limited to \$2000 per occurrence, \$4000 aggregate. Only failures that occur after the date of the inspection are covered. This agreement does not cover repairs to material types that have been affected by a class action lawsuit or manufacturer's recall. This agreement only applies to residential properties being used for residential purposes only. Only line breakages, collapses, and significant leaks that affect the functionality of the home's sewer and water systems are covered under this policy. Clogs are expressly excluded and all additional repairs are the responsibility of the homeowner. This policy does not cover secondary or consequential damages.

## Exclusions

RWS will not be responsible for any of the following:

- Repairing anything that occurred before the state date of this agreement or that wasn't reported to RWS during the term of this agreement.
- Repairing anything not resulting from normal wear and usage.
- Repairing anything caused by you and/or third parties.
- Repairing anything in a home that is being renovated.
- Repairing anything caused by natural acts or disasters included but not limited to floods, earthquakes, landslides, sinkholes, or any insurable causes.
- Repairing anything caused by defective materials, or any material that has been the subject of class action litigation or a recall.
- Repairing anything required by any other party (city, state, federal or other party) unless otherwise covered by this agreement.
- Repairing any openings or damage caused to walls as a result of investigation or repair of a covered issue.
- Repairing shared lines (as in shared with another property).

j. Repairs to any damaged items consequential to a sewer or water line failure or repair.

k. Paying any costs associated with relocation of lines, lost water, lost time, lost use of your home, or any damages due to any special circumstances or conditions.

l. Covered repair costs include only the water and sewer lines at a covered rate of: \$200/linear foot up to 5 feet; \$150/linear foot above 5 feet up to 10 feet; and \$100/linear foot until the \$2,000 claim maximum is reached.

## RWS' Right to Review

RWS reserves the right to have its own contractor review any diagnosis, estimates, and bid on any project covered under this agreement. RWS shall choose the acceptable estimate in its sole discretion for coverage. This warranty and all related disputes shall be interpreted and enforced in accordance with the laws of Hamilton County in the State of Indiana without reference to, and regardless of, any applicable choice or conflicts of laws principles.

## Claim Procedures

Written Notification of claim including items 1, 2, and 3 must be received by RWS prior to the expiration of the policy. All claims on this policy shall be made by the buyer of record only after they have taken possession of the home. Claims will be processed after we are in receipt of items 1, 2 & 3. You will be contacted within 72 business hours of all items being submitted.

1. Written Notification of Claim - The following information must be contained in the notification:

- Your Name
- Your Inspection Company's Name
- A Phone Number Where You Can Be Reached
- A Brief Description of the Claim

2. An itemized repair estimate, including the breakdown of parts & labor, as well as a specific cause for the failure in writing from a licensed or properly certified repairperson. RWS reserves the right to request up to two (2) additional estimates. The estimate must include contact information for the repairperson.

3. A copy of your home inspection report, or at least those pages pertaining to the affected items.

## Residential Warranty Services, Inc.

PO Box 797  
Carmel, IN 46082  
800-544-8156  
Fax 877-307-7056  
1year@rws warranty.com

## Deductible

The policy holder is responsible for the first \$300 worth of repairs and investigation of any covered issue. Any and all receipts and invoices must be delivered at time of claim submission to ensure credit for any covered expenditures. The policy holder is also responsible for any costs exceeding the coverage limitations of \$2000 per occurrence and \$4000 aggregate.

# Notes:



## Congratulations on your decision to purchase a home.

As you know, there are a lot of factors to consider before signing on the dotted line. By now, you've probably checked out the location of the home you like the best. You know how much the seller wants, how many bedrooms there are, whether your dining room table will fit, where you'll park your car and lots of other important things.

## But wait, there's still one more important thing you really ought to do.

You wouldn't buy a car without asking how many miles-per-gallon it gets, would you? So why would you even think of buying a house without knowing how much the power bills will be? That's why now is the perfect time to get an EnergyGauge® rating on the house.

Since 1994, there has been a voluntary, statewide energy-efficiency rating system for homes in Florida. Prospective homeowners just like you, all around the state, are getting their homes rated before they make their purchase.

## There are several very important reasons why:

▲ **Energy ratings give homebuyers a market-place yardstick that measures the benefits of energy-efficiency.** You get detailed estimates of how much your energy use will cost.

▲ **Energy ratings give you clear and specific information that lets you compare similar homes on their energy use.** Two homes might look similar, but one may be efficient and comfortable, and the other an energy-guzzler with a very uncomfortable interior.

# Thinking About Buying a Home? Get An EnergyGauge® Rating!

## Consider the Benefits:

- ▲ More Home for Less Money
- ▲ Tested Quality Construction
- ▲ Enhanced Indoor Comfort
- ▲ Superior Energy Efficiency
- ▲ More Environmental Sustainability
- ▲ Improved Mortgage Options
- ▲ Greater Resale Value

▲ Maybe most important of all, **the national Home Energy Rating System (HERS) Index on the energy rating can qualify you for a number of special mortgage programs that offer lower interest rates, lower closing costs, and other benefits.** Some lenders may offer special financing.

## Before buying your next home, hire a Certified Energy Rater to do a rating.

Your builder or Realtor can help you find a Certified Rater in your area. After the rating, you'll get an easy-to-understand Energy Guide that estimates how much it will cost to pay for energy used in that home.

For many years, buyers have had home inspectors look over a home before making their purchase. This is a great way to find out about potential house problems before you make your purchase. Smart homebuyers around the country are now also asking for a home energy rating to look specifically at the energy-use in a home and determine efficiency. Because energy costs can equal house payments, the relatively small cost of a home energy rating can easily be offset by many years of lower energy payments.

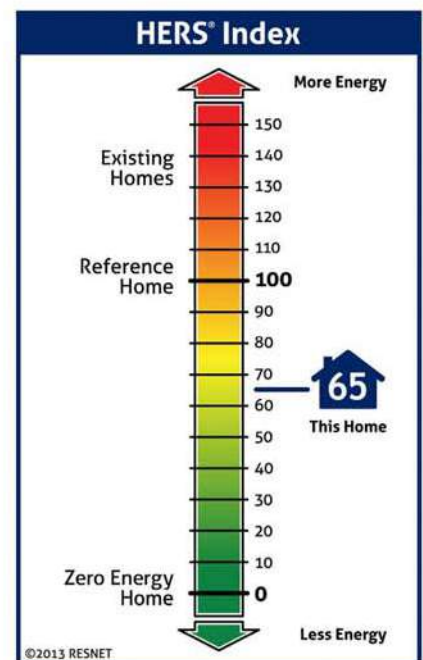
You're already familiar with the miles-per-gallon stickers on new automobiles, and the yellow Energy Guide labels on home appliances. Shoppers use this information to figure out how much that car or appliance is really going to cost them. This information gives the buyer

a good estimate of what it will cost to operate that car or use that appliance, over and above the purchase price. A car or product that is cheaper to buy can often be more expensive to operate, so this information can be very important to assure that you make the best purchase decision.

## Here's how the EnergyGauge® program works.

After the rating, you'll get an easy-to-read form like the one on the next page. The Rating Guide has a scale that allows you to compare the specific home you're looking at with the most efficient and the least efficient homes of the same size, with the same number of bedrooms available in your part of the state today.

One of the keys to the success of this program is the uniformity of ratings, made possible by the use of the EnergyGauge® software developed by the Florida Solar Energy Center®. It has been specially designed to let Raters input the key data on the home and obtain accurate information for comparison purposes.



## Beyond a home energy rating, how can you reduce your energy use and save money?

That's easy. While the design and construction of your home, and the efficiency of its appliances and equipment, control the most significant portion of its energy use, occupant lifestyle will still have a big effect on exactly how much energy gets used. Your comfort preferences and personal habits - the level at which you set the thermostat, whether or not you turn off lights and fans when leaving a room, how much natural ventilation you use, and other factors - will all affect your home's actual monthly energy use.

## Florida's program parallels national activities.

The Residential Energy Services Network (RESNET) sets the national standards for the Home Energy Rating System (HERS), and the Florida Solar Energy Center's Energy Gauge system meets these standards. The Florida Building Energy Rating Guide provides a HERS Index for the home. This national score enables homes to qualify for national mortgage financing options requiring a HERS Index. This index is computed in accordance with national guidelines, considering the heating, cooling, water heating, lighting, appliance, and photovoltaic energy uses. HERS awards stars to the rating.

## Tell your Realtor or builder that you want to get the home rated before you buy it.

They can give you the names of Raters in your area. Additional information on the program is available from the Energy Gauge Program Office at 321-638-1422, or visit our Web site at [www.floridaenergycenter.org](http://www.floridaenergycenter.org).

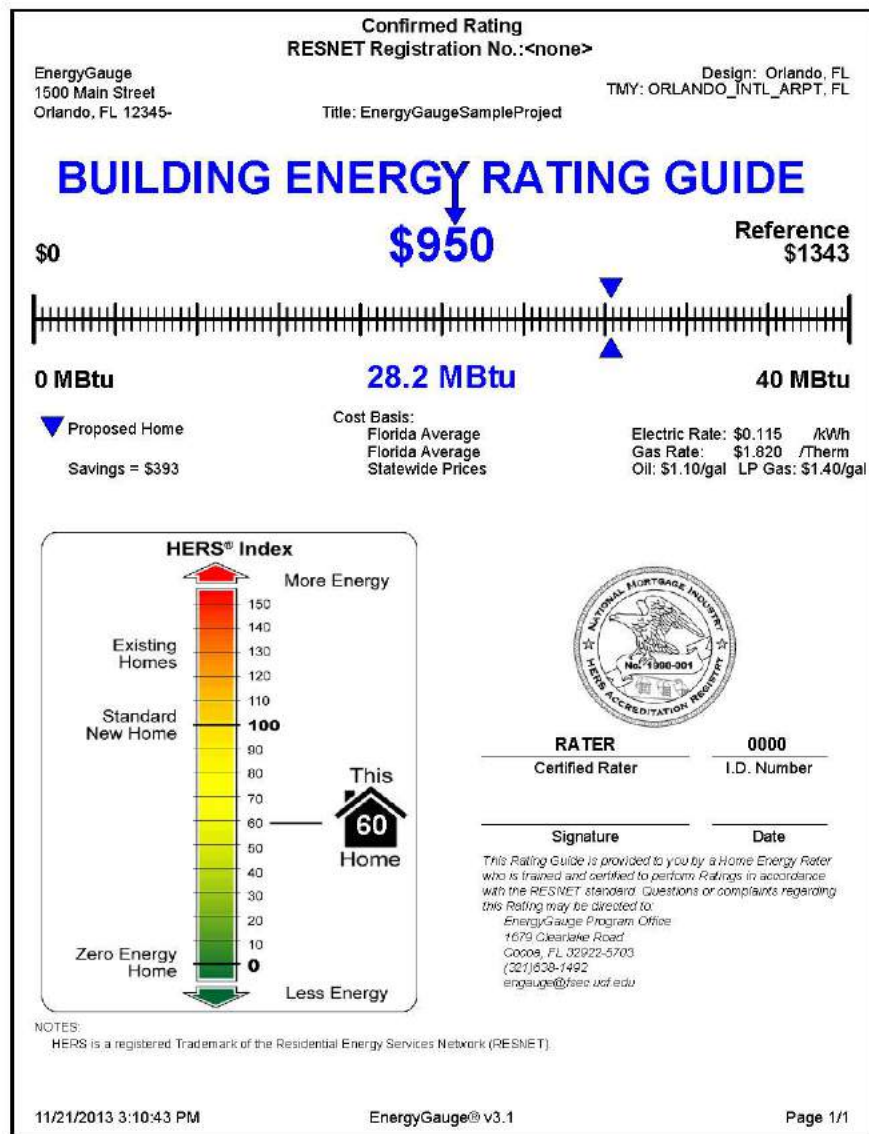
## Who does Energy Ratings?

It is important to note that only Certified Raters are allowed to perform ratings. These Raters have undergone rigorous training programs and have passed the RESNET National Core exam and the required challenge exams. They are also required to undergo continuing education classes and additional exams to keep their

certifications current. An on-going quality control program also watches over their Ratings and their work. All their Ratings are submitted to a central registry that checks them for accuracy and compiles generic building data.

## Energy Ratings in Florida

The Florida Building Energy-Efficiency Rating Act (Florida Statute 553.990) was passed by the State Legislature in 1993 and amended in 1994. It established a voluntary state-wide energy-efficiency rating system for homes. The Rating System has been adopted by DCA Rule 9B-60. Modifications were made by the Legislature in 2013.



## The EnergyGauge® Program Building Energy Rating System

1679 Clearlake Road  
Cocoa, Florida 32922-5703  
Phone: 321-638-1422  
Fax: 321-638-1010  
E-Mail: [info@energygauge.com](mailto:info@energygauge.com)  
[www.floridaenergycenter.org](http://www.floridaenergycenter.org)



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# Protect Your Family From Lead in Your Home

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United States  
Environmental  
Protection Agency



United States  
Consumer Product  
Safety Commission



United States  
Department of Housing  
and Urban Development

## Are You Planning to Buy or Rent a Home Built Before 1978?

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Did you know that many homes built before 1978 have **lead-based paint**? Lead from paint, chips, and dust can pose serious health hazards.

### **Read this entire brochure to learn:**

- How lead gets into the body
- How lead affects health
- What you can do to protect your family
- Where to go for more information

### **Before renting or buying a pre-1978 home or apartment, federal law requires:**

- Sellers must disclose known information on lead-based paint or lead-based paint hazards before selling a house.
- Real estate sales contracts must include a specific warning statement about lead-based paint. Buyers have up to 10 days to check for lead.
- Landlords must disclose known information on lead-based paint and lead-based paint hazards before leases take effect. Leases must include a specific warning statement about lead-based paint.

### **If undertaking renovations, repairs, or painting (RRP) projects in your pre-1978 home or apartment:**

- Read EPA's pamphlet, *The Lead-Safe Certified Guide to Renovate Right*, to learn about the lead-safe work practices that contractors are required to follow when working in your home (see page 12).



## Simple Steps to Protect Your Family from Lead Hazards

### **If you think your home has lead-based paint:**

- Don't try to remove lead-based paint yourself.
- Always keep painted surfaces in good condition to minimize deterioration.
- Get your home checked for lead hazards. Find a certified inspector or risk assessor at [epa.gov/lead](http://epa.gov/lead).
- Talk to your landlord about fixing surfaces with peeling or chipping paint.
- Regularly clean floors, window sills, and other surfaces.
- Take precautions to avoid exposure to lead dust when remodeling.
- When renovating, repairing, or painting, hire only EPA- or state-approved Lead-Safe certified renovation firms.
- Before buying, renting, or renovating your home, have it checked for lead-based paint.
- Consult your health care provider about testing your children for lead. Your pediatrician can check for lead with a simple blood test.
- Wash children's hands, bottles, pacifiers, and toys often.
- Make sure children eat healthy, low-fat foods high in iron, calcium, and vitamin C.
- Remove shoes or wipe soil off shoes before entering your house.

## Lead Gets into the Body in Many Ways

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### **Adults and children can get lead into their bodies if they:**

- Breathe in lead dust (especially during activities such as renovations, repairs, or painting that disturb painted surfaces).
- Swallow lead dust that has settled on food, food preparation surfaces, and other places.
- Eat paint chips or soil that contains lead.

### **Lead is especially dangerous to children under the age of 6.**

- At this age, children's brains and nervous systems are more sensitive to the damaging effects of lead.
- Children's growing bodies absorb more lead.
- Babies and young children often put their hands and other objects in their mouths. These objects can have lead dust on them.



### **Women of childbearing age should know that lead is dangerous to a developing fetus.**

- Women with a high lead level in their system before or during pregnancy risk exposing the fetus to lead through the placenta during fetal development.

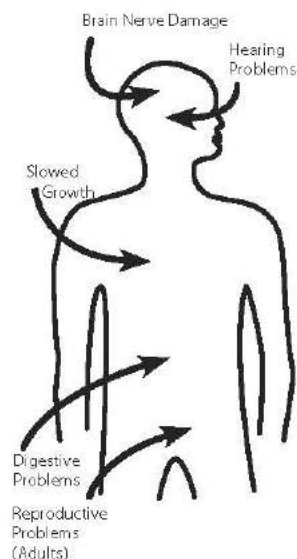
## Health Effects of Lead

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**Lead affects the body in many ways.** It is important to know that even exposure to low levels of lead can severely harm children.

### **In children, exposure to lead can cause:**

- Nervous system and kidney damage
- Learning disabilities, attention-deficit disorder, and decreased intelligence
- Speech, language, and behavior problems
- Poor muscle coordination
- Decreased muscle and bone growth
- Hearing damage



While low-lead exposure is most common, exposure to high amounts of lead can have devastating effects on children, including seizures, unconsciousness, and in some cases, death.

Although children are especially susceptible to lead exposure, lead can be dangerous for adults, too.

### **In adults, exposure to lead can cause:**

- Harm to a developing fetus
- Increased chance of high blood pressure during pregnancy
- Fertility problems (in men and women)
- High blood pressure
- Digestive problems
- Nerve disorders
- Memory and concentration problems
- Muscle and joint pain

## Check Your Family for Lead

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**Get your children and home tested if you think your home has lead.**

Children's blood lead levels tend to increase rapidly from 6 to 12 months of age, and tend to peak at 18 to 24 months of age.

Consult your doctor for advice on testing your children. A simple blood test can detect lead. Blood lead tests are usually recommended for:

- Children at ages 1 and 2
- Children or other family members who have been exposed to high levels of lead
- Children who should be tested under your state or local health screening plan

**Your doctor can explain what the test results mean and if more testing will be needed.**

## Where Lead-Based Paint Is Found

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In general, the older your home or childcare facility, the more likely it has lead-based paint.<sup>1</sup>

**Many homes, including private, federally-assisted, federally-owned housing, and childcare facilities built before 1978 have lead-based paint.** In 1978, the federal government banned consumer uses of lead-containing paint.<sup>2</sup>

Learn how to determine if paint is lead-based paint on page 7.

### Lead can be found:

- In homes and childcare facilities in the city, country, or suburbs,
- In private and public single-family homes and apartments,
- On surfaces inside and outside of the house, and
- In soil around a home. (Soil can pick up lead from exterior paint or other sources, such as past use of leaded gas in cars.)

Learn more about where lead is found at [epa.gov/lead](http://epa.gov/lead).

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<sup>1</sup> "Lead-based paint" is currently defined by the federal government as paint with lead levels greater than or equal to 1.0 milligram per square centimeter (mg/cm), or more than 0.5% by weight.

<sup>2</sup> "Lead-containing paint" is currently defined by the federal government as lead in new dried paint in excess of 90 parts per million (ppm) by weight.

## Identifying Lead-Based Paint and Lead-Based Paint Hazards

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**Deteriorating lead-based paint (peeling, chipping, chalking, cracking, or damaged paint)** is a hazard and needs immediate attention. **Lead-based paint** may also be a hazard when found on surfaces that children can chew or that get a lot of wear and tear, such as:

- On windows and window sills
- Doors and door frames
- Stairs, railings, banisters, and porches

**Lead-based paint is usually not a hazard if it is in good condition** and if it is not on an impact or friction surface like a window.

**Lead dust** can form when lead-based paint is scraped, sanded, or heated. Lead dust also forms when painted surfaces containing lead bump or rub together. Lead paint chips and dust can get on surfaces and objects that people touch. Settled lead dust can reenter the air when the home is vacuumed or swept, or when people walk through it. EPA currently defines the following levels of lead in dust as hazardous:

- 40 micrograms per square foot ( $\mu\text{g}/\text{ft}^2$ ) and higher for floors, including carpeted floors
- 250  $\mu\text{g}/\text{ft}^2$  and higher for interior window sills

**Lead in soil** can be a hazard when children play in bare soil or when people bring soil into the house on their shoes. EPA currently defines the following levels of lead in soil as hazardous:

- 400 parts per million (ppm) and higher in play areas of bare soil
- 1,200 ppm (average) and higher in bare soil in the remainder of the yard

**Remember, lead from paint chips—which you can see—and lead dust—which you may not be able to see—both can be hazards.**

The only way to find out if paint, dust, or soil lead hazards exist is to test for them. The next page describes how to do this.

## Checking Your Home for Lead

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You can get your home tested for lead in several different ways:

- A lead-based paint **inspection** tells you if your home has lead-based paint and where it is located. It won't tell you whether your home currently has lead hazards. A trained and certified testing professional, called a lead-based paint inspector, will conduct a paint inspection using methods, such as:
  - Portable x-ray fluorescence (XRF) machine
  - Lab tests of paint samples
- A **risk assessment** tells you if your home currently has any lead hazards from lead in paint, dust, or soil. It also tells you what actions to take to address any hazards. A trained and certified testing professional, called a risk assessor, will:
  - Sample paint that is deteriorated on doors, windows, floors, stairs, and walls
  - Sample dust near painted surfaces and sample bare soil in the yard
  - Get lab tests of paint, dust, and soil samples
- A combination inspection and risk assessment tells you if your home has any lead-based paint and if your home has any lead hazards, and where both are located.



Be sure to read the report provided to you after your inspection or risk assessment is completed, and ask questions about anything you do not understand.

## Checking Your Home for Lead, continued

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In preparing for renovation, repair, or painting work in a pre-1978 home, Lead-Safe Certified renovators (see page 12) may:

- Take paint chip samples to determine if lead-based paint is present in the area planned for renovation and send them to an EPA-recognized lead lab for analysis. In housing receiving federal assistance, the person collecting these samples must be a certified lead-based paint inspector or risk assessor
- Use EPA-recognized tests kits to determine if lead-based paint is absent (but not in housing receiving federal assistance)
- Presume that lead-based paint is present and use lead-safe work practices

There are state and federal programs in place to ensure that testing is done safely, reliably, and effectively. Contact your state or local agency for more information, visit [epa.gov/lead](http://epa.gov/lead), or call **1-800-424-LEAD (5323)** for a list of contacts in your area.<sup>3</sup>

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<sup>3</sup> Hearing- or speech-challenged individuals may access this number through TTY by calling the Federal Relay Service at 1-800-877-8339.

## What You Can Do Now to Protect Your Family

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**If you suspect that your house has lead-based paint hazards, you can take some immediate steps to reduce your family's risk:**

- If you rent, notify your landlord of peeling or chipping paint.
- Keep painted surfaces clean and free of dust. Clean floors, window frames, window sills, and other surfaces weekly. Use a mop or sponge with warm water and a general all-purpose cleaner. (Remember: never mix ammonia and bleach products together because they can form a dangerous gas.)
- Carefully clean up paint chips immediately without creating dust.
- Thoroughly rinse sponges and mop heads often during cleaning of dirty or dusty areas, and again afterward.
- Wash your hands and your children's hands often, especially before they eat and before nap time and bed time.
- Keep play areas clean. Wash bottles, pacifiers, toys, and stuffed animals regularly.
- Keep children from chewing window sills or other painted surfaces, or eating soil.
- When renovating, repairing, or painting, hire only EPA- or state-approved Lead-Safe Certified renovation firms (see page 12).
- Clean or remove shoes before entering your home to avoid tracking in lead from soil.
- Make sure children eat nutritious, low-fat meals high in iron, and calcium, such as spinach and dairy products. Children with good diets absorb less lead.

## Reducing Lead Hazards

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**Disturbing lead-based paint or removing lead improperly can increase the hazard to your family by spreading even more lead dust around the house.**

- In addition to day-to-day cleaning and good nutrition, you can **temporarily** reduce lead-based paint hazards by taking actions, such as repairing damaged painted surfaces and planting grass to cover lead-contaminated soil. These actions are not permanent solutions and will need ongoing attention.
- You can minimize exposure to lead when renovating, repairing, or painting by hiring an EPA- or state-certified renovator who is trained in the use of lead-safe work practices. If you are a do-it-yourselfer, learn how to use lead-safe work practices in your home.
- To remove lead hazards permanently, you should hire a certified lead abatement contractor. Abatement (or permanent hazard elimination) methods include removing, sealing, or enclosing lead-based paint with special materials. Just painting over the hazard with regular paint is not permanent control.



**Always use a certified contractor who is trained to address lead hazards safely.**

- Hire a Lead-Safe Certified firm (see page 12) to perform renovation, repair, or painting (RRP) projects that disturb painted surfaces.
- To correct lead hazards permanently, hire a certified lead abatement professional. This will ensure your contractor knows how to work safely and has the proper equipment to clean up thoroughly.

Certified contractors will employ qualified workers and follow strict safety rules as set by their state or by the federal government.

## Reducing Lead Hazards, continued

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**If your home has had lead abatement work done** or if the housing is receiving federal assistance, once the work is completed, dust cleanup activities must be conducted until clearance testing indicates that lead dust levels are below the following levels:

- 40 micrograms per square foot ( $\mu\text{g}/\text{ft}^2$ ) for floors, including carpeted floors
- 250  $\mu\text{g}/\text{ft}^2$  for interior windows sills
- 400  $\mu\text{g}/\text{ft}^2$  for window troughs

For help in locating certified lead abatement professionals in your area, call your state or local agency (see pages 14 and 15), or visit [epa.gov/lead](http://epa.gov/lead), or call 1-800-424-LEAD.

## Renovating, Repairing or Painting a Home with Lead-Based Paint

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If you hire a contractor to conduct renovation, repair, or painting (RRP) projects in your pre-1978 home or childcare facility (such as pre-school and kindergarten), your contractor must:

- Be a Lead-Safe Certified firm approved by EPA or an EPA-authorized state program
- Use qualified trained individuals (Lead-Safe Certified renovators) who follow specific lead-safe work practices to prevent lead contamination
- Provide a copy of EPA's lead hazard information document, *The Lead-Safe Certified Guide to Renovate Right*



**RRP contractors working in pre-1978 homes and childcare facilities must follow lead-safe work practices that:**

- **Contain the work area.** The area must be contained so that dust and debris do not escape from the work area. Warning signs must be put up, and plastic or other impermeable material and tape must be used.
- **Avoid renovation methods that generate large amounts of lead-contaminated dust.** Some methods generate so much lead-contaminated dust that their use is prohibited. They are:
  - Open-flame burning or torching
  - Sanding, grinding, planing, needle gunning, or blasting with power tools and equipment not equipped with a shroud and HEPA vacuum attachment
  - Using a heat gun at temperatures greater than 1100°F
- **Clean up thoroughly.** The work area should be cleaned up daily. When all the work is done, the area must be cleaned up using special cleaning methods.
- **Dispose of waste properly.** Collect and seal waste in a heavy duty bag or sheeting. When transported, ensure that waste is contained to prevent release of dust and debris.

To learn more about EPA's requirements for RRP projects, visit [epa.gov/getleadsafe](http://epa.gov/getleadsafe), or read *The Lead-Safe Certified Guide to Renovate Right*.

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## Other Sources of Lead

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### Lead in Drinking Water

The most common sources of lead in drinking water are lead pipes, faucets, and fixtures.

Lead pipes are more likely to be found in older cities and homes built before 1986.

You can't smell or taste lead in drinking water.

To find out for certain if you have lead in drinking water, have your water tested.

Remember older homes with a private well can also have plumbing materials that contain lead.

### Important Steps You Can Take to Reduce Lead in Drinking Water

- Use only cold water for drinking, cooking and making baby formula. Remember, boiling water does not remove lead from water.
- Before drinking, flush your home's pipes by running the tap, taking a shower, doing laundry, or doing a load of dishes.
- Regularly clean your faucet's screen (also known as an aerator).
- If you use a filter certified to remove lead, don't forget to read the directions to learn when to change the cartridge. Using a filter after it has expired can make it less effective at removing lead.

Contact your water company to determine if the pipe that connects your home to the water main (called a service line) is made from lead. Your area's water company can also provide information about the lead levels in your system's drinking water.

For more information about lead in drinking water, please contact EPA's Safe Drinking Water Hotline at 1-800-426-4791. If you have other questions about lead poisoning prevention, call 1-800 424-LEAD.\*

Call your local health department or water company to find out about testing your water, or visit [epa.gov/safewater](http://epa.gov/safewater) for EPA's lead in drinking water information. Some states or utilities offer programs to pay for water testing for residents. Contact your state or local water company to learn more.

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13 \* Hearing- or speech-challenged individuals may access this number through TTY by calling the Federal Relay Service at 1-800-877-8339.

## Other Sources of Lead, continued

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- **Lead smelters** or other industries that release lead into the air.
- **Your job.** If you work with lead, you could bring it home on your body or clothes. Shower and change clothes before coming home. Launder your work clothes separately from the rest of your family's clothes.
- **Hobbies** that use lead, such as making pottery or stained glass, or refinishing furniture. Call your local health department for information about hobbies that may use lead.
- Old **toys** and **furniture** may have been painted with lead-containing paint. Older toys and other children's products may have parts that contain lead.<sup>4</sup>
- Food and liquids cooked or stored in **lead crystal** or **lead-glazed pottery or porcelain** may contain lead.
- Folk remedies, such as "**greta**" and "**azarcon**," used to treat an upset stomach.

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<sup>4</sup> In 1978, the federal government banned toys, other children's products, and furniture with lead-containing paint. In 2008, the federal government banned lead in most children's products. The federal government currently bans lead in excess of 100 ppm by weight in most children's products.

## For More Information

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### **The National Lead Information Center**

Learn how to protect children from lead poisoning and get other information about lead hazards on the Web at [epa.gov/safewater](http://epa.gov/safewater) and [hud.gov/lead](http://hud.gov/lead), or call **1-800-424-LEAD (5323)**.

### **EPA's Safe Drinking Water Hotline**

For information about lead in drinking water, call **1-800-426-4791**, or visit [epa.gov/lead](http://epa.gov/lead) for information about lead in drinking water.

### **Consumer Product Safety Commission (CPSC) Hotline**

For information on lead in toys and other consumer products, or to report an unsafe consumer product or a product-related injury, call **1-800-638-2772**, or visit CPSC's website at [cpsc.gov](http://cpsc.gov) or [saferproducts.gov](http://saferproducts.gov).

### **State and Local Health and Environmental Agencies**

Some states, tribes, and cities have their own rules related to lead-based paint. Check with your local agency to see which laws apply to you. Most agencies can also provide information on finding a lead abatement firm in your area, and on possible sources of financial aid for reducing lead hazards. Receive up-to-date address and phone information for your state or local contacts on the Web at [epa.gov/safewater](http://epa.gov/safewater), or contact the National Lead Information Center at **1-800-424-LEAD**.

Hearing- or speech-challenged individuals may access any of the phone numbers in this brochure through TTY by calling the toll-free Federal Relay Service at **1-800-877-8339**.

## U. S. Environmental Protection Agency (EPA) Regional Offices

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The mission of EPA is to protect human health and the environment. Your Regional EPA Office can provide further information regarding regulations and lead protection programs.

**Region 1** (Connecticut, Massachusetts, Maine, New Hampshire, Rhode Island, Vermont)

Regional Lead Contact  
U.S. EPA Region 1  
5 Post Office Square, Suite 100, OES 05-4  
Boston, MA 02109-3912  
(888) 372-7341

**Region 2** (New Jersey, New York, Puerto Rico, Virgin Islands)

Regional Lead Contact  
U.S. EPA Region 2  
2890 Woodbridge Avenue  
Building 205, Mail Stop 225  
Edison, NJ 08837-3679  
(732) 321-6671

**Region 3** (Delaware, Maryland, Pennsylvania, Virginia, DC, West Virginia)

Regional Lead Contact  
U.S. EPA Region 3  
1650 Arch Street  
Philadelphia, PA 19103  
(215) 814-2088

**Region 4** (Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee)

Regional Lead Contact  
U.S. EPA Region 4  
AFC Tower, 12th Floor, Air, Pesticides & Toxics  
61 Forsyth Street, SW  
Atlanta, GA 30303  
(404) 562-8998

**Region 5** (Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin)

Regional Lead Contact  
U.S. EPA Region 5 (DT-8J)  
77 West Jackson Boulevard  
Chicago, IL 60604-3665  
(312) 886-7836

**Region 6** (Arkansas, Louisiana, New Mexico, Oklahoma, Texas, and 66 Tribes)

Regional Lead Contact  
U.S. EPA Region 6  
1445 Ross Avenue, 12th Floor  
Dallas, TX 75202-2733  
(214) 665-2704

**Region 7** (Iowa, Kansas, Missouri, Nebraska)

Regional Lead Contact  
U.S. EPA Region 7  
11201 Renner Blvd.  
WWPD/TOPE  
Lenexa, KS 66219  
(800) 223-0425

**Region 8** (Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming)

Regional Lead Contact  
U.S. EPA Region 8  
1595 Wynkoop St.  
Denver, CO 80202  
(303) 312-6966

**Region 9** (Arizona, California, Hawaii, Nevada)

Regional Lead Contact  
U.S. EPA Region 9 (CMD-4-2)  
75 Hawthorne Street  
San Francisco, CA 94105  
(415) 947-4280

**Region 10** (Alaska, Idaho, Oregon, Washington)

Regional Lead Contact  
U.S. EPA Region 10  
Solid Waste & Toxics Unit (WCM-128)  
1200 Sixth Avenue, Suite 900  
Seattle, WA 98101  
(206) 553-1200

## **Consumer Product Safety Commission (CPSC)**

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The CPSC protects the public against unreasonable risk of injury from consumer products through education, safety standards activities, and enforcement. Contact CPSC for further information regarding consumer product safety and regulations.

### **CPSC**

4330 East West Highway  
Bethesda, MD 20814-4421  
1-800-638-2772  
[cpsc.gov](http://cpsc.gov) or [saferproducts.gov](http://saferproducts.gov)

## **U. S. Department of Housing and Urban Development (HUD)**

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HUD's mission is to create strong, sustainable, inclusive communities and quality affordable homes for all. Contact HUD's Office of Healthy Homes and Lead Hazard Control for further information regarding the Lead Safe Housing Rule, which protects families in pre-1978 assisted housing, and for the lead hazard control and research grant programs.

### **HUD**

451 Seventh Street, SW, Room 8236  
Washington, DC 20410-3000  
(202) 402-7698  
[hud.gov/offices/lead/](http://hud.gov/offices/lead/)

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U. S. EPA Washington DC 20460  
U. S. CPSC Bethesda MD 20814  
U. S. HUD Washington DC 20410

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# **IMPORTANT!**

## **Lead From Paint, Dust, and Soil in and Around Your Home Can Be Dangerous if Not Managed Properly**

- Children under 6 years old are most at risk for lead poisoning in your home.
- Lead exposure can harm young children and babies even before they are born.
- Homes, schools, and child care facilities built before 1978 are likely to contain lead-based paint.
- Even children who seem healthy may have dangerous levels of lead in their bodies.
- Disturbing surfaces with lead-based paint or removing lead-based paint improperly can increase the danger to your family.
- People can get lead into their bodies by breathing or swallowing lead dust, or by eating soil or paint chips containing lead.
- People have many options for reducing lead hazards. Generally, lead-based paint that is in good condition is not a hazard (see page 10).