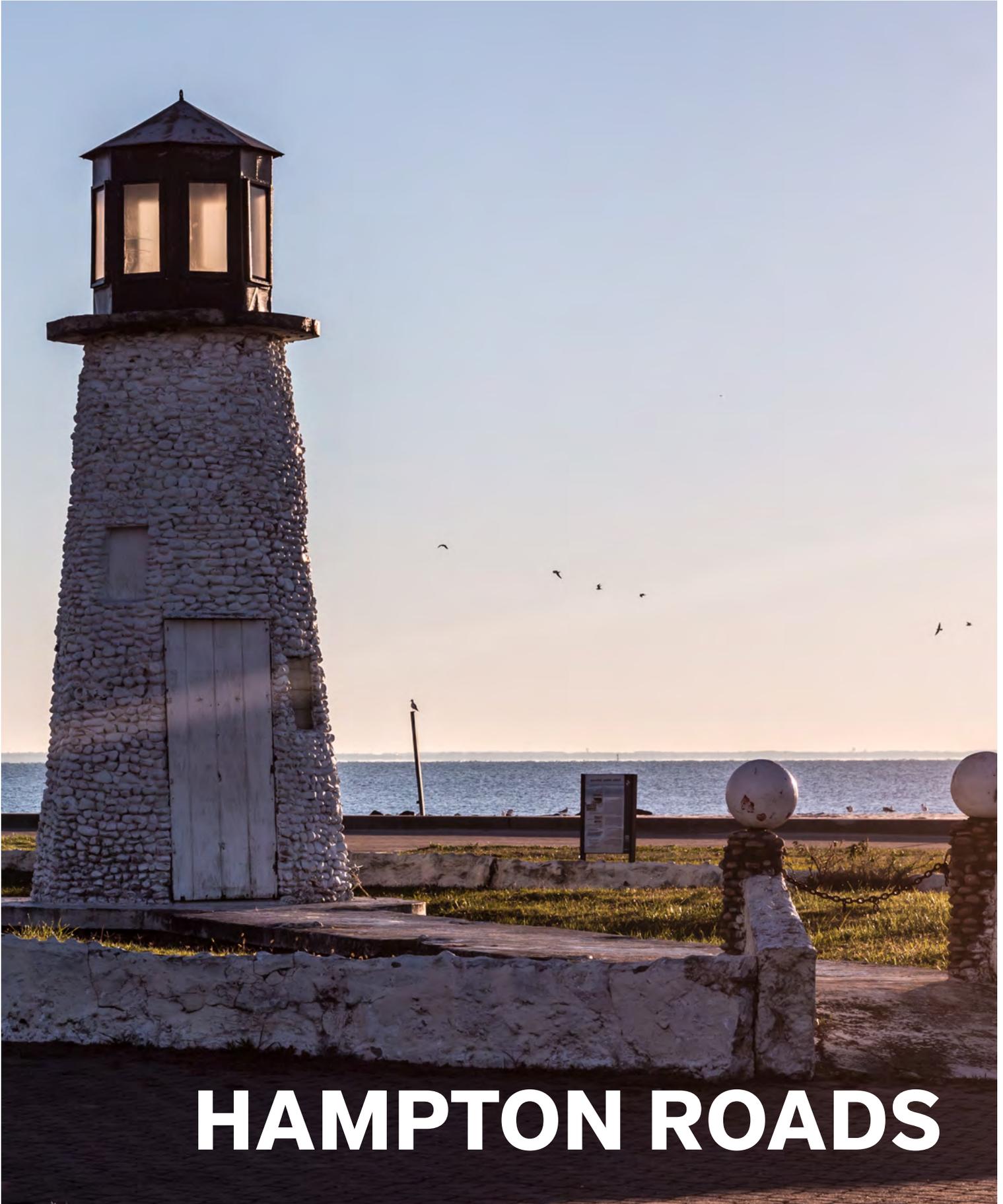


MBH HOME BUYER GUIDE

Settlement Group



HAMPTON ROADS

Congratulations!

Over twenty-five years' experience in working with first-time home buyers, refinancers, and commercial real estate closings has taught us a lot, but one thing has never changed,
Our Clients Are Our #1 Priority.

We're proud of being named a top Title Company in the DC Metro Area by the Washington Business Journal for 5 years. Having handled well over 200,000 settlements since opening our doors in 1994 in McLean, VA, we've learned a lot about what it takes to have a quick, error-free closing. Our customers tell us that it's our "can-do" attitude, forward thinking, and customer-oriented service that keep them coming back to MBH. Whether it's our knowledge, service, or the overall management, we're dedicated to ensuring that your experience is a positive one!

Committed to serving residential and commercial clients, MBH has a real estate settlement attorney available in each of our twenty offices throughout the District of Columbia, Maryland, and Virginia. You can trust MBH for integrity, expertise, strength, and convenience whether you desire digital, hybrid, or traditional closings.

We're focused on investing in innovation to make your closings secure and convenient, expanding our reach and expertise to provide enhanced services where you need them, and maintaining a personal commitment to our communities because it's the people who matter. From contract to keys, MBH has you covered. We look forward to working with you!

Best Regards,
Fred Westerlund
CEO, MBH Settlement Group



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Key Contact List

Real Estate Agent

Name _____
Company _____
Address _____
Phone _____
Fax _____
Phone _____
Email _____

Lender

Pre-qualify & get pre-approved before you house hunt

Name _____
Company _____
Loan Processor _____
Address _____
Phone _____
Fax _____
Email _____

Title & Settlement

Processor _____
Branch Manager _____
Address _____
Phone _____
Fax _____
Email _____

Hazard Insurance Company

Insurance Agent _____
Company _____
Phone _____
Email _____

Home Inspector

Home Inspector _____
Company _____
Phone _____
Email _____
Date/Time _____

Termite Inspector

Designated party to obtain

Company _____
Phone _____
Email _____
Date/Time _____

Utility Companies

Electric _____
Water _____
Gas/Oil _____
Phone _____
Cable/Satellite _____
Internet _____

Pre-Settlement Inspection

Final Walk-Through

Date _____
Time _____

Settlement Date, Time & Location

Date _____
Time _____
MBH Location _____

What You Need to Know Before Buying a Home



Review Your Finances

Take time to review your finances before the bank does. It will pay off!

Income: Your lender will review employer information, time at job, and paystubs.

Credit Scores: Request your full credit report (including your credit score) from Experian, Equifax, and TransUnion. Most companies will provide these once a year at no cost. Outside sources may not provide everything you need so, be sure to get them from the source.

Understand Your Credit Score: Your credit score will be reported on as a number between 300 and 850. Your score will impact your qualification for a mortgage loan and your interest rate. Higher scores really do win here.

Check Your Balances: You'll need money for a down payment as well as insurance. If you can't currently qualify for a loan, or will barely qualify, take steps to improve your credit score so you'll be ready in the future.



Gather Your Documents

If you do this now, it will save time in the future. You'll need to submit documentation to your lender and your title and settlement company. Better to plan ahead and avoid the last minute scramble.

Some of the info you will need:

- The last two years' tax returns.
- Pay stubs or proof of income. (3 months)
- Bank statements, brokerage, and investment account statements. (last 12 months)
- Proof of funds for down payment and closing.
- Unexpired Government Issued Photo Identification.
- If you are currently a renter you may need a letter of recommendation from previous landlord.



Set A Budget

Make a list of your regular monthly expenses (credit card payments, student loans, car payments and other recurring expenses as well as average food, transportation, utilities, cell phone bills, etc.). When you see what you spend, you can set a realistic budget.



Know Your DTI (Debt to Income Ratio)

Determine your DTI by taking your total monthly expenses and dividing that number by your total monthly income. This percentage helps determine how much you can afford to spend for a house. Your lender can provide a target. Rule of thumb: 43% is the number you'll want to be below. At lower numbers, you may receive better terms and interest rates.



Talk With Lenders

After assessing your finances and you believe you're ready to buy, talk to a few lenders! Lenders will help you understand the types of mortgages you may be able to qualify for and can answer questions about terms, interest rates, and requirements for credit scores and DTI. Talk with a few and decide where you are comfortable.



Pre-Qualify

You've gotten all of your questions answered and collected data. Did you find a lender you are comfortable with? Great! Ask the lender for a mortgage pre-approval. Pre-approval is not a guarantee that you'll get a loan; and it does not commit you as the buyer. It's a statement that you're financially qualified to receive one, based on a preliminary examination of your finances. This will also give you a maximum loan amount, so you know what you can afford to spend. It's a great sign for your agent and the home seller that you are ready and able to buy.



Choose A Real Estate Agent

When it's time to get serious, you'll want an experienced real estate agent. Agents can provide valuable information on neighborhoods, schools, and have valuable insights including market conditions, comparable sales, and time on market. You'll be happy to have an agent to negotiate on your behalf, prepare your offer, and to help work through any issues that might arise.



Choose Your Title Company

Who you work with for your title and closing, matters. For over 28 years, through more than 200,000 closings, in our 20 offices across Maryland, Virginia, & Washington, D.C., MBH brings the expertise needed to handle any transaction. We'd love to work with you, contact any MBH office to get started!

Stress-Free House Hunting

You've done the homework, now it's almost time to start house hunting!

The best way to reduce stress?

Keep your priorities top of mind. This will help you eliminate the homes and neighborhoods that are not right for you and help you narrow down your list to the ones that are!

Before you start looking, take some time to determine your needs, your "wants", and your top priorities. This helps your agent recommend great options!



Find Your Ideal Home

What are your priorities?

Priority

Need

Want

Don't Want

NEIGHBORHOOD

Proximity to:

Work

Stores

Schools

Freeways

Community Amenities

Parks / Play Area

Fire & Police

LOT

Curb Appeal

Size of Front Yard

Size of Rear & Side Yards

Walls / Fences / Gates

Front Walkway

Back Walkway

Room for Home Expansion

Room for Pool / Spa

Satisfactory Drainage

Lawn & Landscaping

Septic Tank / Sewer

Water Well / City Water

EXTERIOR

Facade (brick, siding)

Color / Exterior Condition

Garage, Driveway, & Doors

Patios, Porches, Balconies

Windows, Doors, Screens

Roofing / Skylights / Chimneys

Exterior Lighting

View & Traffic (scenic, private)

Garage (attached, # cars)

Sprinkler or Irrigation system

Air Conditioners

Solar Panels

TV Dishes

Find Your Ideal Home

What are your priorities?

Priority

Need

Want

Don't Want

INTERIOR DETAIL

Consider each of the following to determine whether the home will provide living accommodations sufficient for the needs and comfort of your family:

- Rooms will accommodate desired furniture _____
- Condition, color and type of carpeting _____
- Condition and color of interior paint & wallpaper _____
- Size and closet space of master bedroom _____
- Convenient access to bathrooms _____
- Sufficient storage and parking space in garage _____
- Kitchen well-arranged and equipped _____
- Laundry space ample and well located _____
- Windows provide sufficient light and air _____
- Sufficient number of electrical/cable/outlets _____

EXTERIOR CONSTRUCTION

- Stucco, block or wood/composite siding _____
- Windows, doors, and screens _____
- Sprinkling or irrigation system _____
- Roofing, skylights, chimneys and gutters _____
- Driveway, patios, porches, balconies _____
- Block walls, wood fences, gates _____
- Air conditioners, solar panels, TV dishes _____
- Paint on exterior walls and trim _____

TIP: Be sure to check the condition of any in-ground pool or Jacuzzi, including the condition of the pumps, filters, pipes, heating unit, etc. Maintenance and utility costs should be calculated into your monthly expenses.

INTERIOR CONSTRUCTION

- Plaster is free of excessive cracks or leak stains _____
- Condition of kitchen appliances _____
- Door locks in operating condition _____
- Condition of sinks, faucets and countertops _____
- Fireplace works properly _____
- Attic and walls are well-insulated _____
- Adequate lighting and fixtures _____
- Heating and AC equipment in working condition _____
- Plumbing in kitchen and baths working OK _____
- Condition of carpeting _____
- Linoleum, tile and hardwood floor condition _____
- Condition of draperies, shutters or blinds _____

Evaluating Your Options

You've done the homework, determined your priorities, and prequalified for financing – it's time to find your ideal home!

You are likely to be looking at several homes. After a while it's easy to forget the details. **The MBH Home Evaluation Tool** makes it easy to do a consistent, well-thought-out comparison. You'll want to make a copy for each home you'll be viewing.

As you drive through the neighborhood and up to the house, note what you see (parks, restaurants, shopping) and your first impressions of the curb appeal. While you tour the home, take time to record the specific features, as well as your thoughts regarding necessary changes, upkeep, and maintenance. Most importantly, make notes about how this home measures up to your priorities and your budget! Be sure to capture plenty of details and take pictures or video with your thoughts if it is allowed!

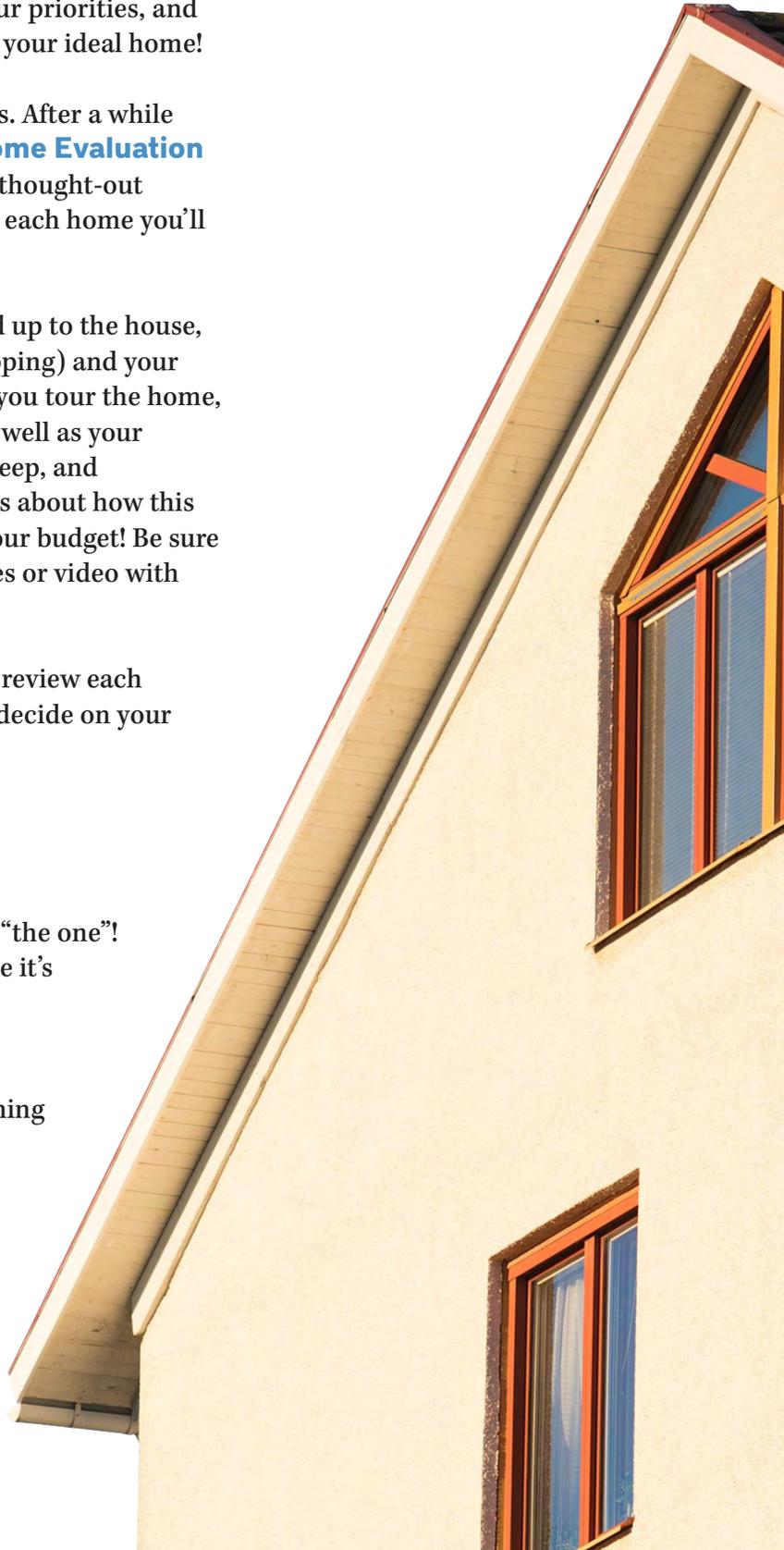
After a day of house hunting, you'll want to review each Home Evaluation to eliminate options and decide on your next steps.

Good luck!

The Contract:

It's an exciting moment when you've found "the one"! Your agent will help you make an offer. Once it's been accepted, it's time for the contract.

You can familiarize yourself with the **REIN Standard Purchase Agreement** beginning on **page 22** of this guide.



Home Evaluation Tool

Address _____

Consider Y/N Price _____ Sq Ft _____ # Bedrooms _____ # Bathrooms _____

NEIGHBORHOOD

	YES	OK	NO
Proximity to:			
Work	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Stores	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Schools	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Freeways	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Community Amenities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Parks / Play Area	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Fire & Police	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

INTERIOR

	YES	OK	NO
Dining Area	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Formal Living Room	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Family Room	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Media Room	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Fireplace	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Attic	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Basement	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Kitchen Layout & Space	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Cabinets & Countertops	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Kitchen Appliances	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Pantry	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Laundry (space / location)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Master Bedroom	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Master Bathroom	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Master Closet	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Additional Bedrooms	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Additional Bathrooms	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Closets	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Flooring	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Interior Paint & Wallpaper	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sufficient Storage	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Windows (good light & air)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sufficient Outlets	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Heat / Air Conditioning	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Lighting	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Accommodate Current	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Furniture	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

LOT

	YES	OK	NO
Curb Appeal	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Size of Front Yard	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Size of Rear & Side Yards	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Walls / Fences / Gates	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Front Walkway	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Back Walkway	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Room for Home Expansion	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Room Room for Pool/Spa	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Satisfactory Drainage	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Lawn & Landscaping	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Septic Tank / Sewer	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Water Well / City Water	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

EXTERIOR

	YES	OK	NO
Facade (brick, wood)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Color / Exterior Condition	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Garage, Driveway, & Doors	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Patios, Porches, Balconies	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Windows, Doors, Screens	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Roofing / Lights / Chimneys	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Exterior Lighting	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
View & Traffic	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Garage (attached, # cars)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sprinkler or Irrigation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Air Conditioners	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Solar Panels	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
TV Dishes	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Wire Fraud

Safeguard your information

To our Valued Clients,

In an effort to advise you of the rise in real estate transaction related email hacking and fraud we are providing you with this notice. At MBH, we will **NEVER** request that you use any wiring instructions other than those received in the initial and official correspondence from one of our branch offices. In an effort to further secure any funds received via wire from our offices during the course of this transaction, we will also **NOT** accept any alteration of any pre or post-closing email delivery of wiring instructions that differ from those provided in original form in the presence of an MBH Settlement Agent.

Should you ever receive an email correspondence appearing to be from an MBH representative asking you to initiate a wire to an account (either matching the account noted or not matching the account noted in this correspondence), please contact that office and representative using a number from a verified source (not one provided in the body of an email you receive) and verbally confirm the validity of the request. We understand that this may sometimes be inconvenient, however, it is for your protection. While we at MBH have taken all measures currently available to us to secure our systems, we can't confirm or be responsible for the security of any other system that parties participating in the transaction use to communicate. Below you will find a summary of our wire policy noted above that will also appear on email correspondence that you receive from an MBH representative:

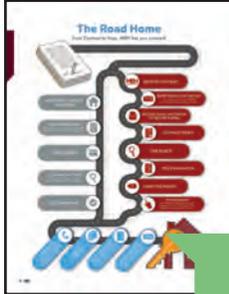
WARNING-FRAUDULENT WIRE INSTRUCTIONS:

Email hacking and fraud are on the rise to fraudulently misdirect funds for real estate transactions. Please call this office immediately, using reliable contact information found from an independent source, to verbally verify any wire or funding instructions received. We are not responsible for any wires sent by you to an incorrect bank account.

**WE DO NOT ACCEPT OR REQUEST CHANGES TO
WIRING INSTRUCTIONS VIA EMAIL OR FAX.**

What To Expect

A lot will happen between now and your closing date. Understanding the process and what MBH Settlement Group is doing to protect you in the purchase of your new home will help ensure a smooth transaction!



Keeping It Smooth, Secure, & Convenient

Once MBH receives your contract, the process begins.

The Road Home infographic, provides a summary of the general timeline and what is happening during each part of the process. You, your lender, and MBH each play a role in ensuring a smooth, secure, on-time closing.

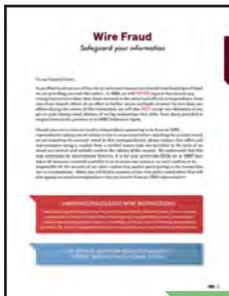
Process Overview The Road Home pages 14 & 15



STEP 1: Send Earnest Money Deposit ASAP

An earnest money deposit (EMD) is money that you put down as a good faith deposit. It shows the seller you are serious about closing the transaction. Most often your EMD money is due within 3 days of the contract! Your contract may note otherwise, check to be certain. If your contract stipulates that MBH is to hold the EMD, you have options to send to MBH: electronic deposit, wire, or check (drop off at office or overnight) .

Electronic EMD Instructions page 16



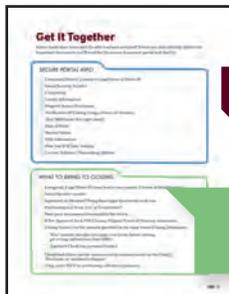
STEP 2: Secure Document Portal

Within the first week, you'll receive an email inviting you to create your account in MBH's secure closing document portal. It's how we ensure all communication and transactions are safe. With the instructions provided in that email:

Create Your Account:

- Review the files in the Documents tab and complete the Tasks as outlined in the portal.
- Track your closing progress online OR in the app.

Email hacking & fraud are on the rise to fraudulently misdirect funds for real estate. Wire Fraud Notice page 11



STEP 3: Gather Important Information

Take note of the information you will need to provide to MBH and what you'll need to bring to your closing. Collecting the required information, and keeping it in a safe, accessible location will help expedite the process.

Get It Together page 17

STEP 4: Regularly Check Your Portal To Maintain Communication

Set deadline reminders on your calendar so you don't delay your closing!

STEP 5: Complete the Mortgage Loan Process

There is a lot happening with your loan provider as well! Be sure to follow up regularly with your lender to ensure there is no missing information.



STEP 6: Protect Your Investment

Your home is likely to be the biggest investment you will make. Now is the time to take action to protect it! Title Insurance and property surveys are two of the most important steps you can take. Your MBH team is available to discuss the best options for you.

*Title Insurance / Coverage Comparison pages 18 - 20
Property Survey page 21*

STEP 7: Get Ready For Closing

It's almost closing day! One of the most important things you can do is to gather all of your documents and secure your closing funds. Your Lender will send your Closing Disclosure (CD) to you 3 business days before your scheduled closing date. Please review and acknowledge this document right away! This document includes:

- Your loan terms.
- Your projected monthly payments.
- How much you will pay in fees and other costs to get your mortgage (closing costs).

Your closing costs cannot be paid with a personal check. AHEAD of your closing date, you will need either a cashier's check or wire transfer. Your MBH representative can provide wire transfer information.



AT YOUR CLOSING

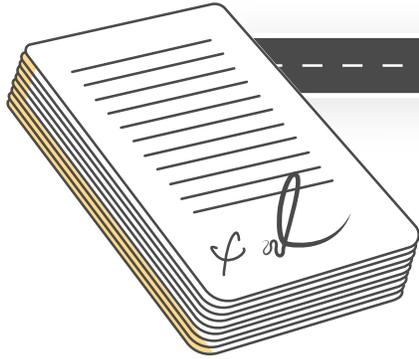
Closing day has arrived! For all of us, this is a GREAT DAY! Expect to Read & Sign several pages of documents, including your mortgage documents and all of the paperwork you've received and reviewed.

*ALTA Settlement pages 44- 45
Closing Disclosure pages 46 - 48*

If you have any questions, your MBH Settlement team is happy to answer! From Contract to Keys, MBH has you covered!

The Road Home

From Contract to Keys, MBH has you covered!



MORTGAGE COMPANY OR LENDER

LOAN APPLICATION
Make sure you send all requested info ASAP in order to meet the closing date!

CREDIT REPORT

LOAN UNDERWRITING
Missing info? Get it in quickly! This can hold up your closing date.

BUYER APPROVED

MBH Settlement Group **CONTRACT RECEIVED**

BUYER SENDS EMD MONEY
Most buyers can now send their EMD (Earnest Money) Electronically.

RECEIVE EMAIL INVITATION TO SECURE PORTAL

CONTRACT REVIEW

TITLE SEARCH

TITLE EXAMINATION

CLEAR TITLE HISTORY

TITLE INSURANCE
Title Insurance helps protect your investment. Your MBH team can discuss the best options for you.

COORDINATE & COMMUNICATE WITH BUYER, SELLER, LENDER, & AGENTS

CLOSING DOCUMENTS PREPARED

CLOSING DISCLOSURE TO BUYER (LENDER SENDS 3 DAYS BEFORE CLOSING)
Look at this, right away!

BUYERS GET CLOSING FUNDS BEFORE CLOSING
Make sure you wire or get your cashier's check BEFORE CLOSING.



The Road Home Explained

A lot will happen between now and your closing date. Understanding the process, what's needed from you, and what MBH Settlement Group is doing to protect you in the purchase of your new home will help ensure a smooth, secure, timely transaction!



MBH RECEIVES CONTRACT

Once your offer has been accepted, your real estate agent can begin the process by sending your contract to MBH!



BUYER SENDS EMD MONEY

Most buyers can now send their EMD (Earnest Money Deposit) electronically! Contact your MBH team for instructions.



BUYER RECEIVES EMAIL INVITATION TO SECURE PORTAL

Once you receive your login & password, follow the process in MBH's Secure Online Document Portal! NOTE: You can Log In from the MBH Buyer & Seller Resource Hub at MBH.com.



CONTRACT REVIEW

MBH Settlement Group will review your contract to ensure everything is in order.



COMMUNICATION & COORDINATION

Coordinate final details & communicate with buyers, sellers, lenders, & agents regarding missing info, closing times, etc.



PREPARE CLOSING DOCUMENTS



TITLE SEARCH

MBH's abstractors will research 40 – 50 years of historical records to review the "chain of title" to ensure you are free to buy the home.



TITLE EXAMINATION

MBH does a final examination and thorough review of the title search to ensure that the property being purchased is suitable for sale.



CLEAR TITLE HISTORY

MBH is making sure that any underwriting requirements are satisfied.



TITLE INSURANCE

Your home is one of your biggest investments. Title insurance is how you protect it! MBH is a licensed agent for some of the nation's largest and most trusted title insurance underwriters.



CLOSING DISCLOSURE TO BUYER

This comes from your Lender! NOTE: Lender sends 3 business days before closing. Review and acknowledge this right away!



BUYERS GET CLOSING FUNDS BEFORE CLOSING

NOTE: Your bank may require time to process either option be sure to contact them right away to understand their process and timing.

The Lender's Process

The lender's process happens simultaneously and in conjunction with the title and settlement process.



LOAN APPLICATION

Make sure you send all info requested by your lender ASAP. NOTE: Delays in your lender receiving all necessary information can impact your closing date.



LOAN UNDERWRITING

Still Missing Info? Check to be sure your lender has everything they need in order to process your loan.



CREDIT REPORT

Your lender is responsible for checking your credit report. Have questions? Your lender will be happy to answer them.



BUYER APPROVED

Your approved loan is a big step in getting the keys to your new home!

Electronic Earnest Money Deposit

An earnest money deposit (EMD) is money that you put down as a good faith deposit. It shows the seller you are serious about closing the transaction.

You must get your money to the entity designated in your contract by the date noted in the contract.

Often your EMD money is due within 3 days of the contract. Your contract may note otherwise, check to be certain.

If your contract stipulates that MBH is to hold the EMD, you have options to send to MBH:

- electronic deposit
- wire
- check (drop off at office or overnight)

Because it's so convenient, most buyers now send their EMD (Earnest Money Deposit) electronically!

If you are not able to send the EMD electronically, your check must be received by MBH by the date detailed in your contract.

Ready to send your electronic EMD via your smart phone?

- Download the BankShot App at your App Store.
- Follow the Instructions to Send your EMD to MBH

*At this time BankShot does not accept NFCU Cashiers Checks.



How to Send Funds to MBH With Your iPhone

1. Download Bank Shot App from App Store
2. Sign-Up to Use Bank Shot (MBH Code: 4950098)
3. Login after signing up
4. Select: Create Payment
5. Select: MBH (To Receive Funds)
6. Select: "Earnest Money" as Payment Type
7. Role: Identify Your Role (i.e. selling agent, etc.)
8. Enter: Listing and Selling Agents, Buyer and Seller Names
9. Enter: Property Address
10. Select: Check Capture as Method of Payment
11. Enter Check Amount (WITHOUT \$ signs or Commas)
12. Sign Check (Check must be filled out and signed)
13. Capture the image of the FRONT of the check
14. Capture the image of the BACK of the check
 - Turn on the Camera Flash, if in a dimly lit room
 - Check must be photographed on dark background
15. Special Instructions: Enter MBH Office handling your file
16. Select: Send Payment
17. NOTE: List of Recent Payments will be accessible on the Dashboard, along with status of Payment

How to Send Funds to MBH With Your Android

1. Download Bank Shot App from Google Play Store
2. Sign-Up to Use Bank Shot (MBH Code: 4950098)
3. Login after signing up
4. Select: Create Payment
5. Select: MBH (To Receive Funds)
6. Select: "Earnest Money" as Payment Type
7. Role: Identify Your Role (i.e. selling agent, etc.)
8. Enter: Listing and Selling Agents, Buyer and Seller Names
9. Enter: Property Address
10. Select: Check Capture as Method of Payment
11. Enter Check Amount (WITHOUT \$ signs or Commas)
12. Sign Check (Check must be filled out and signed)
13. Capture the image of the FRONT of the check
14. Capture the image of the BACK of the check
 - Turn on the Camera Flash, if in a dimly lit room
 - Check must be photographed on dark background
15. Special Instructions: Enter MBH Office handling your file
16. Select: Send Payment
17. NOTE: List of Recent Payments will be accessible on the Dashboard, along with status of Payment

Get It Together

You've found your home and the offer has been accepted! Before you start packing, gather the important documents you'll need for the secure document portal and closing.

SECURE PORTAL INFO

- Unexpired Drivers' License or Legal Form of Photo ID
- Social Security Number
- Citizenship
- Lender Information
- Property Survey Preference
- Notification of Closing Using a Power of Attorney (Let MBH know this right away!)
- Date of Birth
- Marital Status
- HOA Information
- How You Will Take Ownership or Title
- Current Address / Forwarding Address
- Separated or Divorced? Upload your legal documents.
- Purchasing as a Trust, LLC or Corporation? Upload your legal documents.

WHAT TO BRING TO CLOSING

- Unexpired, Legal Photo ID (your lender may require 2 forms of identification).
- Social Security number.
- If Pre-Approved for a POA Closing: Original Power of Attorney documents.
- Closing Funds (for the amount specified in the most recent Closing Disclosure).
 - Wire Transfer Receipt (wired funds must be sent prior to closing; get wiring instructions from MBH), OR
 - Cashier's Check (no personal checks).
- Checkbook (there can be variances in the amount noted on the Closing Disclosure or incidental charges).
- A big smile! We'll be celebrating with lots of pictures.

Protect Your Investment

WHAT IS TITLE INSURANCE?

Your home is likely to be the biggest investment you will make. Title Insurance is how you protect it.

PROTECTION

Title insurance is your best protection against defects (a potential risk) to a current owner's full right or claim to sell a property. It protects against defects, which could remain hidden, despite the most thorough search of the public land records. Lender's Title Insurance, which covers your mortgage lender, is typically paid for by the homebuyer. It is required by the lender and protects the lender's interest. Owner's Title Insurance is purchased by the home buyer. It is the best way to protect your property rights, as well as your heirs, beneficiaries, and trustees.

DEFENSE

In the event of a claim or lawsuit challenging ownership, title insurance covers the policy owner for:

1. Legal Defense of your ownership interest
2. Claim Settlement if it proves valid

Owner's Title Insurance can be a home buyer's primary defense.

MBH HAS YOU COVERED

MBH is a licensed agent for some of the nation's largest and most trusted title insurance underwriters. Delivering the best protection against unknown risks, MBH has you covered! Your MBH team is available to discuss the best options for you. Contact MBH today to protect your investment!



Coverage Comparison

Standard
ALTA
Residential

Enhanced
ALTA
Homeowner's

Covered Risks

- Third party claims an interest in the title
- Prior forgery, fraud or duress affecting the title
- Liens or encumbrances on the title (e.g., prior mortgage, or deed of trust, state or federal tax lien, condominium or homeowners' association lien)
- Improperly executed documents
- Defective recording of documents
- Unmarketability of the title
- Lack of a right of legal access to and from the land
- Restrictive covenants limiting your use of the land
- Gap Coverage (extending coverage from the closing to the recording of the deed)

Duration

- Coverage continues as long as you own the property
- Policy insures anyone who inherits the property from you
- Policy insures the trustee of an estate-planning trust
- Policy insures the beneficiaries of a trust upon your death

Extended Coverage

- Parties in possession of the property that are not disclosed by the public records (e.g., tenants, adverse possessors)
- Unrecorded easements (e.g., prescriptive easements) affecting the property
- Encroachments and boundary line disputes that would be disclosed by a survey
- Mechanic's liens (a lien against the property due to non-payment of work)
- Taxes or special assessments that are not shown as liens by the public records

Post Policy Coverages

- Forgery affecting the title
- Unauthorized leases, contracts or options
- Ownership claims
- Easements or restrictions affecting your use of the land
- Encroachment of neighbor's buildings onto your land

* Not automatically included in the basic policy, but may be available by extended coverage.

Coverage Comparison

Standard
ALTA
Residential

Enhanced
ALTA
Homeowner's

Additional Coverages

- Actual vehicular and pedestrian access, based upon a legal right
- You must correct or remove an existing violation of certain covenants, conditions, or restrictions
- Loss of your title resulting from a prior violation of a covenant, condition or restriction
- Up to \$10,000 if you are unable to obtain a building permit due to an existing violation of a subdivision law or regulation or you must correct an existing violation (subject to a deductible)
- Up to \$25,000 if you must remedy or remove an existing structure because it was built without a proper building permit (subject to a deductible)
- Up to \$25,000 if you must remedy or remove an existing structure due to an existing violation of a zoning law or zoning regulation (subject to a deductible)
- Up to \$5,000 if you must remove your existing structures if they encroach into your neighbor's land (subject to a deductible)
- You cannot use the land as a single-family residence because such use violates an existing zoning law or zoning regulation
- You are forced to remove existing structures because they encroach into an easement affecting the land
- Damage to existing structures due to an exercise of an existing right to use any easement affecting the land
- Damage to existing improvements due to an exercise of an existing right to use the surface of the land for the extraction or development of minerals, water or any other substance
- Attempted enforcement of a discriminatory covenant
- Supplemental taxes because of a prior construction or change of ownership or use
- Damages if the residence is not located at the address stated in the policy
- Pays substitute rent and relocation expenses, if you cannot use your home because of a claim covered by the policy
- Automatic increase in policy amount up to 150% of policy amount over 5 year
- Parties in possession of the property that are not disclosed by the public records (e.g., tenants, adverse possessors)

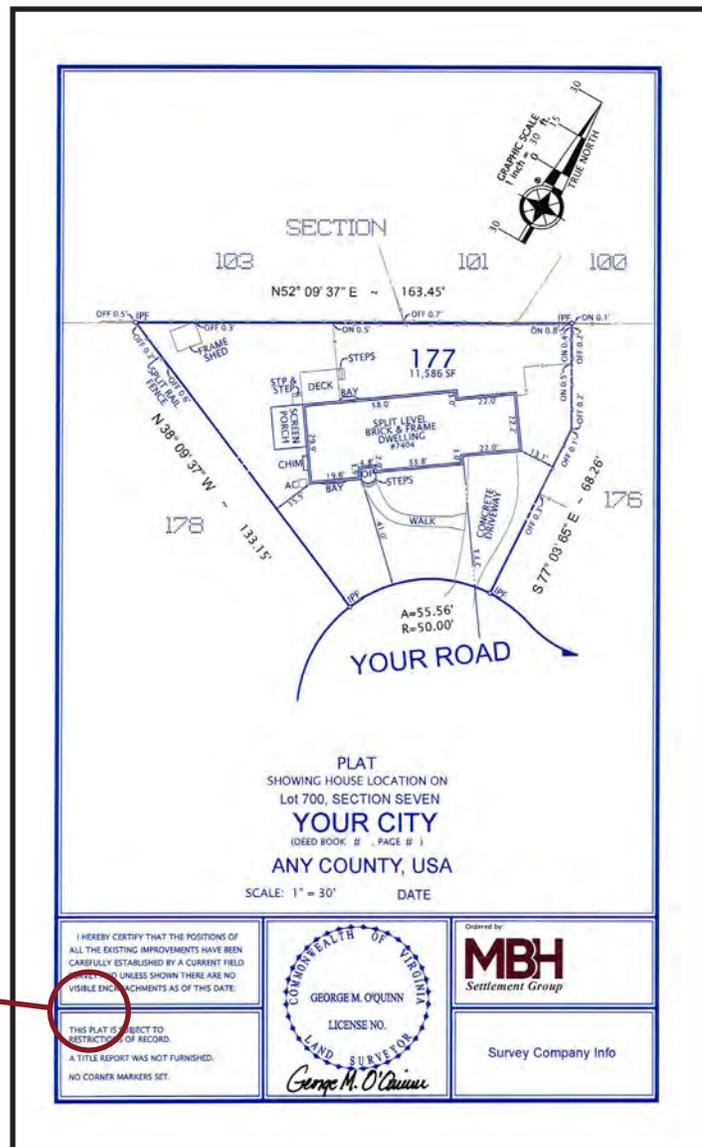
Protecting Your Investment: Property Survey

What Is A Survey?

A survey is a document which illustrates the property boundary lines, including structures, fences, possible encroachments onto or from neighboring properties, and easements on the property. A survey can affirm property size and make you aware of major issues concerning the property in time to have them remedied by the seller prior to closing.

Why Do You Need a Survey?

It is generally believed to be in your best interest to have a survey done, even if it's not required. Improperly placed fences, encroachment of neighboring structures, and development restrictions are a few of the potential issues that would be brought to light by a survey. All of which would be important to understand before you purchase. When a survey is done, the title insurance policy will contain an exception for anything that shows up when the survey is done.



Understanding the REIN Standard Purchase Agreement

The following is an overview of the provisions of the Real Estate Information Network (“REIN”) Standard Purchase Agreement, revised January 3, 2022 (the “Agreement”). Capitalized terms in this overview have the same meanings as set forth in the Agreement.

INTRODUCTORY PARAGRAPH:

This paragraph contains blanks for the date of the Agreement, the names of the Buyer(s) and Seller(s), the names of the Selling Firm and the Listing Firm, and the MLS Office numbers for the Selling Firm and the Listing Firm.

1. AGREEMENT TO SELL PROPERTY:

This paragraph includes blanks for a legal description and street address for the real property (the “Property”). It also indicates that the definition of “Property” includes the items listed and described in paragraph 15 of the Agreement (see below).

2. DEPOSIT:

This paragraph details information on the amount of the deposit (the “Deposit”) and whether it is paid by personal check, federal wire transfer, certified bank check, Automated Clearing House (ACH) or some other form. The paragraph has a blank to identify the Escrow Agent who will hold the Deposit.

The Buyer must indicate whether the Deposit has been paid to the Escrow Agent or will be paid to the Escrow Agent within two (2) business days of the “Ratification Date”, which is defined as the date of communication of final written acceptance by Buyer and Seller of all the terms of the Agreement, not the date of removal or expiration of any contingencies. The bottom of page 1 of the Agreement contains a box to be completed with the Ratification Date and the signature of the Listing Agent or Selling Agent.

In the event the Deposit is not made as set forth in this paragraph, or if the funds are dishonored, the Escrow Agent is to provide written notice to Buyer and Seller, Buyer will be in breach of the Agreement and Seller may terminate the Agreement by written notice to Buyer, in which case the parties have no further liability to one another.

3. PURCHASE PRICE:

This paragraph sets forth the Purchase Price and the manner in which it is paid: (a) down payment amount (cashier’s or certified check or wire transfer at settlement), (b) loan amount and blank for type of loan, and (c) amount of cash or other financing terms.

4. SETTLEMENT EXPENSES:

This paragraph outlines the settlement and recording fees to be paid by Seller and Buyer at settlement. The paragraph also discusses seller contributions toward Buyer expenses.

5. DEPOSIT:

This paragraph contains additional provisions relating to the Deposit made in accordance with paragraph 2 of the Agreement. These include:

a) Duty of the Escrow Agent to place the Deposit in an escrow account. The escrow account may be interest-bearing, and Buyer and Seller waive any right to interest on the Deposit.

b) Duty of the Escrow Agent to hold the Deposit in escrow until settlement or termination of the Agreement. This subparagraph also outlines an option of a broker to send written notice for release of the Deposit.

c) This subparagraph recognizes that foreclosure shall be considered a termination of the Agreement, with the Deposit disbursed to Buyer, absent any Buyer default.

6. LOAN APPLICATION/LOAN DENIAL/INTENT TO OCCUPY:

a) Loan Application.

i) This subparagraph includes a blank for the name of the lender. Buyer will authorize and pay for a credit report, appraisal or other requirements of the lender. If Buyer wishes to change lenders, Buyer must obtain written permission from Seller.

ii) This subparagraph outlines Buyer's obligation to diligently and in good faith obtain financing. Failure to do so constitutes a default. Except as otherwise provided in the Agreement, Buyer is responsible for all costs associated with obtaining financing. Buyer is responsible for locking in the interest rate and discount points for the loan. Failure to have required cash to close (including down payment, closing costs and prepaids) constitutes a default.

iii) This subparagraph authorizes the lender to keep Listing Firm and Selling Firm apprised of the status of loan approval, including verification that the appraisal has been authorized by Buyer. In the event the appraisal reflects a value less than the Purchase Price or required repairs, Buyer instructs the lender to deliver a copy of the appraisal or portions of the appraisal or affidavit as to value and/or repairs to Listing Firm upon Seller's request.

iv) This subparagraph reiterates that Buyer's failure to comply with paragraph 6A of the Agreement constitutes a default with Seller's right to terminate the Agreement.

b) Loan Denial. This paragraph outlines (a) Buyer's authorization for the lender to notify Seller, Listing Firm and Selling Firm of a denial of the loan, (b) Buyer's obligation to provide written notice of denial, and (c) the right of Buyer or Seller to terminate the Agreement.

c) Intent to Occupy. Buyer is to indicate whether Buyer intends to occupy the Property as Buyer's principal residence.

7. REPRESENTATIONS:

This paragraph outlines representations of the parties. These include:

a) Buyer representation that the Agreement and financing are not contingent on the settlement or refinancing of other real property.

b) Buyer's obligation to notify Seller, Listing Firm and Selling Firm in writing of any material adverse change in Buyer's financial condition which prevents Buyer from obtaining the specified financing.

c) Seller representations that Seller (i) has good and marketable title to the Property, and (ii) has the right to convey to Buyer.

d) Seller representation that Seller is not considered a foreign individual or entity under the Internal Revenue Code and applicable regulations (and the obligation of Buyer to collect and file tax withholding if Seller is).

e) Seller representation as to any onsite septic system serving the Property.

f) Buyer's right to terminate the Agreement in the event any representation by Seller is materially untrue, and Buyer's right to recover any appraisal and property inspection expense, and attorney's fees, from Seller.

8. SETTLEMENT/POSSESSION:

This paragraph sets forth the Settlement Date, and allows the parties to extend the number of days for the Settlement Date (if not specified, deemed to be ten (10) days), solely for the purpose of (i) processing and closing the specified loan, and/or (ii) correcting any defects reported by a title examiner. Possession of the Property is to be given at settlement unless otherwise agreed in writing by Buyer and Seller. The paragraph outlines documents to be executed and delivered by Seller.

Buyer has the right under Virginia law to select the settlement agent, and this right may not be varied by agreement or waived. Seller may not require the use of a particular settlement agent.

Buyer and Seller authorize their respective attorneys, lenders and/or the settlement agent to furnish to all parties, including the Listing Firm and Selling Firm, copies of the draft and final ALTA Settlement Statement, Buyer's Closing Disclosure and Seller's Closing Disclosure.

9. DEED AND TITLE:

a) Seller is to convey title to the Property by General Warranty Deed, unless otherwise stated, subject to easements, covenants and restrictions of record which do not adversely affect the use of the Property for residential purposes. Except as expressly provided in writing, representations and warranties made by Seller and all provisions of the Agreement are merged in the deed and do not survive settlement. Title must be marketable with insurable access to a publicly-dedicated road.

b) Buyer is required to purchase a lender's title insurance policy if Buyer is obtaining a loan. Buyer may purchase and pay for an owner's title insurance policy, either "standard" or "enhanced". Nothing in the Agreement obligates Buyer to obtain an owner's title insurance policy. Buyer is cautioned to consult an attorney with respect to an owner's title insurance policy.

c) Buyer is to designate whether Buyer waives or desires to obtain a survey. Buyer shall obtain a survey if required by the lender or title company.

10. PRORATIONS/ESCROW:

This paragraph outlines the items to be prorated (real property taxes, insurance, rent, homeowner's association and condominium fees), and, in the case of an assumption, whether the items will be prorated or be current and transferred gratis at settlement.

11. VA/FHA/CONVENTIONAL FINANCING OR CASH CONTINGENCY:

This paragraph designates whether the transaction will have HUD/FHA or VA financing, conventional financing or be a cash settlement. In the case of HUD/FHA or VA financing, Buyer is not obligated to complete purchase unless Buyer receives a written statement setting forth the appraised value in an amount not less than the Purchase Price. In the case of Conventional financing, Buyer is not obligated to complete settlement if the Purchase Price exceeds the final appraised value and Seller does not agree to reduce the Purchase Price to the appraised value.

12. PROPERTY CONDITION:

Subject to the provisions of paragraphs 13 (inspections/repairs) and 14 (contingencies), Buyer has inspected the Property and accepts the Property in its present condition except for certain matters to be noted in this paragraph. Seller agrees to repair or replace the items noted in a workmanlike manner at Seller's expense prior to the walk-through inspection. Seller is to deliver the Property in substantially the same condition as of the date of the Agreement, free of personal property (other than stated in paragraph 15), debris and trash. Until settlement, Seller assumes all risk of loss or damage to the Property by fire, windstorm, casualty or other hazards.

13. INSPECTIONS/REPAIRS/TREATMENTS/CAP:

This paragraph outlines Seller's responsibility for a number of listed repairs and places a cap (the "Cap") on such repairs in an amount not to exceed a stated percentage of the Purchase Price to be set forth in the paragraph. If not specified, the Cap is deemed to be one percent (1%) of the Purchase Price. The repairs include:

a) Appraisal and Required Repairs. Any repairs required by the lender or governmental agencies as a result of the appraisal.

b) Wood Destroying Insect Infestation (WDII)/Moisture Inspection/Repairs. The parties are to indicate whether Buyer or Seller will obtain a Wood Destroying Insect Infestation Inspection Report and a Moisture Inspection Report (the "Reports"), and the party responsible for expense of the Reports. Treatment is to be performed by the company issuing the Reports, and cost of treatment will be Seller's expense, subject to the Cap. Seller is to correct any standing water and damage identified in the Reports at Seller's expense (subject to the Cap) prior to the walk-through inspection.

c) Drinking Water and Septic.

1) Drinking Water. This subparagraph designates whether the Property is served by public/private utilities or a well/cistern. In the case of a well/cistern, the parties must designate whether, prior to the walk-through inspection, Buyer or Seller will obtain a test to confirm whether the water is safe for human consumption and the party responsible for the cost of the test. If the water is found to be unsafe, and the Property is not serviced by another potable water source, prior to the walk-through inspection, Seller is to remedy at Seller's expense (subject to the Cap) and provide a new test confirming the water is safe.

2) Septic. If the Property is served by a septic system, this subparagraph designates whether Buyer or Seller, prior to the walk-through inspection, will obtain a written statement regarding the condition of the system. The subparagraph also designates whether the inspection is to include pumping the system at the expense of the responsible party. If the septic system is found to be defective or not in compliance with governmental regulations, Seller is to correct and pay (subject to the Cap) for repairs prior to the walk-through inspection.

d) Walk-Through Inspection. Buyer reserves the right to perform a walk-through inspection prior to settlement to determine that the Property is in substantially the same condition as of the date of the Agreement. The paragraph sets forth an election as to which party will be responsible for providing utilities for the inspection. Subject to the Cap, Seller is to repair all non-working walk-through items.

14. CONTINGENCIES:

The Agreement is contingent on the conditions listed in this paragraph and those noted on any attached contingency addendum/addenda.

- a) Condominium.** This subparagraph designates whether the Property is subject to the Virginia Condominium Act, and, if a resale, sets forth the amount of the mandatory monthly fees, and references a Condominium Addendum to be attached.
- b) Property Owners' Associations.** This subparagraph designates whether the Property is subject to the Virginia Property Owners' Association Act, and, if so, the amount of the mandatory monthly fees, and references a Property Owners' Association Addendum to be attached.
- c) Cooperative.** This subparagraph designates whether the Property is subject to the Virginia Real Estate Cooperative Act, and, if so, the amount of the mandatory monthly fees, and references a Cooperative Interest Addendum to be attached.
- d) Property Inspections.** This paragraph lists several inspections Buyer may elect.
 - 1) Property Inspection.** This subparagraph designates whether Buyer wishes to obtain, at Buyer's expense, an inspection to determine the condition of the Property. If so, a Property Inspection Contingency Addendum is to be attached to the Agreement.
 - 2) Exterior Insulation and Finish System (EIFS).** This subparagraph designates whether the Buyer wishes to obtain an inspection and moisture test of the exterior insulation and finish system of the Property.
 - 3) Lead-Based Paint Disclosure.** This subparagraph designates whether Buyer wishes to obtain a risk assessment or inspection of the Property if constructed prior to 1978 for the presence of lead-based paint. If so, a Property Inspection Contingency Addendum is to be attached to the Agreement.
 - 4) Other Inspections.** This subparagraph allows Buyer to designate additional inspections referenced in a Property Inspection Contingency Addendum to be attached to the Agreement.
- e) Other Contingencies.** This subparagraph allows Buyer to list any other contingencies applicable to the transaction.

15. ITEMS TO CONVEY:

This paragraph contains an itemized list of personal property and fixtures, with the parties marking the items to convey with the Property. Additional items, which are not listed, can be added at the end of this paragraph.

16. CONFIRMATIONS AND DISCLOSURES:

Buyer and Seller acknowledge receipt of the REIN Consumer Disclosure Information Form and Summary of Rights and Obligations of Sellers and Purchasers under the Virginia Residential Property Disclosure Act Form prior to entering in the Agreement. The paragraph includes the following additional disclosures:

- a) Confirmation of Brokerage Relationship.** This subparagraph outlines the parties the Listing Firm and the Selling Firm represent in the transaction.
- b) Aircraft Noise Zone/Accident Potential Zone Disclosure.** This subparagraph designates whether the

Property is located in an Aircraft Noise Zone or Aircraft Accident Potential Zone, and, if applicable, references the disclosure form to be attached.

c) Virginia Residential Property Disclosure Act (the “Act”). The Act requires that sellers of residential real property disclose certain information known to sellers regarding the condition of the property. This subparagraph references a Residential Property Disclosure Statement attached to the Agreement, which is provided by Seller to Buyer prior to ratification of the Agreement.

d) Agency Interest Disclosure. Except as disclosed in the subparagraph, (i) neither the Listing Agent nor the Selling Agent or any member of such agent’s family or firm, or any entities in which the agent has an ownership interest is acquiring, attempting to acquire, or selling the Property, and (ii) neither Seller nor Buyer is a licensed real estate agent.

e) Megan’s Law Disclosure. This subparagraph cautions Buyer to exercise whatever due diligence deemed necessary with respect to any sexual offenders registered under provisions of the Virginia Code.

f) Mechanic’s Liens. This subparagraph alerts Buyer that a mechanics’ lien may be filed after settlement for work performed prior to settlement.

g) Square Footage/Acreage and/or Other Property Measurements. This subparagraph states that any representations as to square footage, acreage or other measurements are approximate and should be independently confirmed by Buyer.

h) Pending Building or Zoning Violations. Except as disclosed in the subparagraph, Seller has no actual knowledge that the Property has any pending enforcement actions pursuant to the Uniform Statewide Building Code set forth in the Virginia Code.

i) Property Previously Used to Manufacture Methamphetamine. This subparagraph acknowledges the obligation of Seller to advise if Seller has actual knowledge that the Property was previously used to manufacture methamphetamine and has not been cleaned up in accordance with state guidelines, and, if applicable, references the disclosure form to be attached.

17. BROKERAGE FEE:

This paragraph acknowledges that Listing Firm and Selling Firm are third-party beneficiaries of the Agreement with respect to payment of the brokerage fee and directs the settlement agent to disburse such fees at settlement.

18. DEFAULT:

This paragraph sets forth that, subject to paragraph 19 below, if either party defaults under the Agreement, the non-defaulting party may pursue all available remedies. In the event of default, the Escrow Agent is to pay the Deposit to the non-defaulting party in accordance with paragraph 5B (see above). All rights and remedies are cumulative. The defaulting party will be liable for the brokerage fee due to Listing Firm and Selling Firm. In any action, the prevailing party is entitled to receive reasonable attorney’s fees, costs and expenses from the non-prevailing party.

19. DISPUTE RESOLUTION:

Prior to initiating any litigation, the parties agree that any dispute will be submitted to mediation. The paragraph sets forth the procedures for initiating mediation and rights of an asserting party in the event a non-asserting party does not submit to mediation. The paragraph lists several matters excluded from mediation. The terms of paragraph 19 survive settlement and conveyance of title for a period of five (5) years.

20. OTHER PROVISIONS:

This paragraph is blank and permits the parties to include other provisions applicable to the transaction.

21. NON-ASSIGNMENT:

The Agreement may not be assigned by Buyer without the written consent of Seller.

22. TAX-DEFERRED EXCHANGE:

Buyer and Seller agree to cooperate with one another if either desires for the conveyance of the Property to be part of a tax-deferred exchange. The non-exchanging party will not assume any additional liability with respect to the tax-deferred exchange. The parties agree to execute required documents, including an assignment of the Agreement, necessary to give effect to this provision, all at no cost to the non-exchanging party.

23. NOTICES:

This paragraph outlines the methods for providing required notices.

24. MISCELLANEOUS:

Miscellaneous provisions include: (a) paragraph headings are for convenience only; (b) the term “day” is deemed to mean any day of the week, regardless of legal or religious holiday, the term “business banking day” is deemed to mean Monday through Friday, except federal holidays, and the term “Day” shall mean 12:00 a.m. (midnight) until 11:59 p.m. Eastern Time, with any agreed upon timeframe beginning at 12:00 a.m. (midnight) after the event triggering the commencement of the timeframe; (c) any changes to the Agreement are to be made by written amendment; (d) the Agreement may be executed in counterparts; (e) in the event of any conflict between handwritten or typed provisions and the printed terms of the Agreement, the handwritten or typed provisions control; (f) the terms of the Agreement and any addenda, exhibits, modifications and amendments are the entire agreement between the parties; (g) Seller and Buyer authorize Listing Firm and Selling Firm to disclose financial information relating to the sale of the Property (but not personal financial information) to the multiple listing service and real estate appraisers; (h) if any provision of the Agreement is deemed illegal or invalid for any reason by a court of competent jurisdiction, the other terms of the Agreement remain in force and effect.

OPTIONAL PROVISION:

This section is located in a box at the end of the Agreement and provides that if both Seller and Buyer initial, digital signatures are acceptable for use in the transaction.

DISCLOSURES:

Immediately prior to the signature lines, there are two disclosures:

1) The property is offered without respect to race, color, religion, sex, handicap, familial status, source of funds, sexual orientation, gender identity, military status, elderliness, national origin, or any protected class under federal, state or local law.

2) The Agreement is a legally binding agreement. If not understood, seek legal advice.

REAL ESTATE INFORMATION NETWORK INC.
STANDARD PURCHASE AGREEMENT ("AGREEMENT")



1 THIS AGREEMENT is made this _____ (date),
2 between _____ ("Buyer"),
3 _____
4 _____ ("Seller"),
5 _____ ("Selling Firm") (_____ MLS Office No.)
6 and _____ ("Listing Firm") (_____ MLS Office No.)

7 1. **AGREEMENT TO SELL PROPERTY:** Pursuant to the terms of this Agreement, Buyer agrees to buy and Seller
8 agrees to sell all that certain piece, parcel or lot of land and all improvements and fixtures on such land described
9 as follows: LEGAL DESCRIPTION:
10 _____ also known as
11 _____
12 _____
13 _____ (Street address / City / State / Zip code)
14 including, but not limited to, those items listed and described in paragraph 15 (collectively, "Property").

15 2. **DEPOSIT:** The deposit (the "Deposit") shall be in the amount of
16 _____ and 00/100 Dollars (\$ _____)
17 and paid by personal check, federal wire transfer, certified bank check, Automated Clearing House
18 (ACH), or other _____ and held
19 by _____ ("Escrow Agent"). The
20 Deposit shall apply as a credit to Buyer at settlement.

21 Buyer has paid the Deposit to the Escrow Agent or will pay the Deposit to the Escrow Agent within two (2)
22 business days of the "Ratification Date". For purposes of this Agreement, ratification ("Ratification") shall mean the
23 date ("Ratification Date") of communication of final written acceptance by Buyer and Seller of all the terms of this
24 Agreement, not the date of removal or expiration of any contingencies.

25 If Buyer fails to pay the Deposit set forth above or if any check or other funds paid by Buyer are dishonored, Escrow
26 Agent shall promptly provide written notice of such to Buyer and Seller. In such case, Buyer shall be in breach of
27 this Agreement and Seller may, at Seller's option, terminate this Agreement by written notice to Buyer in which event
28 neither Buyer or Seller shall have any further liability to the other.

29 3. **PURCHASE PRICE:** The Purchase Price of the Property is as follows:
30 \$ _____ (_____ (Dollars)
31 ("Purchase Price") and shall be paid as follows:
32 \$ _____ Down payment by cashier's or certified check or wire transfer to
33 the settlement agent due at settlement;
34 \$ _____ By _____ loan to be obtained by Buyer;
35 and
36 \$ _____ By cash or other financing terms if applicable:

37 _____
38 VA Funding Fee, FHA MIP or Conventional PMI to be financed as applicable. If private party financing or assumption,
39 then the appropriate addendum is attached and shall become a part of this Agreement.

40 This Purchase Agreement was fully ratified by Buyer and Seller as of:
41 _____ SIGNATURE: _____
42 (RATIFICATION DATE) LISTING AGENT OR SELLING AGENT
43 _____



44 **4. SETTLEMENT EXPENSES:** Except as otherwise stated below, Seller shall pay (i) all expenses of deed preparation,
45 the grantor's tax on the deed, appraiser reinspection fees, and all expenses, if any, for removal of title defects and
46 (ii) those fees charged by lender for the specified financing which, by law, Buyer is not permitted to pay. Except as
47 otherwise stated herein, all expenses incurred by Buyer in connection with this purchase, including without limitation,
48 title examination fees and title insurance premiums, survey costs (including elevation certificate if required by lender),
49 insurance premiums, discount points (unless prohibited by law), prepaids, recording costs and fees of Buyer's
50 attorney or settlement agent, shall be paid by Buyer. The amount of seller contributions to Buyer's expenses, if any,
51 shall be inclusive of those fees charged by lender for specified financing which, by law, Buyer is not permitted to
52 pay. Any agreed upon seller contributions to Buyer's expenses shall not include any compensation, commission,
53 fees, charges or other amounts payable to Selling Firm unless such payment is specifically agreed to in writing by
54 Seller in this Agreement.

55 _____
56 _____
57 _____

58 **5. DEPOSIT:**

59 **A.** Unless otherwise agreed in writing by Buyer and Seller, if the Deposit is received by Escrow Agent prior to the
60 Ratification Date, the Escrow Agent shall place the Deposit in an escrow account by the end of the fifth (5th)
61 business banking day following the Ratification Date. If the Deposit is received by the Escrow Agent after the
62 Ratification Date, the Escrow Agent shall place the Deposit in an escrow account by the end of the fifth (5th)
63 business banking day following Escrow Agent's receipt of the Deposit. If Escrow Agent is the Listing Firm or the
64 Selling Firm, the Deposit shall be held and applied in conformity to the Regulations of the Virginia Real Estate
65 Board. Escrow Agent may place the Deposit in an interest-bearing account. All interest, if any, which accrues
66 with respect to the Deposit, shall become the sole and exclusive property of Escrow Agent. Buyer and Seller
67 waive any and all right or entitlement to such interest.

68 **B.** The Deposit shall remain in escrow until settlement or termination. In the event that the transaction does not
69 close, Escrow Agent shall hold the Deposit in escrow until (i) Buyer and Seller have agreed in a written
70 agreement as to the disposition of the Deposit and the Deposit shall be returned to the agreed-upon party as
71 provided in such written agreement; (ii) the Deposit is successfully interpleaded into a court of competent
72 jurisdiction pursuant to this section; (iii) a court of competent jurisdiction orders such disbursement of the
73 Deposit; or (iv) the Escrow Agent releases the Deposit to the principal to the transaction who is entitled to receive
74 the Deposit in accordance with the clear and explicit terms of this Agreement. Except as provided in the clear
75 and explicit terms of this Agreement, Escrow Agent shall not be required to make a determination as to the party
76 entitled to receive the Deposit.

77 At the option of a broker, written notice may be sent by the broker that release of such funds shall be made
78 unless a written protest is received from the principal who is not receiving the funds by such broker within 15
79 days of the date of such notice. Notice of disbursement shall be given to the parties to the transaction in
80 accordance with the Agreement.

81 **C.** If the Property is foreclosed upon while this Agreement is pending, the terms of Section 54.1-2108.1 of the Code
82 of Virginia shall apply to the disbursement of the Deposit. Foreclosure shall be considered a termination of this
83 Agreement, and absent any default by Buyer, the Deposit shall be disbursed to Buyer.

84 **6. LOAN APPLICATION / LOAN DENIAL / INTENT TO OCCUPY:**

85 **A. LOAN APPLICATION:**

86 i. Unless otherwise indicated below, within seven (7) days of ratification of this Agreement, Buyer shall apply
87 for the specified financing from _____

88 _____ (Name of Lender)
89 and authorize and pay for a credit report, appraisal or other requirements of such lender. If this Agreement
90 is contingent on any inspection of the Property in paragraph 14D, the deadline for Buyer to authorize the
91 lender to order the appraisal is extended to three (3) days after removal of the Property Inspection
92 Contingency. **Should Buyer wish to change lenders, Buyer must obtain written permission from
93 Seller.**

94 _____
95 _____
96 _____



- 97 ii. Buyer shall, promptly, diligently and in good faith, undertake each and every action necessary to obtain such
 98 financing. Buyer's failure to do so shall constitute a default of this Agreement. Except as otherwise provided
 99 in the Agreement, Buyer shall pay all costs associated with obtaining the financing. Buyer's failure to have
 100 available for settlement the cash required by this Agreement, including but not limited to down payment,
 101 closing costs, and prepaids, shall constitute a default of this Agreement.
- 102 Buyer has the responsibility to lock in the interest rate and discount points with respect to such loan(s).
- 103 iii. Buyer authorizes lender to keep Listing Firm and Selling Firm apprised of progress and status of loan
 104 approval, including verification that appraisal has been authorized by Buyer and confirmation of receipt of
 105 the appraisal. Should the appraisal indicate an appraised value less than the Purchase Price and/or require
 106 repairs, Buyer instructs lender to deliver a copy of the appraisal, applicable portions of the appraisal or
 107 affidavit as to value and/or repairs, to Listing Firm upon Seller's request.
- 108 iv. **Buyer's failure to comply with the provisions of paragraph 6A shall constitute a default of this**
 109 **Agreement and Seller shall have the right to terminate this Agreement.**
- 110 **B. LOAN DENIAL: Buyer authorizes lender to notify Seller, Listing Firm and Selling Firm of loan or**
 111 **assumption denial.** If Buyer's loan or assumption application is denied, Buyer shall, within three (3) days of
 112 any communication of denial to Buyer, provide written notice of such denial to Seller, Listing Firm and Selling
 113 Firm. At Seller's request, Buyer shall provide Seller a copy of the lender's denial notice and any additional
 114 documentation confirming the validity of such loan denial as is reasonably requested by Seller. Provided that
 115 such denial was not the result of Buyer's default, including Buyer's failure to act in good faith to obtain the
 116 financing or failure to have available for settlement the cash required by the terms of this Agreement, either
 117 Buyer or Seller shall have the right to terminate this Agreement. In the event of such termination: (i) all parties
 118 shall execute the appropriate release agreement; (ii) the Deposit shall be refunded to Buyer in accordance with
 119 paragraph 5B of this Agreement; and (iii) no party to this Agreement shall have any further rights against or
 120 obligations to any other party to this Agreement. Buyer's failure to send the written notice of denial within such
 121 three (3) day time period shall constitute a default under this Agreement. Seller may terminate this Agreement
 122 in the event of Buyer's default for failure to send the written notice of denial or in the event that loan denial was
 123 the result of Buyer's default. The rights and remedies set forth in this paragraph shall be in addition to the rights
 124 and remedies specified in paragraph 18.
- 125 **C. INTENT TO OCCUPY:** Buyer **DOES** / **DOES NOT** intend to occupy the Property as Buyer's principal
 126 residence.

127 **7. REPRESENTATIONS:**

- 128 **A.** Unless otherwise specified in this Agreement, Buyer represents that neither this Agreement nor the financing is
 129 dependent or contingent on the sale, settlement, lease or refinancing of other real property.
- 130 **B.** Buyer acknowledges that Seller is relying upon all of Buyer's representations, including, without limitation, the
 131 accuracy of the financial information given by Buyer to Seller, Selling Firm or Listing Firm. If Buyer makes any
 132 deliberate misrepresentation or material omission which results in Buyer's inability to obtain approved financing
 133 then Buyer shall be deemed to be in default. Except as provided in paragraph 6B, Buyer shall notify Seller,
 134 Listing Firm and Selling Firm in writing within three (3) days of Buyer's actual notice of the occurrence of any
 135 material adverse change in Buyer's financial condition which prevents Buyer from obtaining the specified
 136 financing under this Agreement. Buyer's failure to give notice of the material adverse change required above
 137 shall constitute a default under the terms of this Agreement. Within three (3) days of receipt of written notice of
 138 the material adverse change from Buyer, Seller shall notify Buyer in writing of Seller's election to: (i) proceed to
 139 closing based upon a modification to this Agreement acceptable to Seller and Buyer; (ii) require that Buyer
 140 deliver an acceptable First Right of Refusal Agreement; or (iii) terminate this Agreement. The rights and
 141 remedies set forth in this paragraph shall be in addition to the rights and remedies specified in paragraph 18.
- 142 **C.** Except as expressly provided below, Seller represents that Seller (i) owns good and marketable fee simple title
 143 to the Property, (ii) has the right to transfer the Property without obtaining the consent or approval of any other
 144 party, including, without limitation, judgment creditors, lienholders, or other lenders, or any court including
 145 bankruptcy court or court having jurisdiction with respect to the distribution of marital property, (iii) if necessary,
 146 has or will have sufficient cash or other liquid funds to make any payments required to be made in order to pay
 147 all brokerage fees due and transfer the Property without any liens attaching to the Property, and (iv) will be in a
 148 position to transfer title to the Property to Buyer free and clear of all liens, leases and tenancies except as
 149 expressly provided in this Agreement. Seller further represents and warrants that this Agreement is the valid and

150 binding obligation of Seller and that the party executing this Agreement on behalf of the Seller (in the event
151 Seller is not an individual) has the authority to execute and deliver this Agreement on behalf of the Seller.

152 **Exceptions:**

153 _____
154 _____
155 _____
156 _____

157 **D.** Except as noted below, Seller represents and warrants that Seller is not a nonresident alien, foreign estate,
158 foreign trust, foreign partnership or foreign corporation as those terms are defined in the Internal Revenue Code
159 and applicable United States Treasury Regulations, including Internal Revenue Code Sections 1445 and 1446.
160 Buyer understands that if the Seller is a nonresident alien, foreign estate, foreign trust, foreign partnership or
161 foreign corporation as those terms are defined in the Internal Revenue Code and applicable United States
162 Treasury Regulations, including Internal Revenue Code Section 1445 and 1446, Buyer may be responsible for
163 collecting and filing tax withholding on Seller's behalf as required under such regulations. Legal counsel should
164 be consulted. _____
165 _____
166 _____

167 **E. Seller also represents and warrants that (Check appropriate box):**

- 168 **The Property is not served by an onsite septic system.**
- 169 **The Property is served by an onsite septic system that is not subject to a waiver.**
- 170 **The Property is served by an onsite septic system that has been granted a waiver which is not**
171 **transferable to Buyer. Buyer has received from Seller the Disclosure Regarding Validity of Septic**
172 **System Operating Permit as required by §32.1-164.1:1 of the Code of Virginia, a copy of which is**
173 **attached to this Agreement. A copy of the Onsite Sewage (Septic) Addendum is attached and shall**
174 **become a part of this Agreement.**
- 175 **Other (enter the applicable exemption for transfer subject to waiver pursuant to §32.1-164.1:1.C. of**
176 **the Code of Virginia) _____**

177 **F.** If any representation by Seller is materially untrue, Seller shall be deemed to be in default under the terms of
178 this Agreement and Buyer shall have the right to terminate this Agreement, whereupon the Deposit shall be paid
179 to Buyer, in accordance with paragraph 5B, and Buyer shall have all of its rights as the non-defaulting party
180 under paragraph 18. Additionally, if settlement does not occur as a result of Seller's misrepresentations and
181 Buyer incurs any expense relative to appraisal and property inspection, Seller will be deemed liable for such
182 expense and Buyer may, in addition to its other rights under this Agreement, recover such expense, including
183 reasonable attorney's fees, from Seller.
184 _____
185 _____

186 **8. SETTLEMENT / POSSESSION:** Settlement to be on or before _____ ("Settlement
187 Date"). **The Settlement Date may be extended by _____ days (if blank, the parties deem the extension**
188 **to be 10 days) solely for the purpose of:**

- 189 **i. processing and closing the specified loan in compliance with applicable law and/or**
- 190 **ii. correcting any defects reported by a title examiner.**

191 **The Settlement Date shall be deemed to include any extension ONLY as provided for in (i) or (ii) above.** If
192 through no fault of Seller settlement has not occurred by the Settlement Date, then Seller, at Seller's option, may
193 terminate this Agreement by written notice to Buyer. If through no fault of Buyer settlement has not occurred by the
194 Settlement Date, then Buyer, at Buyer's option, may terminate this Agreement by written notice to Seller. Nothing
195 contained herein shall be construed to limit, in any way, any other legal remedy or right Seller, Buyer, Listing Firm
196 and/or Selling Firm may have for either party's failure to close on or before Settlement Date or at any time thereafter.
197 Possession of the Property shall be given at settlement unless otherwise agreed to in writing by Buyer and Seller.
198 At settlement, Seller shall execute and deliver (i) the deed, (ii) a mechanic's lien affidavit acceptable to Buyer's title
199 insurance company and (iii) such certificates or agreements as may be required by state and federal authorities for
200 tax and residency purposes. Seller and Purchaser agree to release and hold harmless Listing Firm, Selling Firm, the
201 officers, directors and employees, and any real estate broker or salesperson employed by or affiliated with the Listing

202 Firm or Selling Firm from any delay or expense caused by such delay in settlement due to regulatory or legal
203 requirements.

204 Choice of Settlement Agent: Chapter 10 (§55.1-1000 et seq.) of Title 55.1 of the Code of Virginia provides that the
205 Buyer has the right to select the settlement agent to handle the closing of this transaction. The settlement agent's
206 role in closing this transaction involves the coordination of numerous administrative and clerical functions relating to
207 the collection of documents and the collection and disbursement of funds required to carry out the terms of the
208 contract between the parties. If part of the purchase price is financed, the lender for the Buyer will instruct the
209 settlement agent as to the signing and recording of loan documents and the disbursement of loan proceeds. No
210 settlement agent can provide legal advice to any party to the transaction except a settlement agent who is engaged
211 in the private practice of law in Virginia and who has been retained or engaged by a party to the transaction for the
212 purpose of providing legal services to that party.

213 Variation by agreement: The provisions of Chapter 10 (§ 55.1-1000 et seq.) of Title 55.1 of the Code of Virginia may
214 not be varied by agreement, and rights conferred by this chapter may not be waived. The Seller may not require the
215 use of a particular settlement agent as a condition of the sale of the Property.

216 Escrow, closing and settlement service guidelines: The Virginia State Bar issues guidelines to help settlement agents
217 avoid and prevent the unauthorized practice of law in connection with furnishing escrow, settlement or closing
218 services. As a party to a real estate transaction, the Buyer is entitled to receive a copy of these guidelines from the
219 settlement agent, upon request, in accordance with the provisions of Chapter 10 (§ 55.1-1000 et seq.) of Title 55.1
220 of the Code of Virginia.

221 Buyer and Seller each authorize their respective attorneys, lenders and/or the settlement agent, to furnish prior to
222 the Settlement Date to all parties including, Listing Firm and Selling Firm, complete copies of the draft and final
223 closing disclosure/settlement statement for the sale of the Property, including the HUD-1 settlement statement, the
224 TILA-RESPA settlement statement, the ALTA settlement statement combined, the Seller Closing Disclosure (Seller's
225 CD) and/or the Buyer's Closing Disclosure (Buyer's CD).

226 **9. DEED AND TITLE:**

227 **A.** Except as expressly provided in writing, representations and warranties made by Seller herein and all other
228 provisions of this Agreement shall be deemed merged into the deed delivered at settlement and shall not survive
229 settlement, unless otherwise provided herein. Seller shall convey marketable and insurable title to the Property
230 by general warranty deed, unless otherwise specified below, subject to any easements, covenants and
231 restrictions of record, which do not adversely affect the use of the Property for residential purposes. Title to the
232 Property shall be conveyed (i) free and clear of all liens, tenancies and encumbrances of every kind except those
233 stated herein, and (ii) with marketable and insurable access to a publicly dedicated road.

234
235
236
237 **B.** Buyer will be required to purchase a lender's title insurance policy if the Buyer is obtaining a loan secured by the
238 Property. Buyer may, at Buyer's expense, purchase an owner's title insurance policy which insures Buyer's title
239 to the Property, subject to the terms of such policy. The coverage afforded by such title insurance would be
240 governed by the terms of the policy and any exceptions to the policy, and the premium for obtaining such title
241 insurance coverage will be determined by its coverage and the title insurer. Buyer may purchase either
242 "standard" or "enhanced" coverage which coverages have differing rates. Buyer authorizes Buyer's lender(s), if
243 any, to include a quote for a premium for an owner's title insurance policy in the Loan Estimate based on
244 enhanced coverage. Buyer understands that nothing in this Purchase Agreement obligates Buyer to obtain any
245 owner's title insurance coverage at any time, including at Closing, and that the availability of enhanced coverage
246 is subject to underwriting criteria of the title insurer. Buyer should consult Buyer's attorney with respect to
247 obtaining owner's title insurance.

248 **C.** Buyer, at Buyer's expense, **WAIVES**/ **DESIRES** a survey and, if appropriate, elevation certificate of the
249 Property by a licensed surveyor. Notwithstanding the foregoing, in the event Buyer's lender and/or title company
250 requires a survey and/or an elevation certificate, Buyer shall, at Buyer's expense, obtain such survey and/or
251 elevation certificate prior to settlement.

252 **10. PRORATIONS / ESCROW:**

253 **A.** If new financing, or cash sale, all real property taxes, insurance, rents, interest, and appropriate homeowner's
254 association and/or condominium fees or dues and other reserves and assessments shall be prorated as of
255 Settlement Date.

256 **B.** If an assumption, all real property taxes, all insurance (if allowed), rents, interest, and appropriate homeowner's
257 association and/or condominium fees or dues and other reserves, if any, shall be **PRORATED** or **CURRENT**
258 **AND TRANSFERRED GRATIS** as of Settlement Date.

259 **11. VA/FHA/CONVENTIONAL FINANCING OR CASH CONTINGENCY:** If noted below, Buyer's obligations under this
260 Agreement are conditioned upon the applicable contingency: **(Check A, B, or C, as applicable)**

261 **A. HUD/FHA or VA FINANCING:**

262 (I) It is expressly agreed that, notwithstanding any other provisions of this Agreement, Buyer shall not be
263 obligated to complete the purchase of the Property described herein or to incur any penalty by forfeiture of
264 earnest money deposits or otherwise unless Buyer has been given in accordance with HUD/FHA or VA
265 requirements a written statement issued by the Federal Housing Commissioner, Department of Veterans
266 Affairs or a Direct Endorsement Lender setting forth the appraised value of the Property (excluding closing
267 costs) as not less than the Purchase Price \$_____. Buyer shall have the privilege
268 and option of proceeding with consummation of this Agreement without regard to the amount of the
269 appraised valuation by giving Seller written notice thereof within three (3) days after receipt of notification
270 of the appraised value. THE APPRAISED VALUATION IS ARRIVED AT TO DETERMINE THE MAXIMUM
271 MORTGAGE THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT/DEPARTMENT OF
272 VETERANS AFFAIRS WILL INSURE. HUD/DEPARTMENT OF VETERAN AFFAIRS DOES NOT
273 WARRANT THE VALUE OR THE CONDITION OF THE PROPERTY. BUYER SHOULD SATISFY
274 HIMSELF/HERSELF THAT THE PRICE AND CONDITION OF THE PROPERTY ARE ACCEPTABLE.

275 (II) If Buyer is obtaining VA financing and elects to complete the purchase at a price in excess of the appraised
276 value as established by the Department of Veterans Affairs (the "Department"), Buyer will disclose the
277 source of such funds to the Department and pay the excess amount from such source. Such funds will not
278 be borrowed funds unless approved by the Department.

279 (III) If Buyer is obtaining FHA financing, the parties acknowledge that the loan amount may be approximate
280 because financed acquisition costs cannot be determined until settlement.

281 **B. CONVENTIONAL FINANCING:** It is expressly agreed that, notwithstanding any other provisions of this
282 Agreement, Buyer shall not incur any penalty by forfeiture of the Deposit or otherwise be obligated to complete the
283 purchase of the Property if the Purchase Price exceeds the final determination of appraised value established by
284 the appraiser ("Appraised Value") and Seller does not agree to reduce the Purchase Price to the Appraised Value.
285 Buyer shall have the privilege and option of proceeding to settlement without regard to the Appraised Value. In the
286 event the Purchase Price exceeds the Appraised Value and Seller or Listing Firm notifies Buyer or Selling Firm that
287 Seller agrees to reduce the Purchase Price to the Appraised Value, then this Agreement will remain in force and
288 settlement shall occur as specified in paragraph 8 of this Agreement.

289 **C. CASH:** Buyer **DOES** / **DOES NOT** wish to order an appraisal. If Buyer wishes to order an appraisal,
290 the appraisal must be paid for and ordered within seven (7) days after ratification of this Agreement or three (3) days
291 after removal of the property inspection contingency referenced in paragraph 14D or the appraisal contingency shall
292 be waived by Buyer. Notwithstanding any other provisions in this Agreement, Buyer reserves all rights outlined in
293 the following paragraph in the event the Appraised Value is less than the Purchase Price.

294 **APPRAISED VALUE:** With respect to paragraphs 11B and 11C above, if, for any reason, the Appraised Value is
295 less than the agreed upon Purchase Price, Buyer shall have three (3) days from receipt and notification of the
296 Appraised Value to Seller to either (a) agree in writing to proceeding to settlement without regard to the Appraised
297 Value, or (b) negotiate with Seller to find an acceptable agreement. If after three (3) days Buyer has not agreed to
298 proceed to settlement regardless of Appraised Value, Seller has not agreed to reduce the Purchase Price to the
299 Appraised Value, or an alternate acceptable to both Buyer and Seller has not been agreed to in writing, then either
300 Buyer or Seller may terminate this Agreement. If terminated, Buyer and Seller shall execute a Release with full
301 refund of the Deposit to Buyer.

302 **12. PROPERTY CONDITION:** With the exception of the rights reserved by Buyer pursuant to paragraph 14 and subject
303 to any inspections provided for in paragraph 13, Buyer represents that Buyer has inspected the Property and accepts
304 the Property in its present condition except noted as follows:

308 Seller shall repair or replace the above noted items, in a workmanlike manner, at Seller's expense prior to the walk
309 through inspection. Buyer acknowledges that Buyer has not relied upon any representation or warranty made by
310 Listing Firm, Selling Firm or Seller not expressly set forth in this Agreement with respect to the condition of the
311 Property. **Seller shall deliver the Property at settlement, or as otherwise provided, in substantially the same
312 condition as of the date of this Agreement, and except as provided in paragraph 15, free of personal property,
313 debris and trash. Seller assumes, until settlement, all risks of loss or damage to the Property by fire,
314 windstorm, casualty or other hazards.**

315 **Buyer HAS HAS NOT physically inspected the Property in person prior to execution of this Agreement.
316 If Buyer has not physically inspected the Property, Buyer is required to execute the No Physical Inspection
317 Addendum which shall be incorporated into this Agreement.**

318 **13. INSPECTIONS/REPAIRS/TREATMENTS/CAP:** Seller shall be responsible for the cost of repairs referenced in this
319 paragraph 13 in a total amount not to exceed _____% (if blank, the parties deem the amount to be
320 1%) of the Purchase Price ("the Cap"). Seller will remain obligated to make repairs arising under this paragraph 13A
321 (Appraisal and Required Repairs), B (Wood Destroying Insect Infestation / Moisture / Inspection / Repairs), or C
322 (Drinking Water and Septic) up to the amount of the Cap even if such repair is waived by Buyer as part of the
323 Property Inspection Contingency Removal Addendum. If the total estimated costs of the repairs described in
324 paragraphs 13 A, B, C, and D collectively exceed the Cap, then Buyer alone, or Seller alone, or Buyer and Seller
325 jointly can agree to pay the excess. If neither party agrees to pay the excess amount and an acceptable alternative
326 agreement cannot be reached, then this Agreement shall be terminated, all parties shall execute a release
327 agreement, and the Deposit shall be refunded in full to Buyer.

328 **A. APPRAISAL AND REQUIRED REPAIRS:** Subject to the Cap, Seller shall make any repairs required by Lender
329 as a result of the appraisal, or as may be required by governmental agencies, prior to the walk through
330 inspection.

331 **B. WOOD DESTROYING INSECT INFESTATION (WDII) / MOISTURE INSPECTION/REPAIRS:**

332 **1. INSPECTION / REPORTS:** **BUYER** / **SELLER** shall obtain and authorize delivery at **BUYER'S**
333 / **SELLER'S** expense, an approved Wood Destroying Insect Infestation Inspection Report and a
334 Moisture Inspection Report, (collectively referred to as the "Reports") and any re-inspection reports if
335 required, from a licensed pest control operator. The Wood Destroying Insect Infestation Inspection Report
336 shall show whether the Property's principal dwelling, garage, and the following additional structures
337

338 _____ are free of visible wood destroying insect
339 infestation with no visible unrepaired damage from said infestation. The Moisture Inspection Report shall
340 show whether readily accessible areas of the foundation and understructure, including crawl space, sill
341 plates, joists, sub-flooring and substructure support timbers are free of standing water, visible moisture
342 damage and wood destroying fungi. The Reports must be obtained and delivered to settlement agent, within
343 _____ (_____) days after ratification of this Agreement. If
344 new VA financing is involved, Seller shall reimburse Buyer for the cost of the original termite/moisture
345 inspection, if paid by Buyer.

346 If the Reports are not obtained and delivered within the above time frame, the other party shall have the
347 right to order the Reports at the expense of the party initially obligated to obtain the Reports. The obligation
348 to reimburse the cost of obtaining the Reports by the other party shall not exceed \$_____.

349 **2. TREATMENT:** Treatment, if required, shall be performed by the company issuing the Reports. Cost of
350 treatment shall be at Seller's expense, subject to the Cap.

351 **3. REPAIRS:** Seller shall correct in a workmanlike manner, at Seller's expense, subject to the Cap, all standing
352 water and damage identified in the Reports prior to the walk through inspection. The selection of the
353 company to make any repairs, if required, shall be at the Seller's discretion. Buyer reserves the right to have



354 the required repairs re-inspected at or prior to walk-through to ensure repairs were completed in a
355 workmanlike manner.

356 **C. DRINKING WATER AND SEPTIC:**

357 **1. DRINKING WATER:** The Property is served by (Check One):

- 358 **PUBLIC / PRIVATE** utilities supplying drinking water, OR
359 **WELL / CISTERN** providing potable drinking water.

360 **BUYER** / **SELLER** shall obtain prior to the walk through inspection at **BUYER'S** /
361 **SELLER'S** expense, a test confirming the water is safe for human consumption from the appropriate
362 governmental authority or from an acceptable private company, indicating that the well water is safe
363 for human consumption. If the water is found unsafe for human consumption, and the Property is
364 not served by another potable water source (i.e. city water line), Seller shall remedy prior to the walk
365 through inspection all defects and provide a test confirming the water is safe for human consumption
366 at Seller's expense, subject to the Cap.

367 **2. SEPTIC:**

368 If the Property is served by a septic system **BUYER** / **SELLER** shall obtain prior to the walk through
369 inspection at **BUYER'S** / **SELLER'S** expense, a written statement addressed to Buyer from either:
370 (a). an "accredited septic system inspector" as defined in §59.1-310.9 of the Code of Virginia; or
371 (b). an individual who holds a valid onsite sewage system operator, onsite sewage system installer
372 or soil evaluator license pursuant to Chapter 23 of Title 54.1 of the Code of Virginia
373 (such individual being referred to as a "Septic Inspector" for the purposes of this Agreement), indicating the
374 condition of the system and any malfunction or noncompliance with applicable ordinances and regulations.
375

376 The inspection **SHALL** / **SHALL NOT** include pumping the septic system at the expense of the
377 responsible party above prior to the walk through inspection. However, in the event the Septic Inspector
378 requires that the septic system be pumped prior to the inspection of the septic system, the responsible party
379 identified above shall pay to pump the septic system. Any required pumping of the septic system shall apply
380 to the cap.

381 If the septic system is found defective or in noncompliance with applicable governmental regulations by the
382 Septic Inspector, Seller shall repair and correct all defects prior to the walk through inspection at Seller's
383 expense, subject to the Cap.

384 **D. WALK THROUGH INSPECTION:** Buyer reserves the right to have a walk through inspection prior to settlement
385 to determine the Property is in substantially the same condition as of the date of this Agreement, and all
386 appliances, heating and cooling equipment, plumbing and electrical systems, and all other equipment ("Walk
387 Through Items") are in working order at time of settlement or possession, whichever occurs first. **BUYER** /
388 **SELLER** shall be responsible for providing all utilities required for such inspection. Subject to the Cap, Seller
389 shall repair all non-working Walk Through Items at Seller's expense unless waived. Neither Listing Firm nor
390 Selling Firm shall be responsible for determining that the Walk Through Items are in working order.

391 **14. CONTINGENCIES:** This Agreement shall be contingent upon the following conditions and those noted in the
392 attached contingency addendum/addenda, if any:

393 **A. CONDOMINIUM:** Buyer and Seller acknowledge that the Property (check as applicable):

- 394 **1.** **IS NOT** in a community subject to the Virginia Condominium Act (the "Condo Act").
395 **2.** **IS** a resale of a Condominium Unit which currently has mandatory monthly fees of approximately
396 \$_____ and is subject to the Condo Act and the Condominium Addendum is
397 attached to and shall become part of this Agreement. **Buyer's rights under this paragraph may not be**
398 **waived.**
399 **3.** **WILL BE** in a community subject to the Condo Act in the event of a conversion or new construction.
400 (i) Until delivery to Buyer of a current Public Offering Statement for the Condominium, this Agreement shall
401 constitute a nonbinding reservation agreement only and creates no obligation on the part of Buyer and
402 is subject to cancellation without penalty by Buyer in Buyer's sole discretion in accordance with
403 Section (ii) below.

404 (ii) Upon delivery to Buyer of a current Public Offering Statement, Buyer shall be deemed to have entered
405 into a binding purchase agreement subject to Buyer's right to cancel within five (5) days after delivery.
406 If Buyer elects to cancel, Buyer may do so by written notice given in accordance with paragraph 23,
407 within the five (5) day period. Such cancellation shall be without penalty, and the Deposit shall be
408 promptly refunded in its entirety, without interest. **Buyer's rights under this paragraph may not be**
409 **waived.**

410 4. **IS** a resale of a condominium unit in a condominium consisting of 3 or fewer units and as such is exempt
411 from the requirements in the Condo Act relating to a resale certificate and/or a public offering statement.
412 Prior to executing this Agreement, Buyer is advised to address all concerns relating to the Property being a
413 condominium unit, including without limitation and by way of explanation, issues related to hazard and
414 liability insurance, current and proposed maintenance and repairs, common expenses, restrictions and
415 agreements contained in the documents creating the condominium and similar items.

416 **B. PROPERTY OWNERS' ASSOCIATIONS:** Buyer and Seller acknowledge that the Property (check one):

- 417 1. **IS NOT** in a community subject to the Virginia Property Owners' Association Act (the "POA Act").
418 2. **IS** in a community which currently has mandatory monthly fees of approximately \$ _____
419 and is subject to the POA Act. The Property Owners' Association Addendum is attached to and shall become
420 part of this Agreement. **Buyer's rights under this paragraph may not be waived.**

421 **C. CO-OPERATIVE:**

- 422 1. **IS NOT** in a community subject to the Virginia Real Estate Cooperative Act (the "Co-Op Act").
423 2. **IS** a Cooperative Unit which currently has mandatory monthly fees of approximately \$ _____
424 and is subject to the Co-Op Act and the Cooperative Interest Addendum is attached to and shall become
425 part of this Agreement.

426 **D. PROPERTY INSPECTIONS:** Buyer may request, at Buyer's expense, the following inspections:

427 1. **PROPERTY INSPECTION:** An inspection of the Property at Buyer's cost to determine the condition of the
428 Property. Buyer **WAIVES** / **DESIRES** an inspection to be performed on the Property at Buyer's
429 expense. If Buyer desires a property inspection, the REIN Property Inspection Contingency Addendum is
430 attached and shall become part of this Agreement. Should Buyer elect to waive the property inspection,
431 Buyer understands that a home inspector will not be permitted to conduct, or perform a property inspection
432 at Walk-Through beyond the terms of paragraph 13D.

433 2. **EXTERIOR INSULATION AND FINISH SYSTEM (EIFS):** **N/A**

434 An inspection and moisture test of the EIFS (Exterior Insulation & Finish System or synthetic stucco) by a
435 qualified professional with experience in this field provided that, in the event the property is a condominium
436 unit, the right to inspect may be limited by rights of other unit owners or the condominium association. Buyer
437 **WAIVES** / **DESIRES** an EIFS inspection to be performed on the Property. If Buyer desires an EIFS
438 inspection, the Property Inspection Contingency Addendum is attached and shall become part of this
439 Agreement.

440 3. **LEAD-BASED PAINT DISCLOSURE:** **N/A – Property was not constructed prior to 1978.**

441 A risk assessment or inspection of the Property to determine the presence of lead-based paint and/or lead-
442 based paint hazards. The Residential Lead-Based Paint Hazard Reduction Act of 1992 requires Seller to
443 make disclosures with respect to the presence of lead-based paint and/or lead-based paint hazards in
444 properties built prior to 1978. This Act does not apply to properties built in 1978 and later. In the event the
445 Property was built prior to 1978, Seller and Buyer acknowledge that a copy of the signed Disclosure of
446 Information on Lead-Based Paint and/or Lead-Based Paint Hazards is attached to this Agreement. Buyer
447 **WAIVES** / **DESIRES** a risk assessment or inspection be performed on the Property. If Buyer desires
448 a risk assessment or inspection of the Property, then a copy of the Property Inspection Contingency
449 Addendum is attached and shall become a part of this Agreement.

450 4. **OTHER INSPECTIONS:** If Buyer desires Other Inspections, the Property Inspection Contingency
451 Addendum is attached and shall become a part of this Agreement.

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E. OTHER CONTINGENCIES:

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15. ITEMS TO CONVEY: All fixtures constituting a part of the "Property" and any personal property which convey as specifically described in the Agreement or as noted below are included in the Purchase Price and shall be transferred free of liens:

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Appliances:

- Gas Range
- Electric Range
- Microwave Oven
- # _____ Refrigerator(s)
- Dishwasher
- Ice Maker (Standalone)
- Freezer
- Clothes Dryer
- Clothes Washer
- # _____ Garbage Disposal(s)

Windows:

- Blinds
- Curtains/Drapes
- Hardware

Equipment:

- Furnace Humidifier
- Water Softener
- Well Pump & Equipment
- Sump Pump
- # _____ Window A/C Unit(s)
- # _____ Smoke Alarm(s)
- Playground Equipment
- # _____ Ceiling Fan(s)
- Satellite Dish & Hardware

Other:

- # _____ Trash Container(s)
- # _____ Recycling Container(s)
- Fuel in Tanks (Oil, Propane)

Dock, Pool and Hot Tub:

- Floating Dock
- # _____ Boat Lift(s)
- Pool
- Pool Equipment
- Pool Cover
- Hot Tub
- Hot Tub Equipment
- Hot Tub Cover

Fireplace:

- Screen
- Doors
- Equipment / Tools
- Gas Logs
- Wood Stove

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- # _____ Garage Door Opener(s) and # _____ Remote(s)

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ADDITIONAL ITEMS / NOTES:

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16. CONFIRMATIONS AND DISCLOSURES: Buyer and Seller acknowledge receipt of their REIN Consumer Disclosure Information Form and Summary Of Rights And Obligations Of Sellers And Purchasers Under The Virginia Residential Property Disclosure Act Form prior to entering into this Agreement as well as the following disclosures.

Neither Seller, Real Estate Information Network Inc. ("REIN"), Listing Firm, Selling Firm, nor their employees or agents will be held responsible for Buyer's failure to have investigated and evaluated the impact of any of the disclosures made in this Agreement on the Property, including those additional disclosures on the Consumer Disclosure Information Form and Summary Of Rights And Obligations Of Sellers And Purchasers Under The Virginia Residential Property Disclosure Act Form .

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A. CONFIRMATION OF BROKERAGE RELATIONSHIP: The parties confirm in connection with this transaction that Listing Firm and Selling Firm have represented the party or parties indicated below. Notwithstanding the provisions of paragraph 17 of this Purchase Agreement relating to the payment of brokerage fees, the parties agree that one of the following may apply:
(Check appropriate box.)

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499
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501

- 1. Listing Firm, Selling Firm, and their salesperson(s) represent Seller as their client. Buyer is a customer/unrepresented party and their salesperson(s) represent Seller as their client. Buyer **has signed the Disclosure of Brokerage Relationship to Unrepresented Party form.**
- 2. Listing Firm and its salesperson(s) represent Seller. Selling Firm and its salesperson(s) represent Buyer.



- 502 3. Listing Firm and its salesperson(s) represent Seller. Selling Firm and its salesperson(s) represent
503 neither Buyer nor Seller.
- 504 4. The Parties confirm that Selling Firm and its salesperson(s) represent Buyer as their client. Seller is a
505 customer/unrepresented party and **has signed the Disclosure of Brokerage Relationship to**
506 **Unrepresented Party form.**
- 507 5. Listing Firm and its salesperson(s) represent both Buyer and Seller as DUAL AGENTS OR DUAL
508 REPRESENTATIVES, by mutual agreement. **Buyer and Seller have signed the Disclosure of Dual**
509 **Agency or Dual Representation in a Residential Real Estate Transaction Form attached.**
- 510 6. Listing Firm and its broker represent both Buyer and Seller as DESIGNATED AGENTS OR
511 DESIGNATED REPRESENTATIVES, by mutual agreement. **Buyer and Seller have signed the**
512 **Disclosure of Designated Agents or Representatives in a Residential Real Estate Transaction**
513 **Form attached.**
- 514 7. Buyer and Seller acknowledge that no brokerage relationship exists with any agent involved in this
515 transaction. Both Buyer and Seller are unrepresented customers.

516 **B. AIRCRAFT NOISE ZONE / ACCIDENT POTENTIAL ZONE DISCLOSURE:** N/A

517 Aircraft noise and/or accident zones are subject to change. If the Property is located in the cities of Norfolk,
518 Virginia Beach, Chesapeake or Hampton, Buyer and Seller hereby acknowledge that as of the date of this
519 Agreement current maps indicate the Property is located in an Aircraft Noise Zone
520 _____ and/or Aircraft Accident Potential Zone
521 _____ (or similar designations). Noise attenuation
522 measures for new residential construction or modifications to nonconforming structures may be required and
523 height restrictions may have been imposed in accordance with city ordinances. The Real Estate Transfer
524 Disclosure for Properties Located in a Locality in Which a Military Air Installation is Located is attached, as
525 required by § 55.1-704 of the Code of Virginia.

526 **C. VIRGINIA RESIDENTIAL PROPERTY DISCLOSURE ACT:** The Virginia Residential Property Disclosure Act
527 (the "Act") requires sellers of residential real property to disclose to buyers certain information known to the
528 sellers regarding the condition of the property to be purchased. Seller and Buyer acknowledge that a Residential
529 Property Disclosure Statement, attached hereto, has been provided by Seller to Buyer prior to ratification of this
530 Agreement and if the Property is an exempted property pursuant to § 55.1-702 of the Act then this paragraph
531 does not apply.

532 **D. AGENCY INTEREST DISCLOSURE:** Except as otherwise disclosed below neither Listing Agent nor Selling
533 Agent, any member of such agent's family, or such agent's firm, any member of such firm, or any entities in
534 which such agent has an ownership interest is acquiring or attempting to acquire, or is selling the Property.
535 Except as disclosed below, neither Seller nor Buyer is a licensed real estate agent:

536 _____
537 _____
538 _____
539 _____
540 _____

541 **E. MEGAN'S LAW DISCLOSURE:** Buyer(s) should exercise whatever due diligence they deem necessary with
542 respect to information on any sexual offenders registered under Chapter 23 (§ 19.2-387 et seq.) of Title 19.2
543 whether the owner proceeds under subdivision 5 of subsection B of § 55.1-703. Such information may be
544 obtained by contacting your local police department or the Department of State Police, Central Criminal Records
545 Exchange, at 804-674-2000 or <https://sex-offender.vsp.virginia.gov/sor>.

546 **F. MECHANICS LIEN:** Virginia law (§ 43-1 et seq.) permits persons who have performed labor or furnished
547 materials for the construction, removal, repair or improvement of any building or structure to file a lien against
548 the Property. This lien may be filed at any time after the work is commenced or the material is furnished, but not
549 later than the earlier of (i) ninety (90) days from the last day of the month in which the lien or last performed work
550 or furnished materials or (ii) ninety (90) days from the time the construction, removal, repair or improvement is
551 terminated. Seller warrants that all bills related to any repairs or improvements made to the Property have been
552 paid or will be paid by Seller from the proceeds at settlement. **AN EFFECTIVE LIEN FOR WORK PERFORMED**
553 **PRIOR TO THE DATE OF SETTLEMENT MAY BE FILED AFTER SETTLEMENT. LEGAL COUNSEL SHOULD**
554 **BE CONSULTED.**



555 **G. SQUARE FOOTAGE/ACREAGE AND/OR OTHER PROPERTY MEASUREMENTS:** Any representation of
556 square footage, acreage and/or other property measurements are approximate, subject to variation based on
557 method of measurement, and should be independently confirmed by Buyer. Buyer acknowledges and agrees
558 that Buyer has undertaken any and all investigations Buyer desires with respect to obtaining measurements of
559 the Property, including the square footage of the rooms, the acreage of the lot or the other measurements related
560 to the Property and finds any and all such measurements to be acceptable and shall not use the size, acreage
561 or square footage of the Property as the basis for any termination of this Agreement. Buyer agrees to waive,
562 release and discharge all parties to this Agreement, including REIN, from any and all claims that the square
563 footage, acreage or other measurements of the Property were incorrectly stated in any literature concerning the
564 Property generated by REIN's MLS Systems, including Listing and / or Tax reports.

565 **H. PENDING BUILDING OR ZONING VIOLATIONS:** Unless disclosed in writing below Seller has no actual
566 knowledge that the Property has pending enforcement actions pursuant to the Uniform Statewide Building Code.
567 Section 55.1-706 of the Code of Virginia states that if the Seller of a residential dwelling unit has actual
568 knowledge of any pending enforcement actions pursuant to the Uniform Statewide Building Code that affect the
569 safe, decent, sanitary living conditions of the Property of which the Seller has been notified in writing by the
570 locality, or any pending violation of the local zoning ordinance that the violator has not abated or remedied under
571 the zoning ordinance, within a time period set out in the written notice of violation from the locality or established
572 by the court of competent jurisdiction, the Seller shall provide to a prospective Purchaser a written disclosure
573 that so states. Such disclosure shall be provided to the Purchaser on a form provided by the Real Estate Board
574 on its website.

575 **I. PROPERTY PREVIOUSLY USED TO MANUFACTURE METHAMPHETAMINE:** If a Seller of residential real
576 property has actual knowledge that the Property being sold (1) was previously used to manufacture
577 methamphetamine and (2) has not been cleaned up in accordance with state guidelines, the Seller is required
578 to provide a written disclosure to Buyer in accordance with Section 55.1-708 of the Code of Virginia. Pursuant
579 to Section 32.1-11.7 of the Code of Virginia, the Virginia Board of Health established Guidelines for Cleanup of
580 Residential Property Used to Manufacture Methamphetamine. If applicable, the Disclosure Statement for
581 Residential Property Previously Used to Manufacture Methamphetamine is attached to this Agreement as
582 required by the Code of Virginia.

583 **17. BROKERAGE FEE:** Selling Firm and Listing Firm are intended to be, and are, third party beneficiaries of this
584 Agreement with respect to payment of the brokerage fee and are entitled to payment at settlement as provided by
585 separate agreement(s). The settlement agent shall disburse the brokerage fee to Listing Firm and Selling Firm at
586 settlement.

587 **18. DEFAULT:** Subject to the provisions of paragraph 19 below, if either party defaults under this Agreement, the
588 nondefaulting party may pursue, in such party's discretion, all remedies available to the nondefaulting party at law
589 or in equity. In the event of default, Escrow Agent shall pay the Deposit to the nondefaulting party in accordance
590 with paragraph 5B and the nondefaulting party shall have the right to pursue such other rights and remedies against
591 the defaulting party as the nondefaulting party may have, both legal and equitable. All of the rights and remedies
592 hereunder are cumulative. The defaulting party shall be liable for the brokerage fee due Listing Firm and Selling
593 Firm. In any action arising from or related to this Agreement, including, but not limited to, any suit to secure the
594 release of the Deposit from escrow, the prevailing party shall be entitled to receive from the non-prevailing party or
595 parties, reasonable attorneys' fees, costs (including expert fees) and expenses incurred by such prevailing party.

596 **19. DISPUTE RESOLUTION:** Prior to initiating any litigation, the parties agree any dispute or claim arising out of, or
597 relating to, this Agreement, the breach of this Agreement or the services provided in connection with this Agreement,
598 shall be submitted to mediation. Upon assertion of a matter for mediation, the asserting party shall give written notice
599 to the other party requesting suitable arrangements for mediation. If, within thirty (30) days of written notice given by
600 the asserting party in the prior sentence, the non-asserting party does not reply, does not agree to mediation or does
601 not reach an agreement for a mutually acceptable, date, time, place and/or mediator, the asserting party shall have
602 no further obligation to endeavor to mediate and may assert any and all legal remedies available to the asserting
603 party. Solely for the purpose of this paragraph 19 with respect to the written notice requesting mediation to the non-
604 asserting party, such written notices shall also be required to be given to the principal and supervising broker of both
605 the Listing Firm and the Selling Firm. Disputes shall include, by way of illustration and not limitation, claims arising
606 from misrepresentations made by the parties to this Agreement in connection with the sale, purchase, financing,
607 condition or other aspects of the Property, including, allegations of concealment, misrepresentation, negligence
608 and/or fraud.

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610 The following matters are excluded from mediation under the preceding paragraph: (a) judicial or non-judicial
611 foreclosure or other action or proceeding to enforce a deed of trust, mortgage, or land contract; (b) an unlawful
612 detainer action; (c) the filing or enforcement of a mechanics lien; (d) any matter which is within the jurisdiction of a
613 probate court; or (e) violation of a state's real estate license laws. The filing of a judicial action to enable the recording
614 of a notice of pending action, or other provisional remedies, shall not constitute a waiver of the right to mediate under
615 this provision, nor shall it constitute a breach of the duty to mediate. If the parties cannot reach a mutually agreeable
616 settlement through mediation, they are free to arbitrate or litigate their dispute as if the mediation never took place.
617 The terms and provisions of this paragraph 19 shall survive settlement and conveyance of title to the property for a
618 period of five (5) years from the date of this Agreement pursuant to the terms of § 8.01-246 of the Code of Virginia
619 of 1950, as amended.

620 **20. OTHER PROVISIONS:**

621 _____
622 _____
623 _____
624 _____
625 _____
626 _____

627 **21. NON ASSIGNMENT:** This Agreement may not be assigned by Buyer without the written consent of Seller.

628 **22. TAX-DEFERRED EXCHANGE:** In the event Buyer or Seller desires to effect a tax-deferred exchange in connection
629 with the conveyance of the Property, Buyer and Seller agree to cooperate in effecting such exchange. The
630 exchanging party shall be responsible for all costs associated with such exchange. A non-exchanging party shall
631 assume no additional liability with respect to such tax-deferred exchange. Buyer and Seller shall execute additional
632 documents, including assignment of this Contract at no cost to the non-exchanging party, as shall be required to
633 give effect to this provision.

634 **23. NOTICES:** Except as provided below, all notices required to be sent to Seller under this Agreement shall be sent to
635 Listing Firm and all notices to be sent to Buyer shall be sent to Selling Firm. Except as provided below, all notices
636 required to be sent under this Agreement shall be given in accordance with one of the following methods; (a) hand
637 delivery; (b) United States mail, postage prepaid, provided that the sender retains sufficient proof of mailing, which
638 may be either a United States postal certificate of mailing or a certificate of service prepared by the sender confirming
639 such mailing; (c) electronic means provided that the sender retains sufficient proof of the electronic delivery, which
640 may be an electronic receipt of delivery, a confirmation that the notice was sent by facsimile, or a certificate of service
641 prepared by the sender confirming the electronic delivery; or (d) overnight delivery using a commercial service or
642 the United States Postal Service. Notices given pursuant to the Property Owners' Association Addendum to
643 Purchase Agreement, the Condominium Addendum to Purchase Agreement or the Cooperative Interest Addendum
644 to Purchase Agreement shall be given in accordance with their terms. The addresses set forth below each parties
645 name shall be the address for notice to such party unless such party subsequently gives notice in accordance with
646 this paragraph of a different address to be used for such party.

647 **24. MISCELLANEOUS:** Paragraph headings and section headings of this Agreement are inserted for convenience only
648 and shall not be deemed to constitute a part of this Agreement. **The term "day" shall be deemed to mean any**
649 **day of the week, Monday through Sunday, both inclusive regardless of legal or religious holiday. The term**
650 **"business banking day" shall mean Monday through Friday, except federal holidays.** "Day" shall mean 12:00
651 a.m. (midnight) until 11:59 p.m. Eastern Time. Any agreed upon timeframe shall begin at 12:00 a.m.(midnight) after
652 the event triggering the commencement of the timeframe and end at 11:59 p.m. Any changes must be made by
653 written amendment. This Agreement and any exhibits, addenda, modifications or amendments may be executed
654 i) in any number of counterparts and by facsimile or other electronic means, except with respect to digital signatures,
655 and ii) by different parties in separate counterparts, each of which when so executed and delivered shall be deemed
656 original, but all such counterparts shall constitute but one and the same instrument. To the extent any handwritten
657 or typewritten terms in this Agreement conflict with, or are inconsistent with the printed terms of this Agreement, the
658 handwritten or typewritten terms shall control. This Agreement is executed under seal. The terms of this Agreement
659 and the addenda, exhibits, modifications or amendments referenced herein or which reference this Agreement
660 constitute the entire agreement and there are no other agreements between the parties. Seller and Buyer both
661 authorize Listing Firm and/or Selling Firm to disclose financial information related to the sale of the Property,
662 including information related to settlement expenses (but not personal financial information) to the multiple listing
663 service and/or real estate appraisers. The waiver by Seller of any terms, conditions, or provisions of this Agreement

664 shall not be construed as a waiver of any other or subsequent term, condition or provision of this Agreement. If any
665 term, condition, or provision of this Agreement is declared illegal or invalid for any reason by a court of competent
666 jurisdiction, the remaining terms, conditions and provisions of the Agreement shall, nevertheless, remain in full force
667 and effect.

OPTIONAL – if both Buyer and Seller initial below, digital signatures are acceptable for use in this transaction. If both Buyer and Seller do not initial below, digital signatures are not acceptable for use in this transaction. The following language is included for the sole purpose of determining the parties' agreement to accept digital signatures and is not required to be completed if the parties do not agree to accept digital signatures.

EXPRESS AGREEMENT TO CONDUCT TRANSACTION USING DIGITAL SIGNATURES: IN ACCORDANCE WITH THE UNIFORM ELECTRONIC TRANSACTIONS ACT (§ 59.1-479 ET SEQ. OF THE CODE OF VIRGINIA), BUYER AND SELLER CHOOSE TO ACCEPT DIGITAL SIGNATURES AS ORIGINAL DURING THE COURSE OF THIS TRANSACTION AND UNDERSTAND THAT AGREEING TO ACCEPT DIGITAL SIGNATURES FROM THE OTHER PARTY DOES NOT COMMIT THEM TO USING DIGITAL SIGNATURES EXCLUSIVELY. BY INITIALING BELOW, THE PARTIES AGREE TO USE DIGITAL SIGNATURES:

Buyer _____ / _____ Seller _____ / _____

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THIS PROPERTY IS OFFERED WITHOUT RESPECT TO RACE, COLOR, RELIGION, SEX, HANDICAP, FAMILIAL STATUS, SOURCE OF FUNDS, SEXUAL ORIENTATION, GENDER IDENTITY, MILITARY STATUS, ELDERLINESS, NATIONAL ORIGIN, OR ANY PROTECTED CLASS UNDER FEDERAL, STATE OR LOCAL LAW.

672

THIS IS A LEGALLY BINDING AGREEMENT; IF NOT UNDERSTOOD, SEEK LEGAL ADVICE.

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BUYER(S) SIGNATURE(S): _____
(Date)

675
676

(Date)

677

BUYER(S) Address: _____

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SELLING AGENT SIGNATURE: _____
(Date)

681

Selling Firm Name: _____

682

Selling Firm Address: _____

683

REIN ID# _____ VA License# _____

684

Selling Agent Name: _____

685

REIN ID# _____ VA License# _____

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SELLER(S) SIGNATURE(S): _____
(Date)

688

689

(Date)

690

SELLER(S) Address: _____

691

692
693

LISTING AGENT SIGNATURE: _____
(Date)

694

Listing Firm Name: _____

695

Listing Firm Address: _____

696

REIN ID# _____ VA License# _____

697

Listing Agent Name: _____

698

REIN ID# _____ VA License# _____

ALTA Settlement Statement

What is your ALTA Settlement Statement?

In addition to the Loan Estimate and the Closing Disclosure, the settlement will also require a Settlement and Disbursement Statement. The American Land Title Association (ALTA) has designed a standardized industry form that can be used with transactions involving a lender.

This additional document may satisfy Settlement Agent state and regulatory compliance. The statement shows the actual disbursement of funds in the transaction pursuant to the Residential Sales Contract. The Settlement Statement will be signed and acknowledged by the Buyers and the Sellers. The Settlement Statement is a document that is able to be shared with all parties to the transaction and shows all fees involved in the transaction without disclosing nonpublic information.

American Land Title Association		ALTA Settlement Statement - Combined Adopted 05-01-2015		
File No./Escrow No.: MBH123456 Print Date & Time: 07/01/2019 Officer/Escrow Officer: MBH Settlement Location: MBH		MBH Settlement Group, L.C.		
Property Address: 1111 Dreamhouse Lane, Dreamville, VA 12345 Buyer: Robert L. Brown, Mary H. Brown Seller: William T. Jones, Julie H. Jones Lender: Dreamtown Lending Settlement Date: 07/12/2019 Disbursement Date: 07/12/2019 Additional dates per state requirements:				
Seller		Description	Borrower/Buyer	
Debit	Credit		Debit	Credit
		Financial		
1	429,500.00	Sales Price of Property	429,500.00	
		Deposit including earnest money		2,000.00
		Loan Amount		339,500.00
		Prorations/Adjustments		
791.66		County Taxes from 7/1/2019 to 9/1/2019		791.66
250.00		HOA dues from 7/1/2019 to 9/1/2019		250.00
		Loan Charges to Dreamtown Lending		
		Application Fee to Dream Mortgage POC - B \$200.00		
		Origination Fee	3,395.00	
		Underwriting Fee	295.00	
		Prepaid Interest	1,905.90	

1
Debits = Charges
Credits = Deposits

On page 2 of 3

Seller		Description	Borrower/Buyer	
Debit	Credit		Debit	Credit
		Other Loan Charges		
		Appraisal Fee to AppraiseIt! LLC	450.00	
		Credit Report Fee to Equifax POC – B \$29.50		
		Flood Determination Fee to NoFloodTownCompany, Co.	11.00	
		Impounds		
		Homeowner's Insurance 2 mo @ \$ 276.66/mo	153.32	
		County Taxes 2 mo @ \$ 395.83/mo	791.66	
		Aggregate Adjustment		23.45
		Title Charges & Escrow / Settlement Charges		
		ALTA Homeowner's Title Insurance to MBH Settlement Group	1294.00	
		ALTA 2006 Loan Policy to MBH Settlement Group	968.00	
		Title Search to JML Abstractors, LLC	135.00	
		Insurance Binder to MBH Settlement Group, L.C.	125.00	
		Settlement Fee to MBH Settlement Group, L.C.	695.00	
		Closing Protection Letter Fee to Title Insurance Company	20.00	
		Digital Archive Fee	25.00	
		Commission		
12,885.00		Real Estate Commission to A1SellerListing Broker		
12,885.00		Real Estate Commission to AAA Real Estate Company		
		Other – Credit for Home Warranty Fee to ABC Warranty		485.00
		Government Recording and Transfer Charges		
		Recording Fees (Deed) to Clerk of Court	43.00	
		Recording Fees (Mortgage/Deed of Trust) to Clerk of Court	56.00	
		City/County tax to Clerk of Court	640.84	
		State Tax to Clerk of Court	1922.50	
429.50		Grantors Tax to Clerk of Court		
		Payoff(s)		
250,766.00		Lender: Payoff Lender Co.		
		Principal Balance as of 7/01/2019 \$250,766.00		
		Interest on Payoff Loan 0 days @ \$31.25/day		

2 POC = Paid Outside of Closing and refers to a fee that is not being disbursed at closing.

3 As disclosed on the Closing Disclosure (CD).

Seller		Description	Borrower/Buyer	
Debit	Credit		Debit	Credit
		Miscellaneous		
35.00		Pest Inspection Fee to Bad Bugs Inc.		
		Survey Fee to ABC Survey, Inc.	350.00	
		Homeowner's insurance premium to Insure me! Inc.	919.92	
695.00		Settlement Services Fee to MBH Settlement Group, L.C.		
150.00		Lien Release Processing Fee to MBH Settlement Group, L.C.		
175.00		Seller Attorney fees to DeedFeeFirm, LLC		
		Home Warranty fee to ABC Warranty		485.00
		Seller		
		Borrower/Buyer		
Debit	Credit	Debit	Credit	
\$279,087.16	\$429,500.00	\$444,181.14	\$343,050.11	
		Subtotals		
		Due From Borrower	\$101,131.03	
		Due To Seller		
\$150,412.84		Totals	\$444,181.14	\$444,181.14
\$429,500.00	\$429,500.00			

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Acknowledgement

We/I have carefully reviewed the ALTA Settlement Statement and find it to be a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction and further certify that I have received a copy of the ALTA Settlement Statement. We/I authorize MBH Settlement Group, L.C. to cause the funds to be disbursed in accordance with this statement.

Buyer _____

Buyer _____

Seller _____

5

Escrow Officer _____

On page 3 of 3

4 Total of Funds.

5 Signatures need to be obtained from both the Buyer and Seller to authorize disbursements related to the transaction.

Closing Disclosure

What is your Closing Disclosure?

The five-page Closing Disclosure sums up the terms of your loan and what you pay at closing. You can easily compare the numbers to the Loan Estimate you received earlier. There should not be any significant changes other than those you have already agreed to. Take out your own Closing Disclosure, or review the example here. Double-check that you clearly understand what you'll be expected to pay—over the life of your loan and at closing.

This form is a statement of final loan terms and closing costs. Compare this document with your Loan Estimate.

Closing Information		Transaction Information 1		Loan Information	
Date Issued	7/02/2019	Borrower	Michael Jones and Mary Stone	Loan Term	30 years 3
Closing Date	7/02/2019		123 Anywhere Street	Purpose	Purchase 2
Disbursement Date	7/02/2019		Anytown, ST 12345	Product	Fixed Rate
Settlement Agent	MBH Settlement Group, L.C.	Seller	Steve Cole and Amy Doe	Loan Type	<input checked="" type="checkbox"/> Conventional <input type="checkbox"/> FHA
File #	12-3456		321 Somewhere Drive	<input type="checkbox"/> VA <input type="checkbox"/>	
Property	456 Somewhere Ave	Lender	Anytown, ST 12345	Loan ID #	123456789
	Anytown, ST 12345		Ficus Bank	MIC #	000654321
Sale Price	\$180,000				

Loan Terms	Can this amount increase after closing?	
Loan Amount	\$162,000	NO 5
Interest Rate	3.875%	NO
Monthly Principal & Interest 4	\$761.78	NO
<i>See Projected Payments below for your Estimated Total Monthly Payment.</i>		
Does the loan have these features?		
Prepayment Penalty	YES 6	As high as \$3,240 if you pay off the loan during the first 2 years
Balloon Payment	NO	

Projected Payments		
Payment Calculation	Years 1-7	Years 8-30
Principal & Interest	\$761.78	\$761.78
Mortgage Insurance	+ 82.35	+ —
Estimated Escrow <i>Amount can increase over time</i>	+ 206.13	+ 206.13
Estimated Total Monthly Payment 8	\$1,050.26	\$967.91

Estimated Taxes, Insurance & Assessments <i>Amount can increase over time. See page 4 for details.</i>	\$356.13 a month	This estimate includes	In escrow?
		<input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input checked="" type="checkbox"/> Other: Homeowner's Association Dues.	YES YES 9 NO
<i>See Escrow Account on page 4 for details. You must pay for other property costs separately.</i>			

Costs at Closing	
Closing Costs	\$9,712.10 Includes \$4,694.05 in Loan Costs + \$5,018.05 in Other Costs - \$0 in Lender Credits. See page 2 for details. 10
Cash to Close	\$14,147.26 Includes Closing Costs. See Calculating Cash to Close on page 3 for details.

CLOSING DISCLOSURE PAGE 1 OF 5 - LOAN ID # 123456789

- 1** Check the spelling of your name.
- 2** Transaction Information.
- 3** Verify your loan information is accurate.
- 4** Basic Loan Terms.
- 5** Verify the loan amount and interest rate are accurate.
- 6** Does your loan have a prepayment penalty?
- 7** An overview of Mortgage Payments Over the Life of the Loan.
- 8** Check that your Estimated Total Monthly Payment matches your most recent Loan Estimate.
- 9** Check to see if you have items not in escrow.
- 10** Check to make sure your Costs at Closing match your most recent Loan Estimate.

On page 2 of 5

- 11 Up front charges from your lender for making the loan.
- 12 An itemized accounting of the Buyer's Closing Costs.
- 13 An itemized accounting of the Seller's Closing Costs.
- 14 Costs associated with transferring the property to you.
- 15 Prepaid interest and your first year's homeowners insurance premium.
- 16 This payment will establish an initial balance in your escrow account.
- 17 Costs for other services you have chosen. Review these amounts to make sure they match what you are expecting.

Closing Cost Details		Borrower-Paid		Seller-Paid		Paid by Others	
Loan Costs		At Closing	Before Closing	At Closing	Before Closing		
A. Origination Charges		\$1,802.00					
01	0.25 % of Loan Amount (Points)		\$405.00				
02	Application Fee		\$300.00				
03	Underwriting Fee		\$1,097.00				
04							
05							
06							
07							
B. Services Borrower Did Not Shop For		\$236.55					
01	Appraisal Fee	to John Smith Appraisers Inc.					\$405.00
02	Credit Report Fee	to Information Int.		\$29.80			
03	Flood Determination Fee	to Info Co.		\$20.00			
04	Flood Monitoring Fee	to Info Co.		\$31.75			
05	Tax Monitoring Fee	to Info Co.		\$75.00			
06	Tax Status Research Fee	to Info Co.		\$60.00			
07							
08							
09							
C. Services Borrower Did Shop For		\$1,954.80					
01	Pest Inspection Fee	to Pests Co.	\$135.00				
02	Survey Fee	to Surveys Co.	\$350.00				
03	Title - Insurance Binder	to MBH Settlement Group, L.C.	\$125.00				
04	Title - Lender's Title Policy	to MBH Settlement Group, L.C.	\$469.80				
05	Title - Settlement Fee	to MBH Settlement Group, L.C.	\$605.00				
06	Title - Title Search Fee	to JML Abstracts, LLC	\$135.00				
07	Title - Digital Archive Fee	to MBH Settlement Group, L.C.	\$25.00				
08	Title - CPL Fee	to Title Insurance Company	\$20.00				
D. TOTAL LOAN COSTS (Borrower-Paid)		\$3,993.35					
Loan Costs Subtotals (A + B + C)			\$3,993.35		\$29.80		
Other Costs		\$85.00					
E. Taxes and Other Government Fees							
01	Recording Fees	Deed: \$40.00	\$85.00				
02	Transfer Tax	Mortgage: \$45.00					
03		to Any State			\$950.00		
F. Prepays		\$2,120.80					
01	Homeowner's Insurance Premium (12 mo.)	to Insurance Co.	\$1,209.96				
02	Mortgage Insurance Premium (mo.)						
03	Prepaid Interest		\$279.04				
04	Property Taxes (6 mo.)	to Any County USA	\$631.80				
05							
G. Initial Escrow Payment at Closing		\$412.25					
01	Homeowner's Insurance \$100.83	per month for 2 mo.	\$201.66				
02	Mortgage Insurance	per month for mo.					
03	Property Taxes \$105.30	per month for 2 mo.	\$210.60				
04							
05							
06							
07							
08	Aggregate Adjustment		-0.01				
H. Other		\$2,012.20					
01	HOA Capital Contribution	to HOA Acre Inc.	\$500.00				
02	HOA Processing Fee	to HOA Acre Inc.	\$150.00				
03	Home Inspection Fee	to Engineers Inc.	\$750.00				\$750.00
04	Home Warranty Fee	to XYZ Warranty Inc.				\$450.00	
05	Real Estate Commission	to Alpha Real Estate Broker				\$5,700.00	
06	Real Estate Commission	to Omega Real Estate Broker				\$5,700.00	
07	Title - Owner's Title Insurance (optional)	to MBH Settlement Group, L.C.	\$612.20				
08							
I. TOTAL OTHER COSTS (Borrower-Paid)		\$4,630.25					
Other Costs Subtotals (E + F + G + H)			\$4,630.25				
J. TOTAL CLOSING COSTS (Borrower-Paid)		\$8,623.60					
Closing Costs Subtotals (D + I)			\$8,623.60		\$29.80	\$12,800.00	\$405.00
Lender Credits							
CLOSING DISCLOSURE						PAGE 2 OF 3 - LOAN ID# 123456789	

Calculating Cash to Close				Use this table to see what has changed from your Loan Estimate			
	Loan Estimate	Final	Did this change?		Loan Estimate	Final	Did this change?
Total Closing Costs (J)	\$6,406	\$8,623.60	YES - See Total Loan Costs (D) and		\$6,406	\$8,623.60	YES - See Total Loan Costs (D) and
Closing Costs Paid Before Closing	\$0	-\$29.80	YES - You paid these Closing Costs		\$0	-\$29.80	YES - You paid these Closing Costs
Closing Costs Financed (Paid from your Loan Amount)	\$0	\$0	NO		\$0	\$0	NO
Down Payment/Funds from Borrower	\$18,000.00	\$18,000.00	NO		\$18,000.00	\$18,000.00	NO
Deposit	-\$10,000.00	-\$10,000.00	NO		-\$10,000.00	-\$10,000.00	NO
Funds for Borrower	\$0	\$0	NO		\$0	\$0	NO
Seller Credits	\$0	-\$2,500.00	YES - See Seller Credits in Section L		\$0	-\$2,500.00	YES - See Seller Credits in Section L
Adjustment and Other Credits	\$0	-\$285.04	YES - See details in Sections K and L		\$0	-\$285.04	YES - See details in Sections K and L
Cash to Close	\$14,406.00	\$13,808.76			\$14,406.00	\$13,808.76	

Summaries of Transactions				Use this table to see a summary of your transaction.			
BORROWER'S TRANSACTION		SELLER'S TRANSACTION		BORROWER'S TRANSACTION		SELLER'S TRANSACTION	
K. Due from Borrower at Closing		\$188,703.60		M. Due to Seller at Closing		\$180,080.00	
01	Sale Price of Property	\$180,000.00		01	Sale Price of Property	\$180,000.00	
02	Sale Price of Any Personal Property Included in Sale			02	Sale Price of Any Personal Property Included in Sale		
03	Closing Costs Paid at Closing (J)	\$8,623.60		03	Closing Costs Paid at Closing (J)		
Adjustments				Adjustments			
04				04			
05				05			
06				06			
07				07			
Adjustments for Items Paid by Seller in Advance				Adjustments for Items Paid by Seller in Advance			
08	City/Town Taxes	to		08	City/Town Taxes	to	
09	County Taxes	to		09	County Taxes	to	
10	Assessments	to		10	Assessments	to	
11	HOA Dues	4/15/13 to 4/30/13	\$80.00	11	HOA Dues	4/15/13 to 4/30/13	\$80.00
12				12			
13				13			
L. Paid Already by or on Behalf of Borrower at Closing		\$174,894.84		N. Due from Seller at Closing		\$115,665.04	
01	Deposit	\$10,000.00		01	Excess Deposit		
02	Loan Amount	\$162,000.00		02	Closing Costs Paid at Closing (J)		\$12,800.00
03	Existing Loan(s) Assumed or Taken Subject to			03	Existing Loan(s) Assumed or Taken Subject to		
04	Credit Report Fee	\$29.80		04	Payoff of First Mortgage Loan		\$100,000.00
05	Seller Credit	\$2,500.00		05	Payoff of Second Mortgage Loan		
Other Credits				Other Credits			
06				06			
07				07			
08				08			
09				09			
10				10			
11				11			
12				12			
13				13			
Adjustments				Adjustments			
14				14			
15				15			
16				16			
17				17			
18				18			
19				19			
Adjustments for Items Unpaid by Seller				Adjustments for Items Unpaid by Seller			
20	City/Town Taxes	1/1/13 to 4/14/13	\$365.04	20	City/Town Taxes	1/1/13 to 4/14/13	\$365.04
21	County Taxes	to		21	County Taxes	to	
22	Assessments	to		22	Assessments	to	
23				23			
24				24			
CALCULATION				CALCULATION			
Total Due from Borrower at Closing (K)	\$188,703.60			Total Due to Seller at Closing (M)	\$180,080.00		
Total Paid Already by or on Behalf of Borrower at Closing (L)	-\$174,894.84			Total Due from Seller at Closing (N)	-\$115,665.04		
Cash to Close <input checked="" type="checkbox"/> From <input type="checkbox"/> To Borrower	\$13,808.76			Cash <input type="checkbox"/> From <input checked="" type="checkbox"/> To Seller	\$64,414.96		
CLOSING DISCLOSURE				PAGE 3 OF 3 - LOAN ID# 123456789			

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- 18 A comparison of the Loan Estimate vs. the Closing Disclosure.
- 19 Total cost of home purchase. It includes your house price and closing costs.
- 20 Costs that have been prepaid by the Seller that you are now reimbursing the Seller for.
- 21 Check that your Seller Credit reflects what you agreed upon with the Seller.
- 22 Prior taxes and other fees owed by the Seller that you will pay in the future. The Seller is reimbursing you now to cover these expenses.
- 23 Actual amount you will have to pay at closing.

Additional Information About This Loan

Loan Disclosures

Assumption

- 24** If you sell or transfer this property to another person, your lender
- will allow, under certain conditions, this person to assume this loan on the original terms.
 - will not allow assumption of this loan on the original terms.

Demand Feature

- Your loan
- has a demand feature, which permits your lender to require early repayment of the loan. You should review your note for details.
 - does not have a demand feature.

Late Payment

If your payment is more than 15 days late, your lender will charge a late fee of 5% of the monthly principal and interest payment.

Negative Amortization (Increase in Loan Amount)

- Under your loan terms, you
- are scheduled to make monthly payments that do not pay all of the interest due that month. As a result, your loan amount will increase (negatively amortize), and your loan amount will likely become larger than your original loan amount. Increases in your loan amount lower the equity you have in this property.
 - may have monthly payments that do not pay all of the interest due that month. If you do, your loan amount will increase (negatively amortize), and, as a result, your loan amount will become larger than your original loan amount. Increases in your loan amount lower the equity you have in this property.
 - do not have a negative amortization feature.

Partial Payments

- Your lender
- may accept payments that are less than the full amount due (partial payments) and apply them to your loan.
 - may hold them in a separate account until you pay the rest of the payment, and then apply the full payment to your loan.
 - does not accept any partial payments.
- If this loan is sold, your new lender may have a different policy.

Security Interest

You are granting a security interest in 456 Somewhere Ave., Anytown, ST 12345

You may lose this property if you do not make your payments or satisfy other obligations for this loan.

Escrow Account

For now, your loan

will have an escrow account (also called an "impound" or "trust" account) to pay the property costs listed below. Without an escrow account, you would pay them directly, possibly in one or two large payments a year. Your lender may be liable for penalties and interest for failing to make a payment.

Escrow		
Escrowed Property Costs over Year 1	\$2,473.56	Estimated total amount over year 1 for your escrowed property costs: Homeowner's Insurance Property Taxes
Non-Escrowed Property Costs over Year 1	\$1,800.00	Estimated total amount over year 1 for your non-escrowed property costs: Homeowner's Association Dues You may have other property costs.
Initial Escrow Payment	\$412.25	A cushion for the escrow account you pay at closing. See Section G on page 2.
Monthly Escrow Payment	\$206.13	The amount included in your total monthly payment.

will not have an escrow account because you declined it your lender does not offer one. You must directly pay your property costs, such as taxes and homeowner's insurance. Contact your lender to ask if your loan can have an escrow account.

No Escrow

Estimated Property Costs over Year 1	Estimated total amount over year 1. You must pay these costs directly, possibly in one or two large payments a year.
Escrow Waiver Fee	

In the future,

Your property costs may change and, as a result, your escrow payment may change. You may be able to cancel your escrow account, but if you do, you must pay your property costs directly. If you fail to pay your property taxes, your state or local government may (1) impose fines and penalties or (2) place a tax lien on this property. If you fail to pay any of your property costs, your lender may (1) add the amounts to your loan balance, (2) add an escrow account to your loan, or (3) require you to pay for property insurance that the lender buys on your behalf, which likely would cost more and provide fewer benefits than what you could buy on your own.

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- 24** If you sell the home the buyer may be allowed to take over your loan on the same terms.
- 25** A demand feature allows the lender to demand immediate payment of the entire loan at any time.
- 26** Negative amortization means your loan balance can increase even if you make your payments on time and in full.
- 27** The security interest allows the lender to foreclose on your home if you don't pay back the money you borrowed.

CLOSING DISCLOSURE

On page 5 of 5

- 28** Amount of money you will pay over the life of the loan.
- 29** Interest and loan fees you will pay over the life of the loan.
- 30** Net amount of money you are borrowing.

Loan Calculations

28 Total of Payments. Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.	\$285,803.36
29 Finance Charge. The dollar amount the loan will cost you.	\$118,830.27
30 Amount Financed. The loan amount available after paying your upfront finance charge.	\$162,000.00
Annual Percentage Rate (APR). Your costs over the loan term expressed as a rate. This is not your interest rate.	4.174%
Total Interest Percentage (TIP). The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	69.46%

Questions? If you have questions about the loan terms or costs on this form, use the contact information below. To get more information or make a complaint, contact the Consumer Financial Protection Bureau at www.consumerfinance.gov/mortgage-closing

Other Disclosures

- Appraisal**
If the property was appraised for your loan, your lender is required to give you a copy at no additional cost at least 3 days before closing. If you have not yet received it, please contact your lender at the information listed below.
- Contract Details**
See your note and security instrument for information about:
- what happens if you fail to make your payments,
- what is a default on the loan,
- situations in which your lender can require early repayment of the loan, and
- the rules for making payments before they are due.
- Liability after Foreclosure**
If your lender forecloses on this property and the foreclosure does not cover the amount of unpaid balance on this loan,
 state law may protect you from liability for the unpaid balance. If you refinance or take on any additional debt on this property, you may lose this protection and have to pay any debt remaining even after foreclosure. You may want to consult a lawyer for more information.
 state law does not protect you from liability for the unpaid balance.
- Refinance**
Refinancing this loan will depend on your future financial situation, the property value, and market conditions. You may not be able to refinance this loan.
- Tax Deductions**
If you borrow more than this property is worth, the interest on the loan amount above this property's fair market value is not deductible from your federal income taxes. You should consult a tax advisor for more information.

Contact Information

	Lender	Mortgage Broker	Real Estate Broker (B)	Real Estate Broker (S)	Settlement Agent
Name	Ficus Bank		Omega Real Estate Broker Inc.	Alpha Real Estate Broker Co.	MBH Settlement Group, L.C.
Address	4321 Random Blvd. Somecity, ST 12340		789 Local Lane Somtown, ST 12345	987 Suburb Ct. Someplace, ST 12340	4230 Lafayette Center Dr., Suite 1, Chantilly, VA 20151
NMLS ID			2765416	261456	
ST License ID			Samuel Green	Joseph Cain	John Smith
Contact	Joe Smith		P16415	F51461	
Contact NMLS ID	12345				
Contact ST License ID					
Email	joesmith@ficusbank.com		sam@omegabiz	joe@alphabiz	mbhinfo@mbh.com
Phone	123-456-7890		123-555-1717	321-555-7171	703-277-6800

Confirm Receipt

By signing, you are only confirming that you have received this form. You do not have to accept this loan because you have signed or received this form.

Applicant Signature _____ Date _____ Co-Applicant Signature _____ Date _____

CLOSING DISCLOSURE

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Congratulations On Your New Home

We're honored to be part of one of the most exciting times in your life. At MBH Settlement Group we continue to work for you even after the settlement. We record your documents in the appropriate jurisdiction, send your lender a signed settlement package, disburse the settlement funds as per the settlement statement, pay off any loans or debts and obtain releases for liens on title. Within a few months you will receive your original recorded deed and your owner's title insurance policy from MBH. Please keep your settlement statement and title insurance policy in a safe place. You may need them in the future. Do not hesitate to contact MBH Settlement Group with any questions or settlement needs including future refinancing! We look forward to serving all of your future real estate settlement needs!

CHANGE OF ADDRESS

After closing, alert your friends, family, account holders, and subscription services of your new address. The U.S. Postal Service will forward first class mail for one year, but magazines and newspapers are only forwarded for a short time.



Important Phone Numbers



UTILITIES

- Dominion Energy* — 866-366-4357
- Hampton Roads Sanitation District* — 757-460-2261
- Virginia Natural Gas* — 866-229-3578
- York County Utilities* — 757-890-3702
- York County Waste Management* — 757-890-3780



COUNTY SERVICES

- Gloucester County* — 804-693-4042
- Hampton* — 757-727-8311
- James City County* — 757-259-4080
- Newport News* — 757-933-2311
- Poquoson* — 757-868-3000
- Virginia Beach* — 757-385-3111
- York County* — 757-890-3300



WATER SERVICES

- Aqua Virginia* — 877-987-2782
- Hampton Roads Water Services* — 757-906-3696
- James City Service Authority* — 757-253-6800
- Newport News Waterworks* — 757-926-1000
- Virginia Beach* — 757-385-4631
- Williamsburg Public Works* — 757-220-6188
- York County* — 757- 890-3750



TELEPHONE / DATA SERVICES

- Century Link* — 800-244-1111
- Comcast* — 800-934-6489
- Cox* — 800-234-3993
- Segra* — 855-518-3124
- Verizon* — 800-837-4966

Terms You Should Know

Glossary and Definitions

Appraisal - A written valuation of the price paid for a property, primarily based on an analysis of comparable sales of similar homes nearby.

Assessed Value - The valuation placed on property by a public tax assessor for purposes of taxation.

Assignment - When ownership of your mortgage is transferred from one company or individual to another.

Bankruptcy - By filing in federal bankruptcy court, an individual or individuals can restructure or relieve themselves of debts and liabilities. Bankruptcies are of various types, but the most common for an individual seem to be a “Chapter 7 No Asset” bankruptcy which relieves the borrower of most types of debts.

Chain of Title - An analysis of the transfers of title to a piece of property over the years.

Clear Title - A title that is free of liens or legal questions as to ownership of the property.

Closing - The “closing” is a meeting where all of the documents are signed and money changes hands.

Closing Costs - Closing costs are separated into what are called “non-recurring closing costs” and “pre-paid items.” Non-recurring closing costs are any items which are paid just once as a result of buying the property or obtaining a loan. “Pre-paids” are items which recur over time, such as property taxes and homeowners insurance. A lender makes an attempt to estimate the amount of non-recurring closing costs and prepaid items on the Good Faith Estimate which they must issue to the borrower within three days of receiving a home loan application.

Closing Disclosure (CD) - A form designed to provide disclosures that will be helpful to consumers in understanding all the costs of the transaction. Items that appear on the statement include real estate commissions, loan fees, points, and initial escrow (impound) amounts. The CD will provide totals for the seller’s net proceeds and the buyer’s net payment at closing. The lender is required to provide the CD to the borrower at least 3 days prior to the settlement.

Cloud on Title - Any conditions revealed by a title search that adversely affect the title to real estate. Usually clouds on title cannot be removed except by deed, release, or court action.

Common Area Assessments - In some areas they are called Homeowners Association Fees. They are charges paid to the Homeowners Association by the owners of the individual units in a condominium or planned unit development (PUD) and are generally used to maintain the property and common areas.

Common Areas - Those portions of a building, land, and amenities owned (or managed) by a planned unit development (PUD) or condominium project’s homeowners’ association (or a cooperative project’s cooperative corporation) that are used by all of the unit owners, who share in the common expenses of their operation and maintenance. Common areas include swimming pools, tennis courts, and other recreational facilities, as well as common corridors of buildings, parking areas, means of ingress and egress, etc.

Contingency - A condition that must be met before a contract is legally binding. For example, home purchasers often include a contingency that specifies that the contract is not binding until the purchaser obtains a satisfactory home inspection report from a qualified home inspector.

Contract - An oral or written agreement to do or not to do a certain thing.

Deed - The legal document conveying title to a property.

Deed of Trust - Some states, like Virginia, do not record mortgages. Instead, they record a deed of trust which pledges a property to the lender as security for payment of a debt.

Default - Failure to make the mortgage payment within a specified period of time. For first mortgages or first trust deeds, if a payment has still not been made within 30 days of the due date, the loan is considered to be in default.

Down Payment - The part of the purchase price of a property that the buyer pays in cash and does not finance with a mortgage.

Earnest Money Deposit - A deposit made by the potential home buyer.

Easement - A right of way giving persons other than the owner access to or over a property.

Eminent Domain - The right of a government to take private property for public use upon payment of its fair market value. Eminent domain is the basis for condemnation proceedings.

Encroachment - An improvement that intrudes illegally on another’s property.

Encumbrance - Anything that affects or limits the fee simple title to a property, such as mortgages, leases, easements, or restrictions.

Equity - A homeowner's financial interest in a property. Equity is the difference between the fair market value of the property and the amount still owed on its mortgage and other liens.

Escrow Account - Once you close your purchase transaction, you may have an escrow account or impound account with your lender. This means the amount you pay each month includes an amount above what would be required if you were only paying your principal and interest. The extra money is held in your impound account (escrow account) for the payment of items like property taxes and homeowner's insurance when they come due. The lender pays them with your money instead of you paying them yourself.

Executor - A person named in a will to administer an estate. The court will appoint an administrator if no executor is named. "Executrix" is the feminine form.

Fixture - Personal property that becomes real property when attached in a permanent manner to real estate.

Flood Insurance - Insurance that compensates for physical property damage resulting from flooding. It is required for properties located in federally designated flood areas.

Foreclosure - The legal process by which a borrower in default under a mortgage is deprived of his or her interest in the mortgaged property. This usually involves a forced sale of the property at public auction with the proceeds of the sale being applied to the mortgage debt.

Grantee - The person to whom an interest in real property is conveyed.

Grantor - The person conveying an interest in real property.

Hazard Insurance - Insurance coverage that in the event of physical damage to a property from fire, wind, vandalism, or other hazards.

Home Inspection - A thorough inspection by a professional that evaluates the structural and mechanical condition of a property. A satisfactory home inspection is often included as a contingency by the purchaser.

Homeowners' Association - An association that manages the common areas of a planned unit development (PUD) or condominium project. In a condominium project, it has no ownership interest in the common elements. In a PUD project, it holds title to the common elements.

Homeowner's Insurance - An insurance policy that combines personal liability insurance and hazard insurance coverage for a dwelling and its contents.

Homeowner's Warranty - A type of insurance often purchased by homebuyers that will cover repairs to certain items, such as heating or air conditioning, should they break down within the coverage period. The buyer often requests the seller to pay for this coverage as a condition of the sale, but either party can pay.

Joint Tenancy - A form of ownership or taking title to property which means each party owns the whole property and that ownership is not separate. In the event of the death of one party, the survivor owns the property in its entirety.

Judgment - A decision made by a court of law. In judgments that require the repayment of a debt, the court may place a lien against the debtor's real property as collateral for the judgment's creditor.

Legal Description - A property description, recognized by law, that is sufficient to locate and identify the property without oral testimony.

Lender - A term which can refer to the institution making the loan or to the individual representing the firm.

Lien - A legal claim against a property that must be paid off when the property is sold. A mortgage or first trust deed is considered a lien.

Loan - A sum of borrowed money (principal) that is generally repaid with interest.

Loan Estimate - A form designed to provide disclosures that will be helpful to consumers in understanding the key features, costs and risks of the mortgage loan for which they are applying. The form must be provided to consumers no later than three business days after they submit a loan application.

Loan Officer - Also referred to by a variety of other terms, such as lender, loan representative, loan "rep," account executive, and others. The loan officer serves several functions and has various responsibilities: they solicit loans, they are the representative of the lending institution, and they represent the borrower to the lending institution.

Mortgage - A legal document that pledges a property to the lender as security for payment of a debt. Instead of mortgages, some states use Deeds of Trust.

Mortgage Broker - A mortgage company that originates loans, then places those loans with a variety of other lending institutions with whom they usually have pre-established relationships.

Note - A legal document that obligates a borrower to repay a mortgage loan at a stated interest rate during a specified period of time.

Owner Financing - A property purchase transaction in which the property seller provides all or part of the financing.

Planned Unit Development (PUD) - A type of ownership where individuals actually own the building or unit they live in, but common areas are owned jointly with the other members of the development or association. Contrast with condominium, where an individual actually owns the airspace of his unit, but the buildings and common areas are owned jointly with the others in the development or association.

Power of Attorney - A legal document that authorizes another person to act on one's behalf. A power of attorney can grant complete authority or can be limited to certain acts and/or certain periods of time.

Pre-approval - A loosely used term which is generally taken to mean that a borrower has completed a loan application and provided debt, income, and savings documentation which an underwriter has reviewed and approved. A pre-approval is usually done at a certain loan amount and making assumptions about what the interest rate will actually be at the time the loan is actually made, as well as estimates for the amount that will be paid for property taxes, insurance and others. A pre-approval applies only to the borrower. Once a property is chosen, it must also meet the underwriting guidelines of the lender. Contrast with pre-qualification.

Pre-qualification - This usually refers to the loan officer's written opinion of the ability of a borrower to qualify for a home loan, after the loan officer has made inquiries about debt, income, and savings. The information provided to the loan officer may have been presented verbally or in the form of documentation, and the loan officer may or may not have reviewed a credit report on the borrower.

Public Auction - A meeting in an announced public location to sell property to repay a mortgage that is in default.

Purchase Agreement - A written contract signed by the buyer and seller stating the terms and conditions under which a property will be sold.

Purchase Money Transaction - The acquisition of property through the payment of money or its equivalent.

Quitclaim Deed - A deed that transfers without warranty whatever interest or title a grantor may have at the time the conveyance is made.

Real Estate Settlement Procedures Act (RESPA) - A Federal consumer protection law.

Real Property - Land and appurtenances, including anything of a permanent nature such as structures, trees, minerals, and the interest, benefits, and inherent rights thereof.

Recording - The noting in the registrar's office of the details of a properly executed legal document, such as a deed, a mortgage note, a satisfaction of mortgage, or an extension of mortgage, thereby making it a part of the public record.

Right of First Refusal - A provision in an agreement that requires the owner of a property to give another party the first opportunity to purchase or lease the property before he or she offers it for sale or lease to others.

Right of Ingress or Egress - The right to enter or leave designated premises.

Right of Survivorship - In joint tenancy, the right of survivors to acquire the interest of a deceased joint tenant.

Security - The property that will be pledged as collateral for a loan.

Subdivision - A housing development that is created by dividing a tract of land into individual lots for sale or lease.

Survey - A drawing or map showing the precise legal boundaries of a property, the location of improvements, easements, rights of way, encroachments, and other physical features.

Tenancy in Common - As opposed to joint tenancy, when there are two or more individuals on title to a piece of property, this type of ownership does not pass ownership to the others in the event of death.

Title - A legal document evidencing a person's right to or ownership of a property.

Title Company - A company that specializes in examining and insuring titles to real estate.

Title Insurance - Insurance that protects the lender (lender's policy) or the buyer (owner's policy) against loss arising from disputes over ownership of a property.

Title Search - A check of the title records to ensure that the seller is the legal owner of the property and that there are no liens or other claims outstanding.

Transfer Tax - State or local tax payable when title passes from one owner to another.

MBH Settlement Group

Map of Locations

Virginia

Alexandria (Old Town)

228 S. Washington St., Suite 100
Alexandria, VA 22314
703-739-0100
mbholdtown@mbh.com

Arlington

2101 Wilson Boulevard, Suite 1250
Arlington, VA 22201
703-237-1100
mbharlington@mbh.com

Burke

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Burke, VA 22015
703-913-8080
mbhburke@mbh.com

Chantilly

4530 Walney Road, Suite 100
Chantilly, VA 20151
703-277-6800

Fair Oaks

12150 Monument Dr., Suite 850
Fairfax, VA 22033
703-279-1500
mbhfair Oaks@mbh.com

Fredericksburg

1956 William St
Fredericksburg, VA 22401
540-373-1300
mbhfredericksburg@mbh.com

Front Royal

824 John Marshall Highway
Front Royal, VA 22630
540-878-4210
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Gainesville

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Kingstowne

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Winchester

817 Cedar Creek Grade, Suite 203
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Maryland & D.C.

Bethesda

8120 Woodmont Ave, Suite 810,
Bethesda, MD 20814
301-941-4990
mbhmaryland@mbh.com

District of Columbia

1775 Eye Street NW, Suite 560
Washington, DC 20006
202-749-8420
mbhdc@mbh.com

Maryland



Virginia

OUR FOCUS IS ON YOUR NEEDS

**"MBH IS TOP NOTCH!
THEY ARE RIGHT ON EVERY
ISSUE OF SETTLEMENT AND
VERY COMMUNICATIVE.
I RECOMMEND THEM HIGHLY."**

- FACEBOOK | MARSHA W.

**"THE STAFF AT MBH WERE
AMAZINGLY EFFICIENT, FRIENDLY
AND PROFESSIONAL IN PROCESSING
MY CLOSING! I HAVE AND WILL
CONTINUE TO USE THEM FOR MY
REAL ESTATE CLIENTS AND MYSELF
IN THE FUTURE!"**

- GOOGLE | BRIAN H.



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