



**PARADISE MEADOWS**  
**PRE-SOLD NEW CONSTRUCTION**

**SALES AGREEMENT & RECEIPT FOR EARNEST MONEY**

THIS IS A LEGALLY BINDING CONTRACT. READ THE ENTIRE DOCUMENT.  
IF YOU HAVE ANY QUESTIONS BEFORE SIGNING, CONSULT YOUR ATTORNEY.

Lot \_\_, Block \_\_, Tract 10423

Date: \_\_\_\_\_, 2014

1. **BUYER:** \_\_\_\_\_ (hereinafter called “**BUYER**”) agrees to purchase, and **SELLER:** TRI, INC. (hereafter called **SELLER**) agrees to sell, the following **pre-sold new construction house or residence** hereafter described and to be constructed on the following real property **COMMONLY KNOWN AS:** the PARADISE MEADOWS, a residential tract subdivision, in the Municipality of Yigo, Guam, which is legally described as: LOT \_\_, BLOCK \_\_, TRACT 10423, approved under that Final Subdivision Survey Map recorded on February 19, 2013 in the Office of Recorder, Department of Land Management, as Instrument No. 847864.

2. **TOTAL PURCHASE PRICE:** TWO HUNDRED EIGHTY THOUSAND, SEVEN HUNDRED DOLLARS (\$280,700.00) payable upon the following **TERMS AND CONDITIONS:**

3. **FINANCIAL TERMS:** (Note: A + C + D should equal the total purchase price).

\$5,000.00 **A. EARNEST MONEY:** Buyer hereby deposits **FIVE THOUSAND DOLLARS (\$1,000)** as Earnest Money evidenced by: ( ) cash, ( X ) personal check, ( ) cashier’s check, ( ) other \_\_\_\_\_ and a receipt is hereby acknowledged. Earnest Money to be deposited in trust account upon acceptance by all parties and shall be held by **Title Guaranty of Guam, Inc.** for the benefit of the parties hereto.

**Five Hundred & 00/100 Dollars (\$500.00) of the Earnest Money to become NON-REFUNDABLE upon the execution of this Agreement, and the balance to become non-refundable upon:** Securing Pre-Approval of ( X ) Finance per Section 3.C. below, or ( ) Within 10 calendar days if All Cash Transaction per Section 3.B. below, regardless of whether Buyer provides evidence and sufficient funds to close the transaction.

\$\_\_\_\_\_ **B. ALL CASH TRANSACTION:** ( X ) NO ( ) YES If this is an all cash offer, do not complete Section 3.C. (fill all blanks with N.A.). BUYER agrees to provide SELLER within 10 business days from the date of this agreement, evidence of sufficient funds and/or proceeds necessary to close the transaction. Acceptable documentation includes, but is not limited to a copy of a recent bank or financial statement or contract(s) for the sale of Buyer’s current residence or other property to be sold.

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**BUYER’S INITIALS** ( ) ( ) Date \_\_\_\_\_ **SELLER’S INITIALS** ( ) ( ) Date \_\_\_\_\_

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§ C. **NEW LOAN PROCEEDS:** This Agreement is contingent upon Buyer obtaining: ( ) FHA ( ) VA ( ) CONVENTIONAL ( X ) OTHER USDA Rural Housing FIRST MORTGAGE LOAN of \$ \_\_\_\_\_. Within 30 calendar days (as defined in Section 36) of Buyer's execution of this Agreement, BUYER agrees to furnish SELLER with a Pre-Approval Letter (or Conditional Commitment Letter) **showing lender's approval of credit report, income verification, debt ratios and subject only to satisfactory appraisal and final lender underwriting. IF SUCH WRITTEN COMMITTEMENT IS NOT RECEIVED BY SELLER WITHIN THE STRICT TIME ALLOTTED (30 CALENDAR DAYS), SELLER MAY, AT ITS OPTION, CANCEL THIS AGREEMENT BY NOTIFYING BUYER IN WRITING OF SUCH CANCELLATION, RETAIN THE \$500.00 NON-REFUNDABLE DEPOSIT AS LIQUIDATED DAMAGES, RETURN THE \$4,500.00 BALANCE TO BUYER, AFTER WHICH BUYER SHALL HAVE ABSOLUTELY NO RECOURSE AGAINST SELLER FOR SAID CANCELLATION NOTWITHSTANDING ANY OTHER PROVISIONS HEREIN.**

**TO ASSIST BUYER IN SAID PRE-APPROVAL, AND AS A SPECIFIC CONDITION OF THIS AGREEMENT, BUYER AGREES TO BE PRE-APPROVED THROUGH FIRST HAWAIIAN BANK (OR ANY OTHER FINANCIAL INSTITUTION DESIGNATED BY SELLER), AT NO EXPENSE TO BUYER. SAID PRE-APPROVAL SHALL TAKE PLACE AT SUCH TIME AND PLACE AS DESIGNATED BY SELLER. IF BUYER FAILS TO COMPLY WITH THIS CONDITION, FOR WHATEVER REASON REGARDLESS OF WHOSE FAULT IT IS, SELLER MAY CANCEL THIS AGREEMENT BY GIVING BUYER WRITTEN NOTICE OF SAID CANCELLATION, RETAIN THE \$500.00 NON-REFUNDABLE DEPOSIT AS LIQUIDATED DAMAGES, RETURN THE \$4,500.00 BALANCE TO BUYER, AFTER WHICH BUYER SHALL HAVE ABSOLUTELY NO RECOURSE WHATSOEVER AGAINST SELLER.**

**IF BUYER IS NOT PRE-APPROVED BY FIRST HAWAIIAN BANK, SELLER MAY CANCEL THIS AGREEMENT BY WRITTEN NOTICE OF SAID CANCELLATION, RETAIN THE \$500.00 NON-REFUNDABLE DEPOSIT AS LIQUIDATED DAMAGES, RETURN THE \$4,500.00 BALANCE TO BUYER, AFTER WHICH BUYER SHALL HAVE ABSOLUTELY NO RECOURSE WHATSOEVER AGAINST SELLER.**

**IF BUYER IS PRE-APPROVED, THEN THE TERMS AND CONDITIONS OF THIS SALES AGREEMENT SHALL BE IN FULL FORCE AND EFFECT, PARTICULARLY THE DEFAULT PROVISIONS OF SECTION 29 WHICH SHALL APPLY REGARDLESS OF WHETHER BUYER IS LATER UNABLE TO CLOSE FOR WHATEVER REASON.**

§ D. **ADDITIONAL FINANCIAL TERMS:**

( ) Additional financial terms as contained in an addendum, # \_\_\_\_\_, of same date, attached hereto, signed by both parties.

§ E. **TOTAL PURCHASE PRICE**

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**BUYER'S INITIALS** ( ) ( ) Date \_\_\_\_\_ **SELLER'S INITIALS** ( ) ( ) Date \_\_\_\_\_

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4. **FHA/VA.** If applicable, and only after Seller has been notified and accepted this condition in writing, it is expressly agreed that notwithstanding any other provisions of contract, BUYER shall not be obligated to complete the purchase of the property described herein or to incur any penalty or forfeiture of Earnest Money deposits or otherwise unless BUYER has been given in accordance with HUD/FHA or VA requirements a written statement by the Federal Housing Commissioner, Veterans Administration or a Direct Endorsement lender setting forth the appraised value of the property of not less than the sales price as stated in the contract. Buyer shall have the privilege and option of proceeding with consummation of the contract without regard to the amount of the appraised valuation. The appraised valuation is arrived at to determine the maximum mortgage the Department of Housing and Urban Development will insure. HUD does not warrant the value or the condition of the property. BUYER should satisfy himself/herself that the price and condition of the property are acceptable.

5. **SELLER’S LENDER HAS PRIORITY.** Seller has given or may give to any other or more lenders (“Seller’s Lender”) a mortgage or mortgages, security agreement or agreements, and other instruments securing repayment of loan(s) covering the Project, including the residence to be sold to Buyer. Such loan(s) will be for amounts not to exceed \$20,000,000 in the aggregate, will have an annual interest rate not to exceed four percentage points higher than the Prime Interest Rate in effect from time to time (absent default), and will be for a term not to exceed ten (10) years. The mortgage(s), security agreements(s), and other instruments will or may cover Seller’s ownership rights in the Project, including the Property to be sold to Buyer. Buyer agrees that all of the rights and interest which Seller gives to Seller’s Lender will have priority over Buyer’s rights and interests under this Agreement. This applies to any changes to the loan(s) or the mortgage(s), security agreement(s), or other instruments (including, among other things, extensions, renewals and other changes). BUYER HEREBY GIVES UP AND SUBORDINATES THE PRIORITY OF BUYER’S RIGHTS AND INTEREST UNDER THIS AGREEMENT IN FAVOR OF THE RIGHTS AND INTERESTS OF SELLER’S LENDER UNTIL THE FINAL CLOSING AND DELIVERY OF A SIGNED DEED TO BUYER. Buyer also consents to Seller’s assignments by way of security of Seller’s interest in the Agreement and Buyer’s escrow deposits to Seller’s Lender and agrees that in the event of passage of Seller’s interest therein pursuant to said assignment, Buyer will, at the option of Seller’s Lender, perform to, attorn to and recognize Seller’s Lender (and its successors and assigns) as Seller hereunder, with all of the rights of Seller hereunder, all as if Seller’s Lender were the original Seller hereunder.

6. **SUBORDINATION AGREEMENT.** At the request of Seller’s Lender, Buyer will execute and deliver other documents to confirm the promises and agreements which Buyer is making in Section 5 hereof. If Seller’s Lender takes the place of Seller and wants the Buyer to perform its obligations under this Agreement, Buyer will observe and perform all of Buyer’s promises and agreements contained in the Agreement. Buyer understands that before the final Closing and delivery of the signed Deed to Buyer, Seller’s Lender will have the right, under circumstances described in the mortgage(s), security agreements(s) or other loan documents, to file suit to collect the loan funds and other amounts and have the Project, including the Property, sold at foreclosure or other sale. Buyer agrees that under this Agreement, Buyer has no rights or interests in the residence

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**BUYER’S INITIALS** ( ) ( ) Date \_\_\_\_\_ **SELLER’S INITIALS** ( ) ( ) Date \_\_\_\_\_

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or the project other than a contractual right enforceable only against Seller and not the residence or the Project. If Seller's Lender files suit to collect its loan funds or other amounts owing to it or to have the Project sold as aforesaid, Seller's Lender does not have to name Buyer as a party to the lawsuit or notify Buyer of the lawsuit or sale.

**7. OWNER OCCUPANCY: BUYER (X) does ( ) does not intend to occupy the house as BUYER's primary residence.**

**8. CASH ADVANCES AND ESCROW FEE:** All cash payments and advances provided directly by BUYER under this Agreement shall be deposited, together with escrow instructions, with an escrow agent selected by SELLER, and any interest accruing under said deposits shall accrue to Seller.

BUYER and SELLER shall pay their respective share of the escrow fee, as charged by the Closing Agency or Escrow Agent.

**9. SELLER SHALL CONSTRUCT A NEW RESIDENCE AND RELATED IMPROVEMENTS IN ACCORDANCE WITH HOUSE MODEL:**

- ( X ) Royal Meadows (Model A)
- ( ) Foxtail Meadows (Model B)
- ( ) Pugua Meadows (Model C)

**10. PLANS AND SPECIFICATIONS:** BUYER is purchasing the residence based on the drawings prepared by Ernie Baldeviso, P.E., which is like a typical 3-bedroom tract home at Paradise Meadows, Yigo, including the grade and type of materials to be used in finishing the residence; provided, however, that Seller shall have the unilateral discretion to make changes or variations to the homes. Said Plans and Specifications shall include (although not limited to) or exclude as specified below:

Included:

1. Appliances (washer, dryer, range/oven, microwave/exhaust fan, dishwasher, refrigerator, and water heater).  
\_\_\_\_\_

2. Split A/C units (2 9000 BTUs, 1 12,000 BTU, 1 18,000 BTU)  
\_\_\_\_\_

3. Garage doors with remote controls and sensor light.  
\_\_\_\_\_

4. Typhoon shutters.  
\_\_\_\_\_

5. Concrete walk-way from driveway to entrance door.  
\_\_\_\_\_

6. French-style windows, bay-windows, and lanais.  
\_\_\_\_\_

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7. Ceramic tiles throughout the house.

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8. Water softener/purifier system by American Watertek.

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9. Concrete fence with metal railing.

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Excluded:

1. Landscaping and topsoil.

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Options: The following are special offers given by the below-mentioned vendors to Paradise buyers only and may be added to the purchase price for financing purposes:

1. Window dressings by Designers Direct (Tel: 477-6601)

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2. Landscaping by Bob’s Nursery (Tel: 637-1588)

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3. Furniture by Designers Direct (Tel: 477-6601)

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4. Concrete sidewalk (3’ width) around the perimeter of the house

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11. **NO INTERRUPTION DURING CONSTRUCTION:** Buyer acknowledges that the residence to be purchase is a tract home, and that there will be no customize or individualized improvements, and that any attempt by Buyer or his agents to interfere with the construction of said home is a violation of this Sales Agreement, upon which Seller shall have the absolute discretion to cancel this Sales Agreement without further notice to Buyer and Buyer shall forfeit his deposit as liquidated damages.

12. **CONSTRUCTION COMPLIANCE:** Construction of the residence shall be in accordance with the standards and requirements of all applicable federal and local laws and regulations as well as all applicable CCRs (see Section 23). If the permanent financing to be obtained by the Buyer is based on an FHA or VA loan, all FHA or VA requirements relating to construction of the residence and closing of the permanent financing shall be met.

13. **CONSTRUCTION SITE:** FOR LIABILITY AND OTHER REASONS, BUYER, ITS AGENTS, EMPLOYEES AND REPRESENTATIVES ARE NOT PERMITTED TO VISIT OR INSPECT THE RESIDENCE UNTIL AT THE TIME OF THE WALK-THRU INSPECTION AS PROVIDED IN SECTION 22. IF BUYER OR ITS AGENTS AND REPRESENTATIVES VIOLATES THIS STRICT RULE, SELLER MAY, AT ITS OPTION, CANCEL THIS AGREEMENT BY NOTIFYING BUYER OF SUCH CANCELLATION IN WRITING.

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**14. GRADING AND DRAINAGE: SELLER WARRANTS THAT REQUIRED SOIL PERCOLATION TESTS TO INSURE PROPER DRAINAGE WILL OR HAVE BEEN PERFORMED PRIOR TO CONSRUCTION.** BUYER understands Property has been or will be graded by the SELLER to drain properly in accordance with the local building codes. BUYER understands any future construction on the property after closing (including pools, spas, landscaping, etc.) if not engineered correctly, can disrupt the proper drainage and cause flooding and other problems and SELLER assumes no responsibility. BUYER also understands the installation of fences by either BUYER or SELLER are privacy walls and are not designed for drainage control and SELLER assumes no responsibility if they affect the drainage of the property negatively.

**15. SELLER WARRANTIES:** Seller warrants that: (a) Seller has received no claim or notice of any building or zoning violation concerning the property which has not or will not be remedied prior to closing; (b) all obligations against the property including taxes, assessments, mortgages, liens or other encumbrances of any nature shall be brought current on or before closing; and the plumbing, electrical systems, and structural elements of the residence are warranted for a period of eighteen months from date of closing, unless specified otherwise in writing.

BUYER acknowledges that Seller makes NO WARRANTIES, including, but not limited to, warranties as to merchantability or fitness, either express or implied, with respect to appliances or other consumer products either attached to or installed in the dwelling, and Seller is not responsible for any promise or warranty made by the manufacturer of such products. Buyer agrees to look solely to the manufacturers and not the Seller with respect to warranties on such consumer products which include, without limitation, the following: air-conditioner, exhaust fan, thermostat, generator, smoke detector, door chime, electric meter, water meter, gas meter, garbage disposal, water-heater, dishwasher, range, oven-range hood, washer, dryer, refrigerator, freezer, microwave, water softener, typhoon shutters, and other similar items.

**16. SUBSTANTIAL COMPLETION:** The residence shall be substantially completed when an Occupancy Permit is issued, but no later than 30 months from the date of this Agreement; and during said construction period, Seller is not liable in any way for the fluctuation and changes in interest rates and other changes in economic and market conditions.

**17. CONNECTIONS, UTILITIES/SITE IMPROVEMENTS/EASEMENTS:** SELLER represents that the property, upon completion of construction, will only have the following improvements included in the purchase price: Public sewer, public water, electricity, public streets, curbs, gutters, sidewalks, planting strips, and street lights except that Buyer shall be obligated to pay (or reimburse Seller, as the case may be) for any expenses related to the purchase, connection, and/or installation of any and all utility meters, connections, or hook-ups (including accessories) but not limited to water, sewer, and power. Further, parts of the property may be subject to a utility easement for the location and installation of transformers, lines, street lights conduits, equipment, and the like. It is expressly understood that Buyer is solely responsible to apply and pay for his own water, sewer, power, and other utility connections and/or hook-ups, particularly the SDC (System Development Charge) assessed by

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GWA (Guam Waterworks Authority) and that any assistance provided by Seller to have said meters or services installed or connections made or hook-ups made is a courtesy, which Buyer shall immediately reimburse Seller, at closing, for the cost of said assistance. It is further provided that Seller shall not be responsible for the energizing and maintenance of street lights, and Buyer shall look to the government or the Homeowner’s Association to address said issue.

18. **SURVEY:** The property corners are not marked by survey pins or stakes. If a survey is required to mark the property corners prior to commencement of construction, the cost will paid by Seller.

19. **INSPECTION OF LOT:** Buyer hereby waives any right Buyer may have to personally inspect the Lot as a condition of this Agreement or to buy the house.

20. **TITLE CONVEYANCE:** Title of SELLER is to be conveyed by warranty deed, unless otherwise provided, and is to be marketable and insurable except for rights reserved in federal patents, state or railroad deeds, building or use restrictions, building and zoning regulations and ordinances of any governmental unit, and rights of way and easements established of record. Liens, encumbrances or defects to be discharged by SELLER may be paid out of purchase money at date of closing. No liens, encumbrances or defects, which are to be discharged or assumed by BUYER or to which title is taken subject to, exist unless otherwise specified in this Agreement.

Unless otherwise designated to the Closing Agency prior to close of escrow, title shall vest in buyer as follows:

	(Buyer’s initials)
<input type="checkbox"/> Husband and wife as community property	____/____
<input type="checkbox"/> A married person as his/her separate property	____/____
<input type="checkbox"/> Joint tenants, each with a ____% undivided interest	____/____
<input type="checkbox"/> Tenants in common, each with a ____% undivided interest	____/____
<input type="checkbox"/> A single/unmarried person	____/____
<input type="checkbox"/> Other	____/____

**NOTE: THE MATTER OF TAKING TITLE MAY HAVE SIGNIFICANT LEGAL AND TAX CONSEQUENCES. YOU SHOULD CONSULT WITH A PROFESSIONAL REGARDING SUCH CONSEQUENCES.**

21. **TITLE INSURANCE:** The parties agree that Title Guaranty of Guam, Inc. shall provide the title policy.

22. **HOMEOWNER’S ORIENTATION AND FINAL WALK-THRU:** SELLER and BUYER agree to a walk-thru inspection of the house by the BUYER and/or his agent(s) or representative(s) approximately ten (10) calendar days prior to close of escrow. AS A CONTINGENCY OF THE SALE, SELLER agrees to make the house available for the walk-thru. This walk-thru inspection will be for the

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purpose of satisfying BUYER that any unfinished or corrective work (“punch list”) agreed to in writing by BUYER and SELLER at the time of said walk-thru shall be completed within a reasonable time after closing. If BUYER does not conduct a walk-thru, BUYER specifically releases the Seller and its agents of any liability. This orientation is also for the purpose of educating the BUYER about the house and how everything works, except that unless Seller, as a courtesy to Buyer, has a power meter installed for the residence, there shall be no power to the house at the time of the walk-thru.

**23. COVENANTS, CONDITIONS, AND RESTRICTIONS (CCRs):** The BUYER acknowledges receipt and is responsible to review a copy of the CCRs dated September 6, 2011 and as recorded on September 08, 2011, with the Office of the Recorder, Department of Land Management, under Instrument No: 826190. The SELLER, as practicable as possible, will be responsible to construct the home in compliance with said CCRs and in accordance with the Plans and Specifications. **BUYER received and has reviewed the CCRs.:** ( ) Yes, ( X ) No. If BUYER has not received and reviewed the CCRs, the BUYER will have three (3) business days after acceptance of this offer, to **review and accept** the CCRs. If BUYER **does not**, within the strict time period specified, give SELLER written notice of **rejection** of the CCRs, BUYER shall conclusively be deemed to have **accepted** the CCRs.

**24. SUBDIVISION HOMEOWNER’S ASSOCIATION:** BUYER is aware that membership in a Homeowner’s Association is required and BUYER agrees to abide by the Articles of Incorporation, By-Laws and Rules and Regulations of the Association. BUYER is further aware that the residence shall be subject to assessments levied by an Association described in the CCRs. BUYER has reviewed and understands the Homeowner’s Association Documents: ( ) YES ( X ) NO ( ) N/A. BUYER acknowledges that Homeowners’ Association Dues are \$25 per month or as will be determined by the Homeowners’ Association, and are payable monthly on the first of each month, effective on the month following the month of closing. The first month dues shall be paid in advance at closing by Buyer. BUYER shall pay a Homeowner’s Association **SET UP FEE** for this property in the amount of \$50 at closing.

**25. CLOSING DEADLINE/PUNCH LIST:** BUYER and SELLER agree to close within 10 calendar days of the issuance and receipt of the Certificate of Occupancy. If after the closing, punch list work still remains, the SELLER agrees to complete said punch list within a reasonable time thereafter.

UNLESS EXTENDED IN WRITING BY SELLER, FAILURE BY BUYER TO CLOSE WITHIN THE SAID 10-DAY PERIOD SHALL RESULT IN THE AUTOMATIC CANCELLATION OF THIS SALES AGREEMENT, REGARDLESS OF ANY PUNCH LIST ITEM THAT STILL REMAINS TO BE DONE, OR ANY DELAYS BY THE GOVERNMENT OR PROVIDER IN INSTALLING METERS FOR WATER OR POWER, OR CONNECTING OR ACTIVATING ANY OTHER UTILITY CONNECTION OR HOOK-UP, SUCH AS SEWER, TELEPHONE, AND CABLE VIDEO SERVICE; SELLER IS THEN FREE TO SELL SAID RESIDENCE TO ANY OTHER PERSON, AND SELLER SHALL RETAIN THE EARNEST MONEY AS LIQUIDATED DAMAGES. THIS PROVISION SHALL BE CONSTRUCTED STRICTLY AGAINST BUYER, AND IN THE EVENT THAT THIS PROVISION CONFLICTS WITH ANY OTHER PROVISION IN THIS AGREEMENT, THIS PROVISION SHALL GOVERN.

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26. **CLOSING AGENCY:** On or before the closing date, BUYER and SELLER shall deposit with the closing agency all funds and instruments necessary to complete the transaction. The parties agree that the "Closing Agency and/or Escrow Agent" for this transaction shall be Title Guaranty of Guam, Inc.

27. **POSSESSION:** BUYER shall be entitled to possession: ( X ) upon closing or ( ) other date \_\_\_\_\_. **"Closing" means the date on which all documents are recorded by the Escrow Agent with the Office of the Recorder, Department of Land Management and the sale proceeds are available to Seller.** Property taxes and water assessments (using the last available assessment as a basis), rents, interest and reserves, liens, encumbrances or obligations assumed and utilities shall be pro-rated as of the date of closing, except that Buyer shall pay for the cost of installation or purchase of any water and power meters, and the hook-ups thereof, which Seller may incur for the convenience of Buyer, and in that event, if Seller still has power and water running to the house, Buyer shall have 24 hours to transfer to his/her name said water and power meters, or otherwise incur a penalty of \$100 per day plus the amount of any utility consumed. If said 24-hour period falls on a weekend, or a Government holiday, said deadline shall extend to the following work day.

28. **UNAVOIDABLE DELAY:** In the event the residence may not be substantially completed by the date provided in Section 16 herein due to interruption of transport, availability of materials, strikes, fire, flood, extreme weather, governmental regulations, delays caused by lender, acts of God or similar occurrences beyond the control of SELLER, SELLER shall immediately provide BUYER written notice of the nature and projected time of delay. If any of the above actually cause delay in substantial completion and SELLER has provided written notice of the delay to BUYER, the completion date shall be extended for a reasonable period based on the nature of the delay, but in no event shall the extension be more than ninety (90) calendar days beyond the completion date set in Section 16 herein. After that date, the completion date may only be extended, modified or altered by a further agreement in writing executed by Buyer and Seller.

29. **DEFAULT: If BUYER defaults** in the performance of this Agreement, SELLER has the option: (1) accept the Earnest Money as liquidated damages or (2) pursuing any other lawful right or remedy to which SELLER may be entitled. If SELLER elects to proceed under (1), SELLER shall make demand upon the holder of the Earnest Money, upon which demand said holder shall pay the Earnest Money to SELLER. SELLER and BUYER specifically acknowledge and agree that if SELLER elects to accept the Earnest Money as liquidated damages, such shall be SELLER's sole and exclusive remedy, and such shall not be considered a penalty or forfeiture. If SELLER elects to proceed under (2), the holder of the Earnest Money shall be entitled to pay the costs incurred by SELLER's Broker on behalf of the SELLER and BUYER related to the transaction, including, without limitation, the costs of brokerage fee, title insurance, escrow fees, credit report fees, inspection fees and attorney's fees, with any balance of the Earnest Money to be held pending resolution of the matter. **If SELLER defaults** in the performance of this agreement, Buyer, at its option and as Buyer's sole and exclusive remedy for default of Seller, shall have the right to receive the return of the earnest money deposit, and, in the event Seller's default consists of the willful failure to convey the Property to Purchaser, seek actual damages based on the out-of-pocket costs actually incurred by Purchaser in connection with this transaction, but in any event not to exceed the sum of One Thousand Dollars (\$1,000), whereupon the parties shall be released from all further obligations under this Agreement.

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**30. TIME IS OFF THE ESSENCE:** Time is of the essence of this Agreement. In the event that Buyer does not meet any of the deadlines required herein, particularly deadlines regarding letters of Pre-qualification, letters of Pre-approval, and closing deadlines, BUYER AGREES THAT SELLER HAS THE UNILATERAL AND UNRESTRICTED DISCRETION TO CANCEL THIS AGREEMENT.

**31. COUNTERPARTS:** This Agreement contains the entire Agreement of the parties respecting the matters herein set forth and supersedes all prior Agreements between the parties respecting such matters.

No warranties, including without limitation, any warranty of habitability, agreements or representations not expressly set forth herein shall be binding upon either party.

**32. ATTORNEY’S FEES:** If either party initiates or defends any arbitration or legal action or proceedings, which are in any way connected with this Agreement, the prevailing party shall be entitled to recover from the non-prevailing party reasonable costs and attorney’s fees, including such costs and fees on appeal. Further, if Buyer contests Seller’s act to cancel this Agreement because of Buyer’s failure to meet the strict deadlines contained herein, Seller shall also be entitled to recover damages as a result of delays and any other adverse consequences to Seller due to, directly or indirectly, Buyer’s act to contest.

**33. NOTICES/FACSIMILE AND ELECTRONIC TRANSMISSION:** Facsimile transmission of any signed original document, and retransmission of any signed facsimile transmission shall be the same as delivery of an original. At the request of either the BUYER or SELLER, or the LENDER, or the Closing Agency, the BUYER and SELLER will confirm facsimile transmitted signatures by signing an original document. Any and all notices required in writing may be sent by mail, hand-delivery, e-mail, facsimile transmission, or any other form of electronic communication.

**34. COMPLETE AGREEMENT – NO ORAL AGREEMENTS:** This instrument constitutes the entire Agreement between the parties and supersedes and cancels any and all prior negotiations, representations, warranties, understandings or agreements between the parties. There are no oral agreements which modify or affect this Agreement. The written agreement cannot be changed except by mutual written of the parties.

**35. MECHANIC’S LIEN– NOTICE TO BUYER:** Under Guam law, any contractor, laborer, supplier, rental equipment provider or other person who performs labor or provides material to improve the property but is not paid for his work or supplies, has a right to enforce a claim against the property. This means that after a court hearing, the property could be sold by a court officer and proceeds of the sale used to satisfy the indebtedness. This can happen even if the contractor has been paid in full, if the labor or material suppliers remain unpaid. **BUYER SHOULD SEEK THE ADVISE OF LEGAL COUNSEL AS TO THE REMEDIES AVAILABLE TO THEM TO REDUCE THEIR LIABILITY FROM MECHANICS LIENS, EASMENTS, ENCROACHMENTS, ETC.**

**36. BUSINESS AND CALENDAR DAY:** “Business” day means Monday through Friday, excluding Saturday and Sunday, and excluding holidays as defined under Guam law, and “Calendar” day means Monday through Sunday including all holidays.

**Page 10 of 13 which Buyer and Seller acknowledge receipt of copy of this page.**

**BUYER’S INITIALS** ( ) ( ) Date \_\_\_\_\_ **SELLER’S INITIALS** ( ) ( ) Date \_\_\_\_\_

**SALES AGREEMENT FOR PRE-SOLD NEW CONSTRUCTION**

**Lot \_\_, Block \_\_, Tract 10423**

**37. EARNEST MONEY DISPUTE/INTERPLEADER:** Notwithstanding any termination of this contract, BUYER and SELLER agree that in the event of any controversy regarding the Earnest Money and things of value held by Broker or Closing Agency, unless mutual written instructions are received by the holder of the Earnest Money and things of value, Broker or Closing Agency shall not be required to take any action but may await any proceeding, or at Broker’s or Closing Agency’s option and sole discretion, may interplead all parties and deposit any moneys or things of value into a court of competent jurisdiction and shall recover court costs and reasonable attorney’s fees.

**38. INTERPRETATION AND ENFORCEMENT:** Any rule of law or legal decision which would require interpretation of any ambiguities in this Agreement against the party who has drafted it is not applicable and is waived. The provisions of this Agreement shall be interpreted in a reasonable manner to affect the purposes of the parties and this Agreement. Buyer and Seller acknowledge that changes in economic conditions during the escrow period may cause the terms and conditions not to appear as satisfactory as when the Agreement was signed. Nonetheless, Buyer and Seller agree that they are strictly bound to such terms and conditions and agree to take all necessary and appropriate actions to cause escrow to close in a timely fashion.

**39. SUCCESSORS AND ASSIGNS/NON-ASSIGNABILITY:** This Sales Agreement shall bind, and the benefits thereof shall inure to, the Buyer, the Seller, and their respective successors and assigns, **EXCEPT** that the Buyer **SHALL NOT TRANSFER OR ASSIGN** any or all of its rights and/or obligations hereunder or under any other related documents without the prior written consent of the Seller, which may be withheld in the Seller’s sole and absolute discretion.

**40. AUTHORITY OF SIGNATORY:** If BUYER or SELLER is a corporation, partnership, trust, estate or other entity; the person executing this Agreement on its behalf warrants his or her authority to do so and to bind BUYER and SELLER.

**41. ADDITIONAL TERMS AND/OR CONDITIONS:**

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**42. REAL ESTATE OFFICES:**

**Page 11 of 13 which Buyer and Seller acknowledge receipt of copy of this page.**

**BUYER’S INITIALS** ( ) ( ) Date \_\_\_\_\_ **SELLER’S INITIALS** ( ) ( ) Date \_\_\_\_\_

**SALES AGREEMENT FOR PRE-SOLD NEW CONSTRUCTION**

**Lot \_\_, Block \_\_, Tract 10423**

Listing Agency: The Real Estate Professionals

Listing Agent: C. Murphy

Office Phone #647-7371 Fax# 649-7377

E-Mail: [chris@homerep.net](mailto:chris@homerep.net) Phone# 488-7371

Selling Agency:

Selling Agent:

Office Phone:

E-Mail:

43. **ACCEPTANCE:** BUYER's offer is made subject to the acceptance of SELLER within five (5) business days of Buyer's execution of this Agreement. If SELLER does not accept this Agreement within the time specified, the entire Earnest Money shall be refundable to BUYER.

44. **BUYER'S SIGNATURE:** I/We further acknowledge receipt of a true copy of this agreement.

( ) **SEE ATTACHED BUYER'S ADDENDUM(S):** \_\_\_\_\_ (Specify number of BUYER addendum(s) attached.)

**BUYER's Signature** \_\_\_\_\_ **BUYER's Signature** \_\_\_\_\_

**(Full Legal Name)** \_\_\_\_\_ **(Full Legal Name)** \_\_\_\_\_

**Social Security No.** \_\_\_\_\_ **Social Security No.** \_\_\_\_\_

**Date** \_\_\_\_\_ **Time** \_\_\_\_\_ **Phone#** \_\_\_\_\_ **Date** \_\_\_\_\_ **Time** \_\_\_\_\_ **Phone#** \_\_\_\_\_

**Address** \_\_\_\_\_ **Address** \_\_\_\_\_

**City** \_\_\_\_\_ **State** \_\_\_\_\_ **Zip** \_\_\_\_\_ **City** \_\_\_\_\_ **State** \_\_\_\_\_ **Zip** \_\_\_\_\_

**E-mail:** \_\_\_\_\_ **E-mail:** \_\_\_\_\_

**Fax:** \_\_\_\_\_ **Fax:** \_\_\_\_\_

If Buyer is a corporation/business entity:

Name of Business Entity: \_\_\_\_\_

Signature of Authorized Representative: \_\_\_\_\_

Title or Position: \_\_\_\_\_

**Page 12 of 13 which Buyer and Seller acknowledge receipt of copy of this page.**

**BUYER'S INITIALS** ( ) ( ) Date \_\_\_\_\_ **SELLER'S INITIALS** ( ) ( ) Date \_\_\_\_\_

**SALES AGREEMENT FOR PRE-SOLD NEW CONSTRUCTION**

**Lot \_\_, Block \_\_, Tract 10423**

Phone No: \_\_\_\_\_ Fax No: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

\_\_\_\_\_

Taxpayer ID No: \_\_\_\_\_

E-mail: \_\_\_\_\_

**45. SELLER’S SIGNATURES:**

On this date, I hereby approve and accept the transaction set forth in the above Agreement and agree to carry out all the terms thereof on the part of the SELLER. I further acknowledge receipt of a true copy of this Agreement signed by both parties.

SELLER: TRI, INC.

\_\_\_\_\_  
Richard J. Untalan  
President/Project Director  
562 Harmon Loop Rd. #200  
Dededo, Guam 96929

Date: \_\_\_\_\_

Time: \_\_\_\_\_

**46. BUYER’S ACKNOWLEDGEMENT OF RECEIPT OF FINAL COPY BEARING ALL SIGNATURES:** A true copy of the foregoing Agreement, signed by the SELLER and containing the full and complete description of the premises is hereby received on:

Date \_\_\_\_\_ Time \_\_\_\_\_ Date \_\_\_\_\_ Time \_\_\_\_\_

BUYER’S Signature: \_\_\_\_\_ BUYER’S Signature: \_\_\_\_\_