# DIY RENOVATION
# PURCHASER QUALIFICATIONS
# PURCHASE PROCESS

**Introduction:** The Land Bank's DIY Renovation Program provides qualified users/investors the opportunity to acquire homes at a significant value. These Land Bank properties are being offered to users/investors interested in renovating the property for sale, lease, or occupancy. Purchasers may inspect the property prior to making an offer by contacting the Land Bank office. The property will be listed for sale, qualified applicants make an offer and if accepted, the property will be closed in escrow until agreed upon renovations are complete.

**Purchaser Must Satisfy the Following Qualifications:**

1. Not have any code violations within the past two years on any property owned.
2. Not own any property that has a history of being a site for criminal activity during the last two year period of purchaser's ownership.
3. Not own any real property that has been tax delinquent in the last two years.
4. Not have lost title or had foreclosure actions filed against any property he/she owns in the last two years.
5. Has not been the subject of any bankruptcy proceedings in the last 2 years.
6. Purchaser cannot have previously acquired a Land Bank property and then failed to meet the conditions of the DIY Renovation Sale and Purchase Agreement, DIY Renovation Sale and Purchase Notices, Quality Standards or any other Land Bank program.
7. Demonstrate financial capacity to pay the purchase price and perform the work required by the Land Bank; have utilities transferred into your name; and obtain appropriate insurance.
8. Reside in Montgomery or contiguous county or designate a local agent authorized to accept notice on behalf of the purchaser if non-Montgomery County resident.
9. Purchaser cannot have more than 3 DIY renovations in process at any time.
10. Purchaser must successfully complete 1 DIY project before being considered for additional purchases.

**To be considered for the DIY Renovation Program, Purchaser Must:**

1. Fill out the Property Purchaser Application. To be considered, all necessary documentation must be attached.
2. Review our Reference Guide for Quality Standards.
3. Acknowledge receipt and review of DIY Renovation Sale and Purchase Notices.
4. Authorize a background check and verification of all information provided.
5. Purchasers may inspect the property prior to making an offer by contacting the Land Bank office.
6. Make your best offer!

**Purchase Process:**

1. Applicant makes offer and submits Property Purchaser Application.
2. Land Bank accepts offer pending verification of Applicant's qualifications and receipt of the following documents:
    a. Proof of funds for the purchase and rehab of the property
    b. Social Security number of the applicant
    c. Additional documentation as needed
3. Application information verified
    a. Absence of code violations
    b. Absence of tax delinquencies
    c. Absence of foreclosure actions
    d. Absence of bankruptcies
    e. Residency Status
    f. Renovation Experience
    g. Financial ability
4. Qualified Applicant notified and contract signing date scheduled
5. Contract Signing Date:
    a. Purchaser and MCLB sign DIY Renovation Sale and Purchase Agreement
    b. Purchaser pays purchase price, title reimbursement, and recording fees
    c. Purchaser receives possession of property
6. Purchaser begins renovation process as agreed
7. Purchaser notifies MCLB of work completion
8. Property Inspection
9. Deed Transferred at the Closing

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# REFERENCE GUIDE
# FOR
# CONSTRUCTION QUALITY STANDARDS

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# INTRODUCTION

This document presents the standards that the Montgomery County Land Bank has set for housing that is rehabilitated by purchasers of Land Bank properties through its various property disposition programs. Some of these standards may already be met with respect to particular properties, and therefore, are not applicable to such properties, while other standards will only be met after a purchaser undertakes the rehabilitation of a given property.

A "boiler plate" document such as this cannot anticipate every condition that will be encountered in the wide variety of housing handled by the Land Bank. Any necessary variations from and additions to these standards will be noted in rehabilitation specifications for individual properties. All work will be completed in in a good and workmanlike manner with quality materials.

**In any instance where these housing standards do not meet local code, local code takes precedence**.

## ELECTRICAL

Requirements for specific rooms are found in the sections devoted to those rooms to the extent that the Scope of Work requires electrical improvements described below

1. All electrical components and wiring shall be certified as functioning and safe by a certified electrical inspector or a licensed electrical contractor.

2. Fuse boxes or fuse panels are not permitted where an electrical system upgrade is needed unless the work scope includes renovations to the electrical system.

3. Otherwise constrained and properly functioning fuse boxes may be permitted at the Land Bank's discretion. Breaker boxes with a sufficient number of circuits to adequately serve the unit are required.

4. Wiring or other electrical components with exposed conductors or terminals, frayed insulation or other damage are prohibited. Missing knockouts are prohibited. Every switch and outlet must be fitted with a cover plate that is free of unsafe cracks.

5. All splices, except for spliced knob and tube wiring, must be enclosed in junction boxes. Splices in knob and tube wiring must be insulated with electrical tape and stress relief shall be provided by a knob installed close to the splice. Knob and tube wiring must not be spliced to other types of wiring.

6. Electrical wiring located where it is exposed to potential damage must be enclosed in conduit.

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7. Light fixtures must not be supported by their conductors. Globes or light diffusers must be present on all fixtures designed to have globes or diffusers.

8. Both grounded and ungrounded electrical circuits are permitted. Outlets on ungrounded circuits must be of the two slot type. Outlets intended for grounded circuits (two slots and a ground hole) must actually be grounded and wired to the correct polarity. GFCI outlets need not be grounded as they provide protection even if not grounded.

9. All outlets in bathrooms, basements, garages and outdoors must be GFCI outlets. All outlets in kitchens, except for the outlet located to serve the refrigerator, must be GFCI outlets. GFCI outlets need not be grounded. The test and reset buttons must function.

10. All outdoor outlets must be enclosed in weatherproof electrical boxes.

11. An exterior type light fixture shall be located outside of each entry door to the unit and shall be controlled by a wall switch, inside the unit.

12. The house, garage and all outdoor areas shall be free of abandoned electrical wiring and components, including insulators.

**PLUMBING**

Requirements for specific rooms are found in the sections devoted to those rooms.

1. Plumbing fixtures that could cause a cross-connection between the water supply and the drainage system are prohibited.

2. Water supply pipes, faucets, shower heads, shut off valves and all drain lines shall operate properly, run freely and be free of leaks. A gas trap shall be located immediately below or as close as possible to every sink, tub or shower.

3. Shut off valves must be present after the water meter, before the water heater, before every hose bib (sill cock), before each faucet, and before each toilet.

4. Water heaters shall be certified as functioning and safe by a certified plumbing inspector or a licensed plumbing contractor. There must be no evidence of leaks. Water heaters must be equipped with a T & P (temperature and pressure) relief valve fitted with a ¾" minimum discharge line extending to near the floor or to the outdoors. The discharge line may be metal or PVC that is rated for use as a discharge line.

5. Gas fueled water heaters must have a drip leg and shut-off valve on the gas supply line, and must be fitted with a flue pipe angled upward to the chimney. Flue pipes must be free of holes, gaps, or evidence of corrosion. Any gap between the outside of the flue

pipe and the chimney must be sealed with mortar. Chimneys shall be free of leaks and debris that could impede the expulsion of smoke and gasses. Water heaters must show no evidence of flame roll-out. Gas fueled water heaters may not be located in living areas.

6. Access panels to the electrical connections on an electric water heater must be present and secured in place.

7. Gas fuel lines shall be schedule 40 black steel pipe. Flex pipe shall connect cooking stoves to gas fuel lines. Shut-off valves shall be present on the supply line to every gas fueled appliance.

8. The house, garage and all outdoor areas shall be free of abandoned plumbing fixtures and pipes.

**HEATING**

1. The heating system shall be certified as functioning and safe by a certified heating inspector or a licensed heating contractor, and shall be capable of providing sufficient heat to all living spaces in the dwelling unit.

2. Un-vented gas fueled heaters are prohibited.

3. Gas or oil fueled furnaces may not be located in living areas, although they may be located in furnace closets adjacent to living areas, except bedrooms. Provision must be made for an adequate supply of combustion air and make-up air. Required clearances must be maintained from combustible materials.

4. Gas or oil furnaces must be fitted with a flue pipe angled upward to the chimney. Flue pipes must be free of holes, gaps, or evidence of corrosion. Any gap between the outside of the flue pipe and the chimney must be sealed with mortar. Chimneys shall be free of leaks and debris that could impede the expulsion of smoke and gasses. Furnaces must be equipped with an electrical shut-off switch. Furnaces must show no evidence of flame roll-out.

5. Duct work must be free of holes and gaps. All heat duct openings shall be fitted with duct registers with adjustable dampers. Cold air return openings must be fitted with cold air return grilles.

6. Hot water baseboard fin tube units must be in good condition with few bent fins.

7. All covers shall be present so that there is no cutting hazard.

8. Electric baseboard heaters must be in good condition with few bent fins. All covers shall be present so that there is no cutting or fire hazard.

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9. Portable space heaters may not be used as the primary heat source anywhere in the dwelling unit.

10. The house, garage and all outdoor areas shall be free of abandoned heating equipment.

**SMOKE AND CARBON MONOXIDE DETECTORS**

1. Smoke detectors may be battery operated or hard wired and must meet NFPA Standard 74. At least one smoke detector must be present on each level of the dwelling unit, except unfinished attics. A smoke detector must be located outside of each bedroom within six feet of the bedroom door. If the doors to several bedrooms are close to each other, one detector may be sufficient to protect several bedrooms. Smoke detectors shall not be located in kitchens.

2. Local code may differ from this standard, especially in regard to the specific location of bedroom smoke detectors. In such cases, local code takes precedence.

3. Basement smoke detectors must be located, installed/mounted as required by local code.

4. Carbon monoxide detectors shall be located, installed/mounted as required by local code. In the absence of local code, carbon monoxide detectors shall be located in the vicinity of gas fueled furnaces/boilers and water heaters and on each level of the home where there are bedrooms or sleeping areas.

**DOORS**

1. All doors and their related jams, stops, casings, hinges, locksets and strike plates, must be in decent condition, free from significant rot, rust or corrosion. Door glass must be free of cracks. Locks must comply with local code. Double cylinder locks are prohibited unless required by local code.

2. Entry doors from outdoors or common areas must be equipped with a single cylinder deadbolt lock or a single cylinder rim deadbolt. Doors leading to the outside must be equipped with weather stripping that adequately prevents the infiltration of air or moisture.

3. Sliding doors (patio doors) must be equipped with a lock set that works as designed, or, if permitted by local code, a bar that fits into the bottom channel (a “Charlie Bar”) that effectively prevents the door from being opened from the outside.

4. Storm/screen doors are not required, but if present they must be in good condition and must include a latch set and door check.

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**WINDOWS**

1. All windows, including panes, sashes, casings, stops, parting strips, sills, stools, sash locks, sash lifts and other hardware must be in good condition, free from cracks and significant rot, rust or corrosion. Window putty (glazing compound) must be in good condition and prevent the infiltration of air and moisture. All windows within six feet of the ground or other accessible area, such as a porch, stairway, or fire escape, must be lockable.

2. Openable windows must stay open on their own.

3. Storm and/or screen windows are not required, but if present, they must be free of cracked panes, torn screens or malfunctioning hardware.

**WALLS AND CEILINGS**

1. Walls and ceilings shall be free of holes, large cracks, missing tiles, or any damaged wall or ceiling surfaces that create the potential for structural collapse

2. Wall and ceiling surfaces shall be clean, painted, wall papered, tiled or paneled, and shall be free of significant discoloration, marks or scratches.

**FLOORS**

1. Floor surfaces shall be in sound condition free of the potential for collapse, tripping hazards. They shall be level enough as to not present a slipping or tripping hazard. Wood floors shall be finished with paint or wood stain with a protective coating.

2. Floor surfaces in kitchens and bathrooms shall be water resistant.

**STAIRWAYS, PORCHES, DECKS AND LANDINGS (INTERIOR AND EXTERIOR)**

1. Stairs treads, risers, stringers and handrails shall be in good condition free of major cracks, rot or spalling. Stairways with three or more steps, including the final step up to the dwelling unit, porch, deck or landing, must be equipped with a handrail. If the stairway is open on both sides and the drop to the ground or other surface is 30” or more, a handrail must exist on both sides of the stairs. Handrails must be securely mounted and be graspable.

2. A securely mounted guardrail must be present on all porches, decks and landings where there is a drop to the ground or other surface of 30” or more.

**LIVING ROOMS**

1. Living rooms must be equipped with at least three electrical outlets and one permanently installed light fixture. An additional outlet, switched on the wall inside the room and close to the door is acceptable as a substitute for a light fixture.

**DINING ROOMS, DENS, OR OTHER ROOMS USED FOR LIVING**

1. Dining rooms or dining areas must be equipped with at least two electrical outlets and one permanently installed light fixture. An additional outlet, switched on the wall inside the room and close to the door is acceptable as a substitute for a light fixture.

2. Dens, family rooms, or other similar rooms must be equipped with at least two electrical outlets.

**KITCHENS AND KITCHEN AREAS**

1. Kitchens must be equipped with at least one permanently installed light fixture and two electrical outlets. The outlet nearest the location intended for a refrigerator shall be a regular grounded outlet on a 20 amp. circuit. All other outlets shall be GFCI outlets.

2. Kitchens must include sufficient space for the storage and preparation of food. Such space may be located in the kitchen itself, or an adjacent pantry or hallway. Cabinets, shelves and drawers shall be in good condition with all necessary drawer pulls and knobs. Counter tops must be cleanable, with no loose laminate, tile or other surfaces.

3. Kitchens must be equipped with a permanently installed sink with hot and cold running water.

4. Kitchens must include an openable window, a vent fan, or a ductless range hoods.

**BASEMENTS, UTILITY ROOMS AND LAUNDRY ROOMS**

1. Every dwelling unit must include a designated space for the installation of a washer and dryer. That space shall include hot and cold water faucets, a drain and a 20 amp. minimum electrical outlet. If a gas line is present, it must be capped until a dryer is connected.

2. A laundry tub shall be present in the basement, utility room or laundry room.

3. Basements shall be relatively dry.

**INTERIOR STAIRWAYS AND HALLWAYS**

1. Permanently installed light fixtures shall provide adequate light in all stairways and hallways.

2. Stairways shall be free of tripping hazards.

3. Stair tread height shall be consistent. Variations in height that could create a tripping hazard are unacceptable.

**BATHROOMS**

1. Every dwelling unit shall include at least one bathroom located inside the unit. The primary bathroom must include a toilet, sink and bathtub or shower. Additional bathrooms may be half-baths with no bathtub or shower.

2. Each bathroom must be equipped with at least one GFCI outlet and a permanently installed light fixture.

3. Each bathroom must be equipped with a window that opens to the outdoors, or an active (with a fan) or passive (no fan) vent that carries air from the bathroom to the outdoors.

4. Toilets shall be securely bolted to the floor or the floor and wall, and must not have any type of leak.

5. Bathroom sinks need not be located in the same room as the toilet and bathtub or shower. Sinks must be provided with hot and cold running water and be securely mounted to the wall or be installed in a vanity that is securely mounted to the wall. Pop-up plugs or stoppers must be provided for sink drains.

6. Bathtubs must be provided with hot and cold running water. Bathtubs with showers must also include a water-proof tub surround that is adequately sealed at all edges, a functioning shower diverter and shower head.

7. Stall showers must include a water-proof shower surround and a functioning shower head.

**BEDROOMS**

1. A door shall be present at the entrance to each bedroom.

2. Every bedroom must have at least one window that will open, if it was designed to open.

3. Every bedroom must have at least two electrical outlets and one permanently installed light fixture. An additional outlet, switched on the wall inside the room and close to the door is acceptable as a substitute for a light fixture.

**EXTERIOR**

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1. Foundations shall provide adequate support for the structure and shall be in good condition, free of holes, major cracks, open mortar joints, loose parging, or missing components (bricks, blocks, etc.).

2. All siding and trim shall be present and in good condition. Walls shall be free of holes or gaps that could allow for the infiltration of air or moisture.

3. Roofs, flashing and boots (around stacks) shall be in good condition with no evidence of leaks. Shingle roofs shall exhibit no evidence of nearing the end of their functionality, such as missing shingles, widening gaps between shingles indicating shrinkage, shingles with curled up edges, or the presence of a significant amount of moss.) Membrane roofs shall show no evidence of tears, cracks, or the pooling of water.

4. Chimneys shall be in good condition with no holes, open mortar joints or missing or damaged components.

**GARAGES**

1. Doors between a dwelling unit and an attached garage must be fire rated and self closing, and must be equipped with a single cylinder lockset weather stripping to prevent the passage of air from the garage to the unit.

2. Other than the door between the dwelling unit and the attached garage, there shall be no other openings between the garage and the unit.

3. A permanently installed light fixture must be present in an attached garage.

4. Garage doors and their related hardware must be in good condition with no evidence of rot, rust or corrosion. Garage door windows must be free of cracks.

5. Garage door openers must be in proper operation condition and must include correctly adjusted safety stop and reverse features.

**SITE CONDITIONS**

1. All sidewalks and driveways shall be free of large cracks, large chuckholes or large areas of spalling. There shall be no height differential of more than ¾" between adjacent paving units (sections of concrete, asphalt, bricks or paving stones that is in an area that the property owner has responsibility for as opposed to the respective municipality).

2. Lawn or garden areas shall be free of damaged, diseased or dead plant materials. Lawns shall be graded to provide positive drainage away from foundations, and shall have no low areas subject to ponding. No area of the site shall constitute a trip hazard.

3. Remove junk, debris, rubbish from exterior to eliminate unsanitary condition.

**PAINT**

1. Every surface, both indoors and outdoors, including garages, outbuildings and fences, of every dwelling must be free of deteriorated paint. (Deteriorated paint is paint that is flaking, cracking, chipping, peeling or chalking.) All lead based paint shall be addressed according to industry, and regulatory standards.

**MONTGOMERY COUNTY LAND REUTILIZATION CORPORATION**
**DIY RENOVATION SALE AND PURCHASE AGREEMENT**
[Direct Acquisition]

1. Property. Pursuant to this DIY Renovation Sale and Purchase Agreement ("Agreement"), _____ ("Purchaser") agrees to purchase from Montgomery County Land Reutilization Corporation, an Ohio corporation for non-profit ("Seller"), the real property described in Exhibit A to this Agreement and having an address of _____, _____ (the "Premises"). The purchase and sale of the Premises will be at the price and upon the terms and conditions in this Agreement. References to this "Agreement" include any addenda, supplements or amendments.

   Purchaser understands that Purchaser is not permitted to occupy the Premises or to cause the Premises to be occupied until the completion of the sale and purchase of the Premises in accordance with this Agreement. Starting on the Effective Date defined in Paragraph 15, Purchaser is permitted to access and enter the Premises solely for purposes of completing the Work (as defined in Paragraph 6 below) and for no other purpose.

**2.** Purchase Price. The purchase price for the Premises is _____ Dollars ($_____) (the "Purchase Price"). As of the Effective Date, Purchaser has paid the Purchase Price to Seller. **Purchaser acknowledges that the Purchase Price will not be returned to Purchaser in any circumstance except in the case that Seller breaches this Agreement as provided in Paragraph 10 or in the case of damage or destruction that is not caused by Purchaser or any Purchaser Party (as defined in Paragraph 7) and that results in Seller terminating this Agreement. In all other cases, the Purchase Price is non-refundable and will be retained by Seller. Purchaser also acknowledges any interest earned on the Purchase Price funds before the completion of the sale and purchase will be retained by Seller.**

   **Purchaser's initials to acknowledge the above: _____**

3. Title Matters.

   a. Review of Title. Purchaser will have 15 days from the Effective Date of this Agreement (the "Title Review Period") to obtain, at Purchaser's sole cost and option, a title commitment for an owner's title insurance policy for the Premises and deliver written notice to Seller of any unacceptable title matters. Purchaser's failure to deliver to Seller written notice of unacceptable title matters within the Title Review Period will constitute Purchaser's acceptance of title to the Premises and the waiver of any claim of defects. If Purchaser timely delivers written notice of any unacceptable title matters, Seller will have the option, but not the obligation, to remove or otherwise remedy the unacceptable matters within 30 days after the date Seller receives Purchaser's written notice of the unacceptable title matters (the "Cure Period"). If Seller elects to not remove or remedy the unacceptable title matters, then either Seller or Purchaser will have the right to terminate this Agreement by written notice delivered to the other. In order for Seller to terminate this Agreement, Seller must give Purchaser a written notice of termination. In order for Purchaser to terminate this Agreement, Purchaser must give Seller a written notice of termination within 5 days after Seller declines in writing

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to remove or remedy Purchaser's unacceptable title matters. Upon a party's receipt of a notice of termination delivered according to this Paragraph 3(a), the parties will have no further obligations pursuant to this Agreement except those that are stated as surviving expiration or termination of this Agreement.

b. Deed. Upon satisfaction of all terms and conditions in this Agreement, including without limitation, Buyer's completion of the Work, Seller will record with the Montgomery County Recorder's office a quit claim deed to the Premises. The grantee on the deed will be as follows: (a) name and marital status _____ *[check as applicable]* ☐ a married individual or ☐ an unmarried individual; or (b) tenancy, if the deed is taken in more than one name: _____ *[check one, as applicable; if neither is checked, tenancy will be tenancy in common]* ☐ survivorship tenancy or ☐ tenancy in common.

c. Title Insurance. Purchaser acknowledges that Seller encourages Purchaser to inquire about the benefits of obtaining owner's title insurance from a title agency and that a lender's policy of title insurance does not provide title insurance protection to Purchaser. Purchaser shall pay the costs of the owner's title insurance policy if Purchaser elects to obtain such insurance.

4. Costs. Purchaser will timely pay all costs and charges incurred in connection with its purchase of the Premises and for Seller's insurance on the Premises, including without limitation, the following: closing and escrow charges; title examination, commitment and policy charges and premiums; conveyance fees and transfer taxes owed to Montgomery County; loan fees and costs associated with Purchaser's loan for the Premises, if any; charges owed to third parties for inspection, survey or other investigation of the Premises; insurance costs incurred by Seller with respect to the Premises from the period starting on the Effective Date through the date of Seller's recording of the deed to Purchaser; and if applicable, charges for additional inspections by Seller as referenced in Paragraph 6(c).

**Purchaser understands and agrees as follows:**

**(a) The Premises may be exempt from real estate taxes but not assessments during the time Seller owns the Premises.**
**(b) The Premises will not be exempt from real estate taxes or assessments during the time Purchaser owns the Premises.**
**(c) Real estate taxes and assessments owed for the Premises may increase after Purchaser's purchase of the Premises.**
**(d) There will be no proration of real estate taxes or assessments upon the recording of the deed, and Purchaser will pay all bills for taxes and assessments coming due and payable after the deed is recorded. These bills will include amounts assessed by the Auditor for periods before the deed is recorded.**

**Purchaser's initials to acknowledge the above: _____**

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5. Purchaser's Representations, Warranties and Covenants. Purchaser makes the below representations and warranties to Seller as of the date Purchaser signs this Agreement and again as of the date the deed is recorded, and these representations and warranties will survive such date without limitation. Purchaser acknowledges that Seller is entering into this Agreement with Purchaser based on the truth and completeness of Purchaser's representations regarding the below matters. Purchaser acknowledges, represents, warrants and covenants to Seller as follows:

a. Purchaser does not currently own any real property that is in material violation of state and/or local codes or other legal requirements.

b. Purchaser does not currently own and has not owned in the last 2 years any real property that has a history of code violations during Purchaser's ownership.

c. Purchaser does not currently own and has not owned in the last 2 years any real property that has a history of being a site for criminal activity during Purchaser's ownership.

d. Purchaser does not own any real property that is currently tax delinquent, nor has Purchaser lost title to or had any tax foreclosure actions filed against properties that Purchaser has owned within the last 2 years.

e. Purchaser has not been the subject of any bankruptcy proceedings in the last 2 years.

f. Purchaser is familiar with and understands the zoning classification and zoning requirements applicable to the Premises. If the Premises are subject to any covenants, restrictions or other requirements administered by a homeowners association or otherwise, Purchaser will fully review and accept the Premises subject to such covenants, restrictions and requirements.

g. Seller, its employees, agents, contractors and representatives (collectively called "Seller Parties") have made no representations to Purchaser about any matters concerning the Premises, verbally or in writing, and Seller disclaims any and all representations and warranties. Specifically, and without limiting the foregoing, Seller and Seller Parties make no representations whatsoever about the existence of any potential environmental hazards at the Premises, and Purchaser waives and will hold harmless Seller and Seller Parties from and against all claims and liabilities for any harmful effects related to any environmental hazards. Purchaser understands that these potential environmental hazards include, but are not limited to, lead-based paint, asbestos, urea-formaldehyde foam insulation, radon gas, mold or black mold, or any other potentially toxic substances.

h. Purchaser was given sufficient opportunity to fully inspect the Premises, and by signing this Agreement, Purchaser will be deemed to be fully aware of its physical condition. Purchaser is accepting the Premises in "AS IS, WHERE IS" condition with any and all defects. Purchaser acknowledges that there may be both patent and latent defects in the Premises, including, but not limited to, structural instability, major systems defects (electrical, HVAC and plumbing), basement moisture, leaks and flooding, and roof leaks and issues.

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i. Purchaser acknowledges that Seller has never used or occupied the Premises, that Seller has no knowledge of its history and that Seller will not provide to Purchaser an Ohio Residential Property Disclosure Form. Purchaser waives its statutory right to receive such Disclosure Form from Seller and any rights Purchaser may have to terminate this Agreement based on not receiving the Disclosure Form.

j. If any materials or information are given to Purchaser by Seller or any Seller Parties, Purchaser understands that Seller and Seller Parties make no representations or warranties regarding the accuracy of the materials or information or that copies provided are complete. Purchaser acknowledges and understands that all such materials and information are made available only for Purchaser's convenience in making its own inspections of the Premises, and Purchaser will not rely on any materials or information supplied by Seller or Seller Parties.

k. Purchaser understands that no items of personal property are included in the sale. If personal property is at the Premises, Seller makes no warranty, expressed or implied, as to the condition thereof or title thereto.

l. From the Effective Date and through the date of recording the deed and after such date (or, if the parties do not proceed with the sale and purchase of the Premises, until this Agreement is terminated), Purchaser will have sole and complete responsibility for maintaining the Premises and will maintain the Premises in good and safe condition and repair, including without limitation, keeping the interior and exterior of the Premises free of trash and construction debris and maintaining all landscaping and exterior areas free of weeds. Purchaser will at all times keep the Premises secured from unauthorized entry and boarded as needed, according to the local code or as otherwise required by Seller.

m. As of the Effective Date, Purchaser will (i) have all utility and trash service accounts for the Premises transferred into Purchaser's name, and (ii) deliver to Seller proof of the transfer in a form acceptable to Seller in its sole discretion. Purchaser will be solely responsible for payment of all utility and trash service charges and will pay the charges when due. Purchaser agrees to refund Seller for all expenses and charges incurred by Seller due to Purchaser's failure to transfer all services as required above. If charges to Purchaser's account are not timely paid, Purchaser will be responsible for all late charges and will remove any liens imposed upon the Premises as a result of unpaid charges. Upon Seller's request, Purchaser will provide proof of timely payment of utility and trash removal charges. All damages, risks, losses, costs and liabilities of all kind related to the termination of utility services at the Premises, will be the Purchaser's sole responsibility. Purchaser's obligations under this Paragraph will continue and survive notwithstanding the termination of this Agreement.

n. Purchaser agrees to use the Premises solely for residential purposes.

o. Purchaser acknowledges receipt of the DIY Renovation Sale and Purchase Notices.

6. Completion of Work.

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a. Conditions to Completing Sale. Seller's obligation to sell the Premises to Purchaser is conditioned upon (a) Purchaser completing the work described in the Pre-Sale Inspection Report attached to this Agreement as Schedule 1 (the "Work"), and (b) Seller's determination that the Work has been completed in accordance with this Agreement, which determination will be made in Seller's sole discretion. Until after the date the deed has been recorded, Purchaser will not be permitted to perform any work or improvements to the Premises other than the items included within the Work without the written approval of Seller.

b. Permits and Work Deadlines. If any permits or other approvals are required in connection with the Work, which determination will be Purchaser's sole responsibility, Purchaser will obtain the required permits and approvals within 30 days after the Effective Date. Purchaser will start the Work within 30 days after all permits and approvals are received, or if no permits and approvals are required, within 30 days after the Effective Date. Purchaser will fully complete all aspects of the Work within 180 days after the Effective Date. Purchaser may request an extension for additional time to complete the Work, and such request will be in writing and delivered in accordance with this Agreement. Purchaser will specify the reasons for the request, a detailed account of the Work completed to date, and the anticipated date of completion of the remaining Work. Seller reserves the right to grant or deny extensions in its sole discretion, considering such factors as, but not limited to, the reasonableness of Purchaser's request, Purchaser's good faith efforts to complete the Work on time and the likelihood of Purchaser completing the Work in full. Any extension granted to Purchaser by Seller does not act as a waiver of any of Seller's remedies provided by this Agreement or otherwise provided by law.

c. Inspections. The Work will be performed in a good and workmanlike manner and in compliance with all applicable legal requirements, permits and approvals, in compliance with the Montgomery County Land Bank Housing Quality Standards and otherwise in a manner and condition as approved by Seller in its sole discretion. Purchaser will also have all mechanical systems (e.g. HVAC, electrical, plumbing, etc.) certified by a licensed contractor or have new applicable systems installed. Seller and other Seller Parties will have the right to enter the Premises at any time and from time to time to inspect the Work and the condition of the Premises and for any other purpose of Seller. If Seller is required to inspect the Work more than 2 times, Purchaser will pay Seller for the costs of additional inspections in an amount set by Seller.

d. Payment and Liens. Purchaser will pay all costs of the Work on or before the times when payment is due and will not allow any liens to encumber the Premises as a result of any activities of Purchaser or its employees, agents or contractors or their subcontractors or material suppliers. Upon Seller's request, Purchaser will provide to Seller the following, whether relating to the items included within the Work or additional work undertaken by Purchaser: (i) copies of all invoices, bills, purchase orders and other documentation relating to the Work or any additional work; (b) cancelled checks, receipts and other documentation confirming Purchaser's payment of all costs incurred in connection with the Work or any additional work; and (c) lien releases and lien waivers for contractors, subcontractors and material suppliers performing any work or supplying materials. If, because of any act or omission of Purchaser or anyone claiming through or under Purchaser, any mechanic's or other

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lien or order for the payment of money is filed against the Premises (whether or not the lien or order is valid or enforceable as such), Purchaser will, at Purchaser's sole expense, cause the same to be released in the land records within 10 days after the date of filing. Purchaser will also indemnify, defend and save harmless Seller against any and all costs, expenses, claims, losses or damages, including reasonable counsel fees, resulting from the lien or Purchaser's failure to release the same. If required by Seller, Purchaser will pay the costs of any title exam requested by Seller to confirm whether any liens have been asserted against the Premises or any interest in the Premises.

e. Seller's Termination Rights. Purchaser understands and agrees that Seller will have the right to terminate this Agreement, and Seller will keep the Purchase Price funds pursuant to Paragraph 2, if Purchaser fails to obtain any required permits or approvals, Purchaser fails to start the Work or fully complete the Work within or by the applicable deadlines, Seller determines that Purchaser has not completed the Work as required by this Paragraph 6, any mechanics' or materialmen's liens are filed on the Premises in violation of Paragraph 6(d) and Purchaser does not have the liens released as required in Paragraph 6(d), or Purchaser otherwise does not comply with, or perform, any other term or obligation of this Paragraph 6.

f. Indemnity and Insurance. Purchaser will indemnify, hold harmless and defend Seller and Seller Parties from and against any claims, losses, actions or liabilities arising out of or associated with Purchaser's entry, presence or work at or on the Premises. Purchaser will at all times maintain builder's risk insurance with respect to the Work and general liability insurance providing coverage against bodily injury to any person, including Purchaser's agents, employees, independent contractors, trespassers, guests and/or invitees, and against damage to the property of Purchaser in amounts and with insurance companies acceptable to Seller in its sole discretion. Seller shall be a loss payee under the builder's risk coverage and an additional insured under the general liability coverage. Before the Effective Date, Purchaser will have delivered to Seller evidence of the required insurance (including copies of Purchaser's policies if requested by Seller), and Purchaser will make no changes to the required insurance until after the deed has been recorded. Seller and Seller Parties will not be responsible for any theft, vandalism, damage or loss of any personal property at the Premises, including damage by leaks, bursting pipes, temperature fluctuations, structural matters and all other causes, and all property at the Premises will be kept at the sole risk of Purchaser and its agents or contractors.

7. Damage or Destruction. Risk of loss will remain on Seller until the deed has been recorded, and in the event of any damage or destruction to the Premises before the deed has been recorded, Seller may elect, in Seller's sole discretion, to terminate this Agreement by written notice to Purchaser. If the damage or destruction was not caused by Purchaser or Purchaser's agents, contractors or others for whom Purchaser is legally responsible (individually, a "Purchaser Party" and collectively, "Purchaser Parties"), and Seller elects to terminate, then Seller will compensate Purchaser for actual out-of-pocket direct improvement expenses to the Premises paid by Purchaser in completion of the Work less those expenses required to demolish and clear the structure at the Premises. In order to determine the amount of Purchaser's actual out-of-pocket direct improvement expenses for the Work, Purchaser will provide to Seller the following: (i) copies of all invoices, bills, purchase orders and other

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documentation relating to the Work; and (b) cancelled checks, receipts and other documentation confirming Purchaser's payment of all costs incurred in connection with the Work. Notwithstanding anything to the contrary, Seller's obligation to compensate Purchaser, as stated above, will be limited in all cases to funds actually received by Seller from the insurance carrier covering the damage. If the damage or destruction was not caused by Purchaser or any Purchaser Parties, and Seller does not elect to terminate this Agreement, then Seller may make insurance proceeds available to Purchaser for use in the repair or restoration of Work that was completed before the damage or destruction. If the damage or destruction was caused by Purchaser or any Purchaser Parties, then Purchaser will be responsible for all repairs and restoration to the Premises as required to restore the Premises to the same or better condition as existing before the damage or destruction, and Seller will have the right, if Seller elects, to designate the contractor to perform the restoration work. Further, if the damage or destruction was caused by Purchaser or any Purchaser Parties, and Seller elects to terminate this Agreement, then Purchaser will be responsible for demolition of the structures at the Premises and clearing of all demolition debris as required to restore the Premises to a safe condition, and Seller will have the right, if Seller elects, to designate the contractor to perform the restoration work.

8. Condemnation. If the Premises are subject to any taking by eminent domain or a threat of eminent domain, Seller will have the right to terminate this Agreement, in which case, the parties will be relieved of all further obligations under this Agreement except those stated as surviving termination. Any and all awards and compensation in connection with any taking will be paid solely to Seller.

9. Closing. The parties acknowledge that Seller and Purchaser have agreed that this transaction and the recording of the deed to Purchaser is conditioned upon Purchaser completing the Work in full in accordance with the requirements of this Agreement. In furtherance of their agreement, and as an assurance to Seller that Purchaser completes the Work as required, the parties agree that the deed to the Premises will be held by Seller until the completion of the Work in accordance with this Agreement, at which time, the parties will complete the sale and purchase of the Premises pursuant to this Agreement, and Seller will record the deed. The purchase and sale of the Premises pursuant to this Agreement will occur upon the completion of the Work at a time and place designated by Seller. If, for any reason, Purchaser does not commence and complete the Work by the deadlines provided in this Agreement or in a written extension signed by Seller, which Seller may give or decline in Seller's sole discretion, then Seller may terminate this Agreement. If Seller elects to terminate, then Seller will retain the Purchase Price paid to Seller pursuant to Paragraph 2 as well as any improvements made to the Premises up to that point and any materials to be incorporated into the Premises and stored or situated at the Premises. The terms of this Agreement that are stated as surviving termination will continue in effect notwithstanding any such termination. In case of a termination, Purchaser waives any and all claims and causes of action against Seller, including without limitation, claims in quantum meruit or any other right to compensation or set off or any other claims related to the improvement of the Premises.

10. Default. If Purchaser defaults in the performance of any of Purchaser's obligations under this Agreement, then in addition to Seller's rights and remedies provided by this Agreement, Seller

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may pursue all remedies available at law or in equity. If Seller defaults in the performance of Seller's obligations under this Agreement, Purchaser may seek a refund of the Purchase Price paid pursuant to Paragraph 2 and reimbursement for the value of the improvements made to the Premises by Purchaser, which value will be determined in Seller's reasonable discretion, as Purchaser's sole and exclusive remedy. Purchaser waives any and all rights to pursue any other remedies or to any other relief or any damages, including without limitation, all remedies in equity, expectancy damages, lost profits, consequential damages or any other indirect damages.

11. No Assignment. Purchaser will not assign this Agreement or encumber or transfer any interest in this Agreement or the Premises without Seller's prior written approval, which may be given or withheld in Seller's sole discretion.

12. Notices. All notices and other communications given under this Agreement will be in writing, and will be deemed sufficiently given when personally delivered or when deposited in the United States Mail, postage prepaid, certified or registered, or when delivered by a nationally recognized overnight delivery service and addressed as follows (or to such person, or to such other address, of which any party hereto shall have given written notice as provided herein):

If to Seller: Montgomery County Land Reutilization Corporation
130 West Second Street, Suite 1425
Dayton, OH 45402
Attention: Susan Considine

If to Purchaser: _____
_____
_____

Any notice or other communication mailed as provided above will be deemed effectively given on the date of delivery, if delivered by hand, or on the date received or refused if sent by overnight express delivery or if sent by U.S. Mail.

13. Binding Effect. This Agreement will be binding upon and inure to the benefit of the Seller, Purchaser, their respective executors and/or administrators, heirs, successors and assigns.

14. Complete Agreement. This Agreement supersedes all other agreements and understandings between the parties, oral or written, and constitutes the entire agreement between the parties with respect to the subject matter covered by this Agreement. No amendment or modification will be effective unless it is in writing and signed by Purchaser and Seller and dated subsequent to the date of this Agreement. This Agreement will be governed by the laws of the State of Ohio. Time is of the essence with respect to the performance of all obligations under this Agreement.

15. Effective Date. The Effective Date of this Agreement is _____, 20____.

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SELLER:

MONTGOMERY COUNTY LAND
REUTILIZATION CORPORATION

By:_____
Michael Grauwelman
Executive Director

PURCHASER:
_____

_____

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EXHIBIT A

Legal Description of Premises

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SCHEDULE 1

Pre-Sale Inspection Report

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