



PALMETTO ROW

PURCHASE AGREEMENT

Parties: This legally binding agreement entered into on \_\_\_\_\_ (Date) between \_\_\_\_\_ (collectively, "Buyers"), and Grand Palm Development, LLC ("Sellers") following parcel of land ("Lot"), including improvements:

Lot \_\_\_\_\_ of Palmetto Row , a subdivision in the Town of Summerville, Charleston County, South Carolina, having a street address of \_\_\_\_\_ and a tax map number of \_\_\_\_\_ including any improvements located thereon, (collectively referred to herein as the "Property").

The townhome to be located on the Property ("Home") will be Seller's \_\_\_\_\_ house plan, with driveway and single car attached garage.

The Property shall be deeded in the name(s) of \_\_\_\_\_

1. PURCHASE PRICE

- (1) \_\_\_\_\_ Base Price of Property
(2) \_\_\_\_\_ Lot Premium
(3) \_\_\_\_\_ Options
(4) \_\_\_\_\_ POA Dues (2 months collected at closing)

➤ \_\_\_\_\_ TOTAL PRICE

- (5) \_\_\_\_\_ Earnest Money

➤ \_\_\_\_\_ TOTAL PURCHASE PRICE

This offer is accompanied by an earnest money deposit of \$\_\_\_\_\_. Buyer and Seller authorize Carolina One Real Estate as Escrow Agent, to hold and disburse earnest money according to the terms of this agreement. Earnest money paid by [ ] Check or [ ] Other. Broker does not guarantee payment of a check or checks accepted as earnest money. All escrow money received shall be deposited as required by South Carolina law and South Carolina Real Estate Commission Rules and Regulations. At the consummation of this sale, the earnest money deposit shall be credited to the Buyer. According to the rules and regulations of the South Carolina Real Estate Commission and the Code of Laws of South Carolina, 1976, as amended, any interest earned on Buyer's earnest money deposit would belong to Buyer until

the closing of the transaction referenced in this agreement. It is understood that Broker [ ] may [ ] may not place deposited earnest monies into an interest bearing trust account. If Buyer's earnest money deposit is deposited into an interest bearing trust account, Broker will retain all interest earned in said account.

The Parties understand that, under all circumstances, including default, the escrow agent holding the earnest money deposit will not disburse it to either party until both parties have executed an agreement authorizing the disbursement or until a court of competent jurisdiction has directed a disbursement.

## 2. PLANS AND SPECIFICATIONS

If the improvements have already been completed at the time of this Agreement, Buyer agrees to accept the improvements as built. If the improvements have not been completed at the time of this Agreement, Seller shall complete the improvements in substantial conformity with the plans and the specifications for the plan referenced in this Agreement in a timely manner. Seller reserves the right to: make additions, deletions, and alterations to the plan and elevation; to locate the heating and cooling systems, wiring and electrical system, water heater, all plumbing lines and gas and electric meters at Seller's discretion; to substitute products and materials of similar quality to maintain acceptable standards and conform to any required building codes; to determine the ground elevation and location of the improvements on neighboring lots; and to remove trees and shrubbery from the Property. Seller shall not be liable for any damage to trees or shrubbery on the Property. Seller may terminate this Agreement if Seller determines, in its sole discretion that the Home does not fit on the Lot. Any other house, model, plan or rendering shown to Buyer are for illustrative purposes only and do not constitute commitment by Seller to deliver the improvements described in this Agreement in exact accordance with any other house, model, plan or rendering. The exact dimensions of the Home and components thereof may vary slightly from the actual dimensions of the models, and certain floor plans will be reverse layouts of the models or floor plan drawings. Model home furnishings, decorator wall coverings, floor coverings, window treatments, landscaping, displays and advertising materials are for display and marketing purposes only and are not part of this Agreement. Buyer understands that model home and / or decorator items, such as built-ins, special trim detail, colored paint, and extra flooring lighting will not be standard in the Home. Seller makes no representation concerning any land adjacent to or near the Property or as to future market conditions and their resulting impact on housing prices. Seller reserves the right to change Seller's pricing and marketing strategies at Seller's sole discretion.

## 3. SELECTIONS AND UPGRADES

To the extent made available by Seller, Buyer may select colors and designs of some items. Within fifteen (15) days from the date of this Agreement on "To Be Built" homes and within seven (7) days from the date of this Agreement on homes that are under construction, Buyer must make all necessary color and material selections as outlined in the Selections and Upgrades Addendum. If the selections are not made within this timeframe, Seller may, at its option, select the necessary color and material combinations on Buyer's behalf, or elect to deem Buyer in default under this Agreement. Except to the extent that such choices are specifically offered by Seller, selected by Buyer, and approved by Seller, it is understood that no color or design option is available to Buyer. **Buyer understands that Seller's sales associates are NOT authorized to bind Seller.** Buyer agrees that any request for a change order or alteration to the Home or Lot ("Change Order") shall be in writing and must be signed by both Buyer and Seller's authorized agent. **Seller has the right to refuse any Change Order request.** Buyer agrees that all Change Order requests must be presented to Seller with sufficient lead time to allow Seller to schedule the Change Order into the normal construction sequence of the Home. Buyer agrees to pay Seller in advance for 50% of the total cost of any agreed upon Change Order which involves extras, options or upgrade items ("Change Order Upgrades"). These monies will be credited to Buyer at closing if included in the Purchase Price, but are otherwise non-refundable and shall become a portion of the liquidated damages described in Section 15 in the event of default by Buyer. Any deposit amounts for changes or upgrades will be paid directly to Seller. Seller, in its sole discretion, shall have the right to limit the Change Order Upgrade(s) which Buyer may select for the Home. In the event any Change Order Upgrade ordered by Buyer are not delivered by Seller, for whatever reason, Buyer's exclusive remedy will be the refund or credit of the amount of the sales price actually paid for said Change Order Upgrade.

**4. COMPLETION OF CONSTRUCTION**

If construction of improvements is not complete at the time of this Agreement, Seller agrees to proceed in accordance with Seller's normal construction schedule, but Seller does not warrant completion of construction on any given date. Seller shall not be obligated to start construction if Buyer has not obtained loan approval or signed a Contingency Agreement Addendum (if necessary), and in the event Buyer is paying cash, if Seller is not satisfied that Buyer is financially able to complete this transaction. Seller's obligation to start construction is also conditioned upon Seller's receipt of the unconditional mortgage commitment described in Section 6, completion of all land development work, Seller's receipt of all necessary governmental approvals, and Seller's acquisition of title to the Lot, if Seller does not own the Lot. Seller shall not be liable to Buyer for any damages resulting from Seller's failure to complete the improvements, and Seller's liability for such failure shall be limited to refunding All Deposits paid by Buyer and all amounts paid for Change Order Upgrades as Buyer's sole and exclusive remedy. Seller shall not be responsible for delays in construction caused by any Act of God or nature, poor weather, work stoppages, material shortages, theft, unanticipated soil conditions, sink holes, underground springs, governmental moratoriums, Seller's inability to purchase the Property, or delays caused by Change Orders, and Seller shall have the right to terminate this Agreement in the event that the foregoing circumstances or other events beyond the control of Seller result in unreasonable escalation of construction costs or delays in construction. In the event of such termination, Seller shall refund All Deposit payments and Change Order Upgrade payments to Buyer. Buyer shall be given an opportunity to make a preoccupancy inspection prior to closing. Substantial completion shall be deemed to have occurred upon the final inspection and approval of the construction by the applicable governmental authority.

**5. CLOSING**

Seller or Seller's representative shall notify Buyer, either orally or in writing, once construction of the Home and improvements to the Property are complete and ready to close. Closing shall occur within ten (10) days of the date of such notification. Seller may terminate this Agreement if the closing does not occur in accordance with such notice or Seller may elect to extend the closing date, in its sole discretion. However, the parties may change the time for closing by mutual agreement. The closing will be held at the offices of the closing attorney. At closing, Buyer will pay the purchase price, less credit for All Deposits, plus any other unpaid amounts owed by Buyer to Seller by cashier's check. No escrow or hold back of closing funds will be permitted. If Buyer does not attend the new home demonstration of Seller within five (5) days after Seller gives Buyer notice to do so or if Buyer fails to close this transaction as required, then Seller may terminate this Agreement and retain All Deposit payments and Change Order Upgrade payments. If Seller cannot deliver a general warranty deed to Buyer because title is defective, then either party may terminate this Agreement and Seller shall return to Buyer All Deposit payments and Change Order Upgrade payments paid by Buyer to Seller as liquidated damages. After termination of this Agreement under this Section, Seller and Buyer will have no further rights or obligations under this Agreement.

If home is completed to close on or before \_\_\_\_\_.

**6. FINANCING**

A. Third-Party Conventional Financing: This Agreement is contingent upon Buyer obtaining a third-party loan to be secured by a first lien security deed on the Property. Buyer shall make application and pay all fees required for the application within seven (7) days from the date of this Agreement. Within fifteen (15) days of this Agreement, Buyer must submit written evidence of satisfactory to Seller of Buyer's ability to qualify for such a loan and pay the purchase price at closing. If Buyer diligently pursues obtaining mortgage approval, but through no fault of Buyer, does not get final written approval within thirty (30) days from the date of this Agreement, such thirty (30) day period may be extended by Seller in its sole discretion, and submit to Seller an unconditional written mortgage loan commitment, subject only to appraisal of the Property. If the conditions or terms imposed by the lender are unsatisfactory to Seller, in its sole discretion, then Seller may terminate this Agreement. In the event of such an occurrence, Seller shall refund All Deposit payments made by Buyer. **If Buyer does not apply for the loan within seven (7) business days, or does not diligently pursue approval of the loan, including the failure to deliver information to Buyer's lender within fifteen (15) days after request by Buyer's lender, then Seller may terminate this Agreement and retain All**

**Deposit payments and any Change Order Upgrade payments made, if any, as liquidated damages.** After termination of this Agreement under this Section, Seller and Buyer will not have any further rights or obligations under this Agreement.

**Regarding Rate Locks**, Buyer understands that Buyer's loan on the Property shall bear interest at a rate determined between Buyer and Buyer's lender and any agreement to lock in Buyer's interest rate and loan terms must be determined between Buyer and Buyer's lender. Because of the unpredictability that sometimes exists during the building process which can result in delays of closing, Seller will not accept responsibility for any expired lock in agreements. If Buyer locks in, Buyer does so at its own risk.

B. All Cash: No financing is involved. Within seven (7) business days from the date of this Agreement, Buyer will provide Seller with proof of Buyer's financial ability, including providing Seller with verification of cash or funds sufficient to close this sale. **If Buyer fails to provide proof of financial responsibility that is deemed satisfactory by Seller within this timeframe, Seller may terminate this Agreement and shall refund All Deposit payments made by Buyer.** After termination of this Agreement under this Section, Seller and Buyer will not have any further rights or obligations under this Agreement.

C. VA / FHA Financing: If Buyer elects VA or FHA financing, an addendum to this Agreement is required specifying the rights and obligations of both the Buyer and Seller under this Agreement.

## 7. CLOSING EXPENSES

If Buyer uses both Seller's Preferred Lender for loan services, and Seller's Preferred Attorney to close the transaction, then Seller will contribute up to \_\_\_\_\_ towards the Buyer's closing costs. Taxes and maintenance fees assessed against the Property for the year in which conveyance is closed shall be prorated. Association fees and all utility bills which include service from any period of time the Property was owned by Seller shall also be prorated. All expenses associated with closing this transaction that are not specifically designated in this Agreement as payable by Seller shall be paid by Buyer.

## 8. SELLER'S WARRANTIES

At closing, Seller shall deliver the following to Buyer: (i) general warranty deed to the Property, subject to all valid matters of record affecting the Property, any lien required by Buyer's lender, and any easements reserved by Seller; (ii) if provided in Section 7 above, an owner's policy of title insurance in the amount of the purchase price, subject to the deed provisions stated above, matters discoverable through an inspection or survey of the Property, taxes, assessments, and other property charges not yet due and payable, and printed exceptions contained in the standard form of owner policy; (iii) if applicable, any notice required by the city or county in which the Property is located; and (iv) a non-foreign affidavit that Seller is not a foreign person as defined in Section 1445 of the Internal Revenue Code.

## 9. POSSESSION AND OCCUPANCY

Seller shall deliver title and possession of the Property to Buyer at or after closing upon Seller's receipt of all proceeds of the sale. If Seller has not received its proceeds within five (5) days from the date that Seller executes closing instruments, then Seller may declare this Agreement null and void and retain as liquidated damages All Deposit payments and any Change Order Upgrade payments made, and Buyer and Seller will have no further rights or obligations under this Agreement. Buyer recognizes that Seller is under no obligation to change its documents because of a lender's objections, whether before or after closing.

## 10. HOMEOWNER WARRANTY

Buyer acknowledges that at the execution of this Agreement, Seller has provided Buyer with warranty documents detailing the coverage under the Grand Palm Development, LLC Warranty Plan and Buyer agrees to accept said warranty. Seller makes no other warranty to Buyer, express or implied, and specifically no warranty that any common areas or facilities for the

subdivision will be completed or operated. Prior to closing, Seller will deliver to Buyer the warranties issued by all parties who have installed items covered by such warranties on the Home. Buyer understands that no agent can alter the warranty provided by the Grand Palm Development, LLC Warranty Plan. This Section shall survive closing or termination of this Seller within five (5) days after Seller gives Buyer notice to do so or if Buyer fails to close this transaction per Agreement.

Grand Palm Development, LLC further makes no warranties, expressed or implied, about existing or future environmental conditions of the Property including possible present or future pollution of the air, water, or soil from any sources, such as underground migration or seepage (including radon gas). Grand Palm Development, LLC's sole warranty to Buyer is contained in the Grand Palm Development, LLC Warranty Plan. Grand Palm Development, LLC expressly disclaims any liability for any type of damage, whether direct, indirect, or consequential, which the Property, the Home, or its inhabitants may suffer because of any present or future environmental conditions.

At the new home demonstration prior to closing conducted by Seller, Seller will provide Buyer with access to and will make available to Buyer copies of all written warranties on consumer products which may be installed in the home as the term "consumer products" is defined in Title 15 U.S.C. Section 2301 and Part 702 of the Federal Trade Commission rules and Regulations under the Magnuson Moss Warranty Act. Seller agrees to provide Buyer with sufficient opportunity for Buyer to review such warranties and to inform itself of the contents of such written warranties. Seller will deliver to Buyer the written warranties provided by the manufacturers of "consumer products."

**11. RESTRICTIVE COVENANTS**

Buyer understands and agrees that as a purchaser of property in the residential community which the Property is located ("Community"), Buyer is obligated to be a member of a homeowner's association that has been or may be created for the purpose, among other things, of administering and maintaining the common areas and / or enforcement of certain restrictive covenants governing the use and occupancy of the Property and a dedicatory instrument governing the establishment, maintenance, and operation of the Community which such restrictive covenants and dedicatory instrument have been or will be recorded in the Real Property Records of the county in which the Property is located. Copies of the restrictive covenants and dedicatory instrument may be obtained from the county clerk. Buyer understands that Buyer is obligated to comply with the rules and regulations of such homeowner's association, including its Articles of Incorporation and Bylaws, and to pay assessments as determined by the homeowner's association. Any estimates of assessments given to Buyer are merely for informational purposes and Seller does not represent or warrant the accuracy thereof. Buyer agrees that it has reviewed the Declaration of Covenants, Conditions, and Restrictions, for purposes of determining such assessments. The assessments will be used for the payment of the expenses of administering the homeowner's association and the maintenance of common areas and for the payment of other expenses. The amount of the assessment is subject to change. Buyer understands that Buyer's failure to pay the assessments could result in a lien and the foreclosure of the Property. This section shall survive closing or termination of this Agreement.

By initialing, \_\_\_\_\_, Buyer hereby acknowledges receipt of the Declaration of Covenants, Conditions, and Restrictions against the Property.

**12. INSULATION COVENANTS**

The following information is furnished by Seller to Buyer regarding the insulation installed or to be installed in the Home. The type, thickness, and R-value have been provided by the manufacturer of the insulation:

LOCATION	INSULATION	R-VALUE
Ceiling – Flat	Blown Fiberglass	R-30
Ceiling – Other	Fiberglass Batts	R-22
Exterior Walls	Fiberglass Batts	R-15
Party Walls	Sound Batts	R-11

Seller reserves the right to substitute insulation materials similar in quality to the materials described above. Buyer will be provided a notice setting forth the new information for the substituted insulation.

**13. USE OF SURROUNDING PROPERTY**

Provided Seller does not unreasonably interfere with buyer's use and enjoyment of the Property and as long as is reasonably necessary for Seller to complete its activities within the Community, Seller and its agents and designees shall have the right to: (i) keep offices and model homes in the Community, show homes, erect advertising signs, and do whatever else is necessary and helpful for sales, leasing, or management and (ii) conduct such construction, excavation, repair and other activities in or around the Community and on the Property as Seller deems necessary or appropriate. This Section shall survive closing or termination of this Agreement.

**14. RISK OF LOSS**

If the improvements are destroyed or damaged, in whole or in part, by fire or other casualty prior to closing, this Agreement may be terminated by either party, and Seller shall refund to Buyer All Deposit payments and Change Order Option payments as Buyer's sole and exclusive remedy.

**15. DEFAULT AND MUTUAL TERMINATION**

Except as already provided above, if Buyer fails to comply with this Agreement, Seller may terminate this Agreement and receive All Deposits payments and any Change Order Option payments as liquidated damages. If more than one person signs this Agreement as Buyer, each will be equally liable for full performance of all Buyer's duties and obligations under this Agreement and Seller can enforce this Agreement against each Buyer as individuals or together. Except as already provided above, if Seller fails to comply with this Agreement, Buyer may terminate this Agreement and receive All Deposit payments and any Change Order Option payments as liquidated damages, thereby releasing Seller from this Agreement. If Buyer and Seller mutually terminate this Agreement in writing and do not specify how All Deposit payments and Change Order Option payments will be handled, then Seller shall return All Deposits but shall be entitled to retain any Change Order Option payments made. Seller and Buyer acknowledge the difficulty of ascertaining one party's damages for a breach of this Agreement by the other party and agree that the amounts specified in this Section as liquidated damages represent a reasonable good faith estimate by the parties of the amount of damages that would be incurred as a result of a breach of this Agreement. In no event shall Seller be liable to Buyer for any damages (consequential, punitive, or otherwise) in connection with this Agreement.

**16. ASSIGNMENT**

Buyer shall not assign this Agreement or Buyer's rights under this Agreement without Seller's prior written consent. Seller may terminate this Agreement and retain all sums paid by Buyer if Buyer assigns this Agreement without Seller's written consent. If Buyer is a corporation, trustee, nominee or agent, transfer of its equity, beneficial or principal interest(s) is an improper assignment of this Agreement and will cause Buyer to be in default.

**17. NOTICES**

Unless otherwise provided, all notices shall be in writing and effective when delivered at the addresses shown below or at such other address as is furnished to the other party in writing.

**18. ENTRY**

A construction site is a dangerous place and Buyer is prohibited from entering the Property prior to closing without Seller's permission. If Buyer receives Seller's permission to enter the Property, Buyer must wear a hard hat. Buyer assumes all risk of injury. Buyer agrees that Buyer is responsible for and hereby releases Seller from injury, death or property damage as a



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In the event of a conflict or inconsistency between terms or conditions set forth in this Section 22 and terms or conditions otherwise set forth in this Agreement, the provisions of Section 22 shall control.

**21. ATTACHMENTS AND ADDENDA**

The following attachments and addenda, if checked, are made part of this Agreement:

- 1 Selections and Upgrades Addendum
- 2 Contingency Agreement Addendum
- 3 Design Features Sheet
- 4 Floor plan and Elevation Selection Sheet
- 5 Covenants, Conditions, and Restrictions
- 6 County Contingency

**22. EFFECTIVE DATE**

The effective date of this Agreement shall be the date shown below the signature on behalf of the Seller.

**23. SELLER'S EXECUTION**

This Agreement shall not be binding upon Seller unless and until it is signed by an authorized officer of the Seller. The signature of the sales associate is intended only to acknowledge receipt of Buyer's Deposit.

***[SIGNATURE PAGE FOLLOWS]***

This document has important legal consequences and should be read thoroughly prior to signing. If you, as Buyer, have any questions about your rights or responsibilities under this Agreement, you may wish to consult an attorney. Your signature on this document evidences your acceptance and understanding of the terms of this Agreement and your acknowledgement that this Agreement is not the result of any overreaching, duress, coercion or misrepresentation by any agent and / or representative of Seller.

I, a Buyer hereunder, acknowledge and represent that I have read this Agreement, including all provisions contained in this Agreement, and all exhibits and addenda attached to this Agreement, that I agree to be bound by all of its terms and that I am not relying on any statement, promise, condition, document, or stipulation not specifically referenced or set forth in this Agreement. I understand that Seller is relying on my acknowledgement and representation, and Seller would not agree to sell the Property to me without my acknowledgement and representations.

**BUYER:**

SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_

PRINTED NAME: \_\_\_\_\_

**BUYER:**

SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_

PRINTED NAME: \_\_\_\_\_

**SELLER:**

**Grand Palm Development, LLC  
(Authorized Member)**

SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_

PRINTED NAME: \_\_\_\_\_

**SALES ASSOCIATE:**

COMPANY: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_

PRINTED NAME: \_\_\_\_\_

**Address for Notice:**

**Grand Palm Development, LLC  
126 Seven Farms Drive, Suite 110  
Charleston, SC 29492**