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FORSYTH CO, NC FEE $26.00
PRESENTED & RECORDED:
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C. NORMAN HOLLEMAN
REGISTER OF DEEDS
BY: RANDY L SMITH
DPTY
BK: RE 3273
PG: 4248-4255

Original To: Norman Noah

OPTION TO PURCHASE REAL ESTATE

THIS OPTION TO PURCHASE REAL ESTATE is made and entered into this 25th day of February, 2016, by and between **N&N PROPERTIES OF THE TRIAD, INC.** (hereinafter referred to as "Seller"), having an address of P.O. Box 103, Bethania, NC 27010, and **CODY J. LANDRETH and JESSICA L. STUTTS** (hereinafter referred to as "Purchaser"), having an address of 6088 Cain Forest Drive, Walkertown, NC 27051:

STATEMENT OF PURPOSE

The Purchaser desires to acquire an option to purchase the property hereinafter described, and the purpose of this Option to Purchase Real Estate (referred to herein as the "Agreement") is to state the terms and conditions of such option.

NOW, THEREFORE, for and in consideration of the sums paid to Seller as hereinafter described, the receipt of which is hereby acknowledged, Seller hereby gives, grants and conveys unto the Purchaser, for a period of time hereinafter set forth, an option to purchase that property consisting generally of the land (.46 acres) (more particularly described in **Exhibit A** attached hereto and incorporated herein by reference) and improvements (1994 Oakwood Single Wide Mobile Home Vin# HONC38014CK3306310) thereon located at 6088 Cain Forest Drive, Walkertown, NC 27051 (the "Property"), as referenced in the Residential Lease Agreement (the "Lease") between Seller and Purchaser Signed on February 10, 2016. Capitalized terms in the Lease shall have the same meaning when used in this Agreement unless specified otherwise.

The terms and conditions of this Agreement are as follows:

1. **DURATION**. The term of this Agreement shall be concurrent and simultaneous with the Term of the Lease, as the Term of the Lease may be extended from time to time (the "Option Term"); it being the intent of the parties that the Option Term shall expire or terminate simultaneously with the expiration or termination of the Term of the Lease.

2. **CONSIDERATION**. The consideration for this option shall be the sum of Three Thousand and 00/100 Dollars ($3,000.00) ("Option Fee") which will be paid by Purchaser to Seller upon the execution hereof, the receipt of which is hereby acknowledged by the Seller. The Option Money shall be non-refundable to Purchaser. In the event Purchaser exercises its option to purchase the Property, the Option Fee shall be applied to the purchase price of the Property upon the closing thereof.

3. **EXERCISE OF OPTION TO PURCHASE**. Purchaser may exercise its option to purchase the Property granted hereunder by giving Seller written notice of Purchaser's exercise of such option (the "Notice of Exercise"), at any time within the Option Term. The Notice of Exercise shall be effective only if sent by certified mail, return receipt requested, to Seller. Upon exercise by the Purchaser of the option, this Agreement shall become a contract to purchase the Property and Purchaser shall have thirty (30) days from the date of notification of exercise of the option in which to close the purchase of the Property, the details of said closing being set forth hereinafter.

If the Buyer or Seller materially breaches this Agreement the Lease shall continue in full force and effect.

4. **PURCHASE PRICE**. In the event Purchaser exercises its option to purchase the Property as described above, the purchase price for the Property shall be the total of the following: (A) the Base Price shown on the Base Purchase Price Schedule attached hereto as **Exhibit B** as of the month of the closing of the purchase, plus (B) any and all Base Rent and Additional Rent which is past due and owing under the terms of the Lease as of the date of closing, plus (C) any and all costs incurred by Seller for Property Taxes, Fire Insurance and repairs which are related to the Property, plus (D) any and all costs incurred by Seller which are related to sale and transfer of the Property.

The Purchase Price shall be payable by cash or bank certified funds to Seller on the date of the closing of the transaction contemplated in the event the option is exercised.

5. MAINTENANCE. Seller shall have the responsibility to maintain the Premises in good repair at all times and perform all repairs necessary to satisfy any implied warranty of habitability except that: repairs costing less than $200.00 will be responsibility of Purchaser; and the costs of any repairs that are $200.00 or more will be shared equally between Seller and Purchaser. Notwithstanding the foregoing, all of Seller's repair and maintenance expenses will be included in the Base Purchase Price as provided in Section 4 above. Purchaser must notify Seller within twenty-four (24) hours of any condition requiring maintenance or repair.

6. UTILITIES AND SERVICES. Purchaser shall be responsible for all utilities and services in connection with the Premises for the term of this Agreement.

7. DEFAULTS. Purchaser shall be in default of this Agreement if Purchaser fails to fulfill any provision of the Lease. Subject to any governing provision of law to the contrary, if Purchaser fails to cure any financial obligation under the Lease within 5 days (or any non-financial obligation within 10 days) after written notice of such failure is provided by Seller to Purchaser, Seller may elect to cure such failure and the cost of such cure shall be added to Purchaser's financial obligations under this Agreement.

8. MECHANICS LIENS. Neither Purchaser nor anyone claiming through the Purchaser shall have the right to file mechanics liens or any other kind of lien on the Premises and the filing of this Agreement constitutes notice that such liens are invalid. Further, Purchaser agrees to (1) give actual advance notice to any contractors, subcontractors or suppliers of goods, labor, or services that such liens will not be valid, and (2) take whatever additional steps that are necessary in order to keep the premises free of all liens resulting from construction done by or for the Purchaser.

9. CLOSING. Closing shall be held within thirty (30) days after the exercise of the option on a date and at a place selected by the Purchaser, or at such other place and time as may be mutually agreed upon, provided, Purchaser shall give Seller notice of the Closing Date at least five (5) business days prior thereto. At Closing, Seller shall deliver to Purchaser Title to the Mobile Home Located on the Property and shall deliver to Purchaser a deed, prepared at Seller's expense, with full warranties subject only to the permitted exceptions referred to below and with documentary stamps affixed at Seller's expense, conveying to the Purchaser, or its assignee or

designee, a marketable, fee simple title to the Property which title shall be insurable at regular rates by a title insurance company acceptable to Purchaser. The Property shall be conveyed to Purchaser free and clear of all liens and encumbrances, claims, easements, leases, restrictions or restrictive covenants, except that the Property may be conveyed subject to the following (the "Permitted Exceptions"):

(a) Rights-of-way of roads and streets, provided they do not interfere with Purchasers proposed use of the Property;

(b) Public utility service easements and rights-of-way in customary form, provided they do not interfere with Purchasers proposed use of the Property;

(c) Ad valorem taxes for the year in which the option is exercised;

(d) All easements and restrictions of record, if any, which do not materially and adversely affect Purchasers ability to use the Property as a single-family residence.

10. **POSSESSION**. Tenant shall be entitled to possession on the first (1st) day of the term of this Agreement, and shall yield possession to Landlord on the last day of the term of this Agreement, unless otherwise agreed by both parties in writing. At the expiration of the term, Tenant shall remove its goods and effects and peaceably yield up the Premises to Landlord in as good condition as when delivered to Tenant, ordinary wear and tear excepted.

11. **TAXES**. It is agreed that all real property taxes levied against the Property shall be reimbursed to the Seller by the Purchaser. All Seller Expenses will be added to Base Purchase Price Schedule.

12. **ASSIGNMENT**. The Purchaser shall not have the right to assign any of its rights created under this Agreement to any persons, firms or corporations without the express written consent of the Seller. Any such assignment shall not relieve the Assignor of its obligations hereunder.

13. **SELLER'S REPRESENTATIONS AND WARRANTIES**. The Seller hereby makes the following representations and warranties to the Purchaser which representations and warranties shall be true at closing:

(a) Seller has full right, power and authority necessary to enter into this Agreement and to sell and convey the Property to Purchaser as provided in this Agreement and to carry out its obligations as set forth hereunder and the consummation of the transaction contemplated herein does not and will not violate and do not and will not conflict with or result in the breach of any condition or provision of or constitute a default under, or result in the creation or imposition of any lien, charge or encumbrances upon the Property by reason of the terms of any contract, mortgage, lien, lease, agreement, indenture, instrument or judgment to which the Seller is a party or which is or purports to be binding upon the Seller or which affects the Seller; and no further action by any federal, state municipal or other

governmental department, commission, board, bureau or instrumentality is necessary to make this Agreement binding upon Seller in accordance with its terms.

(b) Seller is not a "foreign person" as that term is used in Section 1445 of the Internal Revenue Code of 1986, as amended.

(c) At Closing, Seller will have good and marketable fee simple title to the Property, free and clear of any and all liens, security interests, encumbrances or other restrictions, whether existing of record or otherwise, except those permitted exceptions in paragraph 5 above.

(d) No options or other contractual interests have been granted to others to purchase or rent any interest in the Property or any part thereof, and, other than as set forth in the Lease, the Seller has the exclusive right to possession of the Property.

(e) There are no tenants or other claimants with any right of possession or otherwise in or to the Property, other than as set forth in the Agreement.

14. **SURVIVAL**. It is understood and agreed that whether or not it is specifically so provided herein, any provision of this Agreement, which by its nature is required to be kept, observed and performed after the exercise of the option granted hereunder or closing of the purchase of the Property, shall survive the exercise and closing of title and the delivery of the deed hereunder, and shall not be merged therein, but shall be and remain binding upon and for the benefit of the parties hereto until fully observed, kept and performed.

15. **DOCUMENTS AT CLOSING**. At the closing of the Property, the Seller shall:

(a) Execute, acknowledge and deliver to Purchaser a special warranty deed conveying fee simple title to the Property, free and clear of all liens and encumbrances which may have attached to the Property during Seller's ownership, except those set forth in Section 5 above;

(b) Execute lien affidavits warranting and holding Purchaser and a title insurance company, if any, harmless against unpaid laborers' and materialmen's liens with regard to the Property.

(c) Execute and deliver any and all documents and papers (including those documents specified above) that may be reasonably necessary in connection with the consummation of the transaction contemplated by this Agreement including the transfer of Seller's interest in the Property, the assignment of any interest relating to the Property and the improvements thereon, if any, and certification of compliance with the terms and conditions hereof.

16. **CONTRACT OF PURCHASE**. At Purchasers' election, upon the exercise by the Purchaser of its option to purchase the Property as set forth herein, this Agreement shall be a

contract to purchase the Property. Once this option to purchase becomes a contract, the contract shall be governed by all North Carolina laws related to such contract.

17. BROKERAGE FEES. Seller acknowledges that all real estate commissions due any real estate broker in connection with this transaction are the Sellers sole responsibility. Seller hereby agrees to indemnify and hold Purchaser harmless from any claim for real estate commissions by any broker.

Purchaser hereby represents to Seller that Purchaser has not dealt with any real estate broker in connection with this transaction. Purchaser agrees to indemnify and hold Seller harmless from any real estate commissions determined to be due a broker claiming such broker dealt with Purchaser in connection with this transaction.

18. CLOSING COSTS. Seller shall furnish and pay the cost and expense for preparing the deed, any documentary or transfer tax stamps to be affixed to the deed and the cost of Sellers own attorneys (provided, however, Purchaser agrees that all of such costs and expenses shall be included in the total purchase price of the Property as set forth in Section 4 above). Purchaser shall pay for the expense of a survey (if desired or required by any lender), the cost of filing the deed, the cost of the title insurance policy and the cost of Purchasers own attorneys.

19. CONSTRUCTION OF AGREEMENT.

(a) The parties hereto agree that this Agreement constitutes the entire Agreement between the parties; that no representations, stipulations, agreements or understandings, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in the provisions of this Agreement. This Agreement may not be added to or modified except by written agreement signed by each of the parties.

(b) No waiver of any terms or conditions of this Agreement shall be a waiver of such term or condition in the future unless such waiver shall be in writing and signed by each of the parties.

(c) If the option granted hereunder is exercised so that this Agreement becomes a contract to purchase as set forth hereinabove, nevertheless, Purchaser's obligation to purchase is contingent upon compliance by the Seller with the conditions of Section 16 above.

(d) It is understood and recognized that this Agreement is the joint undertaking of the parties hereto and results from their common negotiations.

20. BINDING EFFECT. The provisions hereof shall inure to the benefit of and be binding upon the parties hereto and their heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the day and year first above written.

FINANCING DISCLAIMER.THE PARTIES ACKNOWLEDGE THAT IT IS IMPOSSIBLE TO PREDICT THE AVAILABILITY OF OBTAINING FINANCING TOWARDS THE PURCHASE OF THIS PROPERTY. OBTAINING FINANCING SHALL NOT BE HELD AS A CONDITION OF PERFORMANCE OF THIS OPTION TO PURCHASE AGREEMENT. THE PARTIES FURTHER AGREE THAT THIS OPTION TO PURCHASE AGREEMENT IS NOT ENTERED INTO IN RELIANCE UPON ANY REPRESENTATION OR WARRANTY MADE BY EITHER PARTY.

REMEDIES UPON DEFAULT. If Purchaser defaults under this Option to Purchase Agreement or the Residential Lease Agreement, then in addition to any other remedies available to Seller at law or in equity, Seller may terminate this Option to Purchase by giving written notice of the termination. If terminated, the Purchaser shall lose entitlement to any refund of rent or option consideration. For this Option to Purchase Agreement to be enforceable and effective, the Purchaser must comply with all terms and conditions of the Residential Lease Agreement and this Option to Purchase Real Estate Agreement.

The Purchaser has the right to cure a default once in any twelve-month period covered by the Residential Lease Agreement.

THE PURCHASER HAS THE RIGHT TO CANCEL THIS AGREEMENT AT ANYTIME UNTIL MIDNIGHT OF THE THIRD BUSINESS DAY FOLLOWING EXECUTION OF THIS AGREEMENT OR DELIVERY OF THIS AGREEMENT, WHICHEVER OCCURS LAST.

PURCHASER:

_____(SEAL)
Cody J. Landreth

_____(SEAL)
Jessica L. Stutts

Date: 2-25-2016

SELLER:

N&N PROPERTIES OF THE TRIAD, INC.

By: _____(SEAL)
Norman C. Noah, Jr., President

Date: 2-25-16

North Carolina
Forsyth County

I, Nichole B. Jacobs, a Notary Public of Forsyth County, North Carolina, do hereby certify that Cody L. Landreth and Jessica L. Stutts and Norman C Noah Jr. personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal, this the 25th Day of February, 2016.

(Official Seal)

NICHOLE B. JACOBS NOTARY PUBLIC FORSYTH COUNTY, N.C.

Nichole B. Jacobs
Notary Public

My commission expires August 27, 2019.

Exhibit A

Land

BEING KNOWN AND DESIGNATED as Lot No. 139, as shown on the map of R. Don Cain, Phase Five, Sheet Two, as recorded in Plat Book 36, Page 65, in the Office of the Register of Deeds of Forsyth County, North Carolina, reference to which is hereby made for a more particular description.

Exhibit B

Base Purchase Price Schedule

Month-Yr		Month-Yr		Month-Yr	
Mar-16	$ 29,900	Dec-18	$ 20,000	Sep-21	$ 10,100
Apr-16	$ 29,600	Jan-19	$ 19,700	Oct-21	$ 9,800
May-16	$ 29,300	Feb-19	$ 19,400	Nov-21	$ 9,500
Jun-16	$ 29,000	Mar-19	$ 19,100	Dec-21	$ 9,200
Jul-16	$ 28,700	Apr-19	$ 18,800	Jan-22	$ 8,900
Aug-16	$ 28,400	May-19	$ 18,500	Feb-22	$ 8,600
Sep-16	$ 28,100	Jun-19	$ 18,200	Mar-22	$ 8,300
Oct-16	$ 27,800	Jul-19	$ 17,900	Apr-22	$ 8,000
Nov-16	$ 27,500	Aug-19	$ 17,600	May-22	$ 7,700
Dec-16	$ 27,200	Sep-19	$ 17,300	Jun-22	$ 7,400
Jan-17	$ 26,900	Oct-19	$ 17,000	Jul-22	$ 7,100
Feb-17	$ 26,600	Nov-19	$ 16,700	Aug-22	$ 6,800
Mar-17	$ 26,300	Dec-19	$ 16,400	Sep-22	$ 6,500
Apr-17	$ 26,000	Jan-20	$ 16,100	Oct-22	$ 6,200
May-17	$ 25,700	Feb-20	$ 15,800	Nov-22	$ 5,900
Jun-17	$ 25,400	Mar-20	$ 15,500	Dec-22	$ 5,600
Jul-17	$ 25,100	Apr-20	$ 15,200	Jan-23	$ 5,300
Aug-17	$ 24,800	May-20	$ 14,900	Feb-23	$ 5,000
Sep-17	$ 24,500	Jun-20	$ 14,600	Mar-23	$ 4,700
Oct-17	$ 24,200	Jul-20	$ 14,300	Apr-23	$ 4,400
Nov-17	$ 23,900	Aug-20	$ 14,000	May-23	$ 4,100
Dec-17	$ 23,600	Sep-20	$ 13,700	Jun-23	$ 3,800
Jan-18	$ 23,300	Oct-20	$ 13,400	Jul-23	$ 3,500
Feb-18	$ 23,000	Nov-20	$ 13,100	Aug-23	$ 3,200
Mar-18	$ 22,700	Dec-20	$ 12,800		
Apr-18	$ 22,400	Jan-21	$ 12,500	End of Schedule	
May-18	$ 22,100	Feb-21	$ 12,200		
Jun-18	$ 21,800	Mar-21	$ 11,900		
Jul-18	$ 21,500	Apr-21	$ 11,600		
Aug-18	$ 21,200	May-21	$ 11,300		
Sep-18	$ 20,900	Jun-21	$ 11,000		
Oct-18	$ 20,600	Jul-21	$ 10,700		
Nov-18	$ 20,300	Aug-21	$ 10,400		