

196 unsatisfactory provision of such loan documents, in Buyer's sole subjective discretion. If the lender's approval of a transfer of the
197 Property is required, this Contract is conditional upon Buyer's obtaining such approval without change in the terms of such loan,
198 except as set forth in § 4.6. If lender's approval is not obtained by **Loan Transfer Approval Deadline** (§ 3), this Contract will
199 terminate on such deadline. Seller has the Right to Terminate under § 25.1, on or before Closing, in Seller's sole subjective
200 discretion, if Seller is to be released from liability under such existing loan and Buyer does not obtain such compliance as set forth
201 in § 4.6.

202 **6. APPRAISAL PROVISIONS.**

203 **6.1. Lender Property Requirements.** If the lender imposes any requirements or repairs (Requirements) to be made to
204 the Property (e.g., roof repair, repainting), beyond those matters already agreed to by Seller in this Contract, Seller has the Right to
205 Terminate under § 25.1, (notwithstanding § 10 of this Contract), on or before three days following Seller's receipt of the
206 Requirements, based on any unsatisfactory Requirements, in Seller's sole subjective discretion. Seller's Right to Terminate in this
207 § 6.1 does not apply if, on or before any termination by Seller pursuant to this § 6.1: (1) the parties enter into a written agreement
208 regarding the Requirements; or (2) the Requirements have been completed; or (3) the satisfaction of the Requirements is waived in
209 writing by Buyer.

210 **6.2. Appraisal Condition.** The applicable Appraisal provision set forth below applies to the respective loan type set
211 forth in § 4.5.3, or if a cash transaction (i.e. no financing), § 6.2.1 applies.

212 **6.2.1. Conventional/Other.** Buyer has the sole option and election to terminate this Contract if the Property's
213 valuation, determined by an appraiser engaged on behalf of _____, is less than the Purchase Price. The
214 appraisal must be received by Buyer or Buyer's lender on or before **Appraisal Deadline** (§ 3). Buyer has the Right to Terminate
215 under § 25.1, on or before **Appraisal Objection Deadline** (§ 3), if the Property's valuation is less than the Purchase Price and
216 Seller's receipt of either a copy of such appraisal or written notice from lender that confirms the Property's valuation is less than
217 the Purchase Price. This § 6.2.1 is for the sole benefit of Buyer.

218 **6.2.2. FHA.** It is expressly agreed that, notwithstanding any other provisions of this Contract, the Purchaser
219 (Buyer) shall not be obligated to complete the purchase of the Property described herein or to incur any penalty by forfeiture of
220 Earnest Money deposits or otherwise unless the Purchaser (Buyer) has been given, in accordance with HUD/FHA or VA
221 requirements, a written statement issued by the Federal Housing Commissioner, Department of Veterans Affairs, or a Direct
222 Endorsement lender, setting forth the appraised value of the Property of not less than \$_____. The Purchaser (Buyer)
223 shall have the privilege and option of proceeding with the consummation of this Contract without regard to the amount of the
224 appraised valuation. The appraised valuation is arrived at to determine the maximum mortgage the Department of Housing and
225 Urban Development will insure. HUD does not warrant the value nor the condition of the Property. The Purchaser (Buyer) should
226 satisfy himself/herself that the price and condition of the Property are acceptable.

227 **6.2.3. VA.** It is expressly agreed that, notwithstanding any other provisions of this Contract, the purchaser (Buyer)
228 shall not incur any penalty by forfeiture of Earnest Money or otherwise or be obligated to complete the purchase of the Property
229 described herein, if the Contract Purchase Price or cost exceeds the reasonable value of the Property established by the Department
230 of Veterans Affairs. The purchaser (Buyer) shall, however, have the privilege and option of proceeding with the consummation of
231 this Contract without regard to the amount of the reasonable value established by the Department of Veterans Affairs.

232 **6.3. Cost of Appraisal.** Cost of any appraisal to be obtained after the date of this Contract must be timely paid by
233 Buyer Seller. The cost of the appraisal may include any or all fees paid to the appraiser, appraisal management
234 company, lender's agent or all three.
235

236 **7. OWNERS' ASSOCIATION. This Section is applicable if the Property is located within a Common Interest** 237 **Community and subject to such declaration.**

238 **7.1. Owners' Association Documents.** Owners' Association Documents (Association Documents) consist of the
239 following:

240 **7.1.1.** All Owners' Association declarations, articles of incorporation, bylaws, articles of organization, operating
241 agreements, rules and regulations, party wall agreements;

242 **7.1.2.** Minutes of most recent annual owners' meeting;

243 **7.1.3.** Minutes of any directors' or managers' meetings during the six-month period immediately preceding the
244 date of this Contract. If none of the preceding minutes exist, then the most recent minutes, if any (§§ 7.1.1, 7.1.2 and 7.1.3,
245 collectively, Governing Documents); and

246 **7.1.4.** The most recent financial documents which consist of: (1) annual and most recent balance sheet, (2) annual
247 and most recent income and expenditures statement, (3) annual budget, (4) reserve study, and (5) notice of unpaid assessments, if
248 any (collectively, Financial Documents).

249 **7.2. Common Interest Community Disclosure. THE PROPERTY IS LOCATED WITHIN A COMMON**
250 **INTEREST COMMUNITY AND IS SUBJECT TO THE DECLARATION FOR SUCH COMMUNITY. THE OWNER**
251 **OF THE PROPERTY WILL BE REQUIRED TO BE A MEMBER OF THE OWNERS' ASSOCIATION FOR THE**

252 COMMUNITY AND WILL BE SUBJECT TO THE BYLAWS AND RULES AND REGULATIONS OF THE
253 ASSOCIATION. THE DECLARATION, BYLAWS, AND RULES AND REGULATIONS WILL IMPOSE FINANCIAL
254 OBLIGATIONS UPON THE OWNER OF THE PROPERTY, INCLUDING AN OBLIGATION TO PAY
255 ASSESSMENTS OF THE ASSOCIATION. IF THE OWNER DOES NOT PAY THESE ASSESSMENTS, THE
256 ASSOCIATION COULD PLACE A LIEN ON THE PROPERTY AND POSSIBLY SELL IT TO PAY THE DEBT. THE
257 DECLARATION, BYLAWS, AND RULES AND REGULATIONS OF THE COMMUNITY MAY PROHIBIT THE
258 OWNER FROM MAKING CHANGES TO THE PROPERTY WITHOUT AN ARCHITECTURAL REVIEW BY THE
259 ASSOCIATION (OR A COMMITTEE OF THE ASSOCIATION) AND THE APPROVAL OF THE ASSOCIATION.
260 PURCHASERS OF PROPERTY WITHIN THE COMMON INTEREST COMMUNITY SHOULD INVESTIGATE THE
261 FINANCIAL OBLIGATIONS OF MEMBERS OF THE ASSOCIATION. PURCHASERS SHOULD CAREFULLY
262 READ THE DECLARATION FOR THE COMMUNITY AND THE BYLAWS AND RULES AND REGULATIONS OF
263 THE ASSOCIATION.

264 **7.3. Association Documents to Buyer.**

265 **7.3.1. Seller to Provide Association Documents.** Seller will cause the Association Documents to be provided to
266 Buyer, at Seller's expense, on or before **Association Documents Deadline** (§ 3).

267 **7.3.2. Seller Authorizes Association.** Seller authorizes the Association to provide the Association Documents to
268 Buyer, at Seller's expense.

269 **7.3.3. Seller's Obligation.** Seller's obligation to provide the Association Documents is fulfilled upon Buyer's
270 receipt of the Association Documents, regardless of who provides such documents.

271 **Note:** If neither box in this § 7.3 is checked, the provisions of § 7.3.1 apply.

272 **7.4. Conditional on Buyer's Review.** Buyer has the right to review the Association Documents. Buyer has the Right to
273 Terminate under § 25.1, on or before **Association Documents Objection Deadline** (§ 3), based on any unsatisfactory provision in
274 any of the Association Documents, in Buyer's sole subjective discretion. Should Buyer receive the Association Documents after
275 **Association Documents Deadline** (§ 3), Buyer, at Buyer's option, has the Right to Terminate under § 25.1 by Buyer's Notice to
276 Terminate received by Seller on or before ten days after Buyer's receipt of the Association Documents. If Buyer does not receive
277 the Association Documents, or if Buyer's Notice to Terminate would otherwise be required to be received by Seller after **Closing**
278 **Date** (§ 3), Buyer's Notice to Terminate must be received by Seller on or before Closing. If Seller does not receive Buyer's Notice
279 to Terminate within such time, Buyer accepts the provisions of the Association Documents as satisfactory, and Buyer waives any
280 Right to Terminate under this provision, notwithstanding the provisions of § 8.6 (Right of First Refusal or Contract Approval).

281 **8. TITLE INSURANCE, RECORD TITLE AND OFF-RECORD TITLE.**

282 **8.1. Evidence of Record Title.**

283 **8.1.1. Seller Selects Title Insurance Company.** If this box is checked, Seller will select the title insurance
284 company to furnish the owner's title insurance policy at Seller's expense. On or before **Record Title Deadline** (§ 3), Seller must
285 furnish to Buyer, a current commitment for owner's title insurance policy (Title Commitment), in an amount equal to the
286 Purchase Price, or if this box is checked, an **Abstract of Title** certified to a current date. Seller will cause the title insurance
287 policy to be issued and delivered to Buyer as soon as practicable at or after Closing.

288 **8.1.2. Buyer Selects Title Insurance Company.** If this box is checked, Buyer will select the title insurance
289 company to furnish the owner's title insurance policy at Buyer's expense. On or before **Record Title Deadline** (§ 3), Buyer must
290 furnish to Seller, a current commitment for owner's title insurance policy (Title Commitment), in an amount equal to the Purchase
291 Price.

292 If neither box in § 8.1.1 or § 8.1.2 is checked, § 8.1.1 applies.

293 **8.1.3. Owner's Extended Coverage (OEC).** The Title Commitment **Will** **Will Not** commit to delete or
294 insure over the standard exceptions which relate to: (1) parties in possession, (2) unrecorded easements, (3) survey matters, (4)
295 unrecorded mechanics' liens, (5) gap period (effective date of commitment to date deed is recorded), and (6) unpaid taxes,
296 assessments and unredeemed tax sales prior to the year of Closing (OEC). If the title insurance company agrees to provide an
297 endorsement for OEC, any additional premium expense to obtain an endorsement for OEC will be paid by **Buyer** **Seller**
298 **One-Half by Buyer and One-Half by Seller** **Other** _____.

299 **Note:** The title insurance company may not agree to delete or insure over any or all of the standard exceptions.

300 **8.1.4. Title Documents.** Title Documents consist of the following: (1) copies of any plats, declarations,
301 covenants, conditions and restrictions burdening the Property, and (2) copies of any other documents (or, if illegible, summaries of
302 such documents) listed in the schedule of exceptions (Exceptions) in the Title Commitment furnished to Buyer (collectively, Title
303 Documents).

304 **8.1.5. Copies of Title Documents.** Buyer must receive, on or before **Record Title Deadline** (§ 3) copies of all
305 Title Documents. This requirement pertains only to documents as shown of record in the office of the clerk and recorder in the