

**NEW CONSTRUCTION ADDENDUM**

**OFFER TO PURCHASE AND CONTRACT, DATED \_\_\_\_\_ BETWEEN**

**SELLER/BUILDER: ATLANTIC CONSTRUCTION, INC.,** a North Carolina corporation

**BUYER:** \_\_\_\_\_  
(whether one or more)

**LEGAL DESCRIPTION:** \_\_\_\_\_  
(the "Property")

**The BUYER and SELLER acknowledge and agree to the following:**

- 1) SELLER agrees to pay, or have paid, up to \$ \_\_\_\_\_ or \_\_\_\_\_ % of Purchase Price of BUYER'S expenses associated with the purchase of the Property (the "Closing Costs"). BUYER shall be responsible for all costs and expenses that exceed the amount stated above. Notwithstanding the foregoing provisions, SELLER'S obligation to pay any Closing Costs is contingent upon BUYER selecting the law firm of Mewborn & DeSelms, Attorneys at Law, whose address is 829 Gum Branch Road, Suite C, Jacksonville, NC 28540, or such other attorney designated by SELLER, as the closing attorney. BUYER hereby acknowledges receipt of the Gaylor Edwards & Vatcher, P.A. engagement letter.

The "Prorations and Adjustments" Section of the Contract is hereby amended by inserting the following sentence at the end of said Section: Notwithstanding the foregoing provisions, if all or any of the property taxes for the year in which closing occurs are escrowed, the SELLER and BUYER agree that there will not be an additional proration or adjustment for SELLER'S share of the property taxes for the year in which closing occurs.

- 2) BUYER'S Loan Pre-Approval and/or Prequalification must accompany this Offer to Purchase/Contract. BUYER agrees to close the purchase of the Property within seven (7) working days following satisfactory completion of the final inspection by the requisite governmental authority, and/or BUILDER is in receipt of the Certificate of Occupancy issued by the requisite governmental authority.
- 3) BUILDER will exercise its best efforts to enable BUYER to close on or before the Closing Date set forth in the Contract; however, in the event closing occurs after the Closing Date, neither the REALTORS nor BUILDER shall be liable for any damages, monetary or otherwise, including, but not limited to, BUYER'S temporary lodging expenses, additional cost for storage expenses, interest rate lock extension costs and/or any additional fees, costs or expenses BUYER may incur for his/her/their loan, for any delay or postponements of the Closing, resulting from unforeseen events, weather conditions or other conditions beyond the BUILDER'S control which may delay completion of construction and/or Closing.
- 4) Upon execution of the Offer to Purchase and Contract and this Addendum by SELLER and BUYER, BUYER authorizes BUYER'S lender to provide SELLER with a copy of BUYER'S appraisal report of the Property and to discuss with SELLER and SELLER'S AGENTS details of the loan with regard to the status of approval and Closing.
- 5) BUILDER has built, and/or will build, \_\_\_\_\_ floor plan (the "Floor Plan") and BUYER **may, or may not, in BUILDER'S discretion**, be able or allowed to make selections or upgrades from BUILDER'S Inventory (depending upon the stage of construction of the dwelling, and whether the materials have already been ordered).
- 6) Any upgrades, changes or additions ("Change Requests") to the Floor Plan or other proposed improvements to the Property must be agreed to by SELLER, in writing, and paid for by BUYER, in advance, on or before the date agreed to for payment by SELLER and BUYER (the "Change Request Payment Deadline"). All monies paid for

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Buyer's Initials

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Buyer's Initials

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Seller's Initials

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Seller's Initials

such Change Requests are non-refundable, whether closing occurs or not, **unless** same are included in the SELLER'S contribution toward BUYER'S Closing Costs, allowances and physical improvements, and SELLER agrees to same in writing. In the event BUYER fails to pay for the Change Requests on or before the Change Request Payment Deadline, or such other date agreed to by SELLER, in writing, prior thereto, the Change Requests shall be deemed cancelled, and the Contract shall be enforceable in accordance with the terms therein without the Change Requests. The charges for any upgrades, changes or additions to be paid from SELLER'S agreed contribution to BUYER'S Closing Costs shall be paid by BUYER to SELLER in the event Closing does not occur for any reason at the time of termination of the Contract.

- 7) BUYER acknowledges it understands and agrees that renderings of the Floor Plan and elevations may differ slightly from actual completed construction of the house and improvements. All photos on the website and MLS are of similar model houses. Drawings are artist's renderings only and are NOT to be considered 100% representative of actual houses. Floor Plans vary in regard to square footage and details. Due to requests, options and specification changes, by other purchasers of houses from BUILDER, the items viewed in such other houses may not be the exact manner of construction for BUYER'S house.
- 8) ALL BUYER'S questions and requests will be directed to the BUILDER'S AGENT through the BUYER'S REALTOR. Information provided by workers on the job site, non-supervisory employees of the BUILDER, or other persons without the express written authorization of the BUILDER, are not authorized by, nor binding on, the BUILDER.
- 9) BUYER understands and agrees that the One-Year Builder's Warranty (the "Warranty") shall be effective for a period of one (1) year from the date of initial occupancy by BUYER, or the date of closing, whichever shall occur first. BUYER also understands that the Warranty covers structural defects which affect habitation of the dwelling, along with the electrical, plumbing, heating and air conditioning systems. BUYER acknowledges that the Warranty does not include accidental or intentional damage, misuse, abuse, normal wear and tear, cosmetic items, decorative items or yard landscaping, and specifically excluded are Paint, Screens and Small Concrete Cracks. Landscaping that has been performed by BUILDER shall be deemed complete at the earlier to occur of initial occupancy or the date of Closing, unless otherwise agreed to by the parties, in writing. Any erosion that occurs, and the costs of repairing same, after the earlier to occur of the initial date of occupancy or the date of closing, shall be the sole responsibility of BUYER.
- 10) BUYER acknowledges that he/she/they have received a copy of the Restrictive Covenants, Septic System and Exclusive Easements Agreement, and Sewer Authorization, if applicable, affecting the Property [the "Restriction Document(s)] at time of delivery of the Offer to Purchase to SELLER; BUYER understands that it is his/her/their responsibility to read the Restriction Documents and obtain answers to any questions regarding same, prior to Closing. Closing shall constitute BUYER'S acknowledgment of his/her/their obligation to comply with the terms of the Restriction Documents.
- 11) BUYER acknowledges being informed that land in the subdivision in which the Property is situated, has been designated jurisdictional "404 Wetlands," by the US Army Corps of Engineers and that said "404 Wetlands" are restricted from hydrological disturbance. The BUYER further acknowledges he/she/they have reviewed the recorded plat of the subdivision which includes a description of the Property and is aware of whether or not any portion of the Property contains "404 Wetlands".
- 12) BUYER acknowledges that prior to execution of the Offer to Purchase and Contract, he/she/they have been informed that there **may** be a Military Firing Range, and/or airport, in close proximity to the Property.
- 13) BUYER acknowledges that common boundary line fencing may be connected to fencing by adjoining lot owners, if the Restrictive Covenants permit, or if SELLER installs or contributes to the cost of any fence for the Property. By execution of this Addendum, BUYER hereby grants permission for any fence erected on the Property to be tied into, butted up to or connected to, whether existing fence or future fencing along or within one (1) foot of the property lot lines. This provision shall survive Closing and is enforceable by SELLER, or its successors or assigns.

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Buyer's Initials

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Buyer's Initials

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Seller's Initials

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Seller's Initials

- 14) The BUYER is responsible for applying for and obtaining electric service and water service prior to moving in, and coordinating service with the date of occupancy or Closing. BUYER also acknowledges that BUYER is solely responsible for determining the school districts in which the Property is situated.
- 15) BUYER acknowledges that, unless otherwise agreed in writing, the BUILDER will not deliver possession of the Property to BUYER until the deed of conveyance thereof has been recorded in the Office of the Onslow County Register of Deeds and funds have been disbursed by the closing attorney.
- 16) BUYER agrees that either BUYER or BUYER'S Representative will be present at the BUILDER walk-thru, (to be scheduled by a BUILDER Representative on a date, and time agreed upon by both parties). The walk-thru is for the purpose of identifying punch list items to be completed prior to, or soon after, Closing and BUYER needs to allow a minimum of one (1) hour for completion of the walk-thru.
- 17) In accordance with the BUILDER'S Insurance Policy and NC State Law:
  - a. BUYER understands and agrees that he/she/they will not be on the job site, unless accompanied by a REALTOR or the BUILDER or a BUILDER'S Representative.
  - b. BUYER understands that he/she/ they enter the job site at their own risk.
  - c. BUYER may not engage any tradesman to make additions or upgrades to the structure prior to Closing.
- 18) BUYER acknowledges that one or more of BUILDER'S AGENTS and/or OFFICERS have a valid NC Real Estate License.

**IN THE EVENT OF A CONFLICT BETWEEN THIS ADDENDUM AND THE OFFER TO PURCHASE AND CONTRACT, OR ANY OTHER ADDENDUM, THIS ADDENDUM SHALL CONTROL.**

**BUYER:** \_\_\_\_\_ **(Seal)** **DATE:** \_\_\_\_\_

**BUYER:** \_\_\_\_\_ **(Seal)** **DATE:** \_\_\_\_\_

**SELLER: ATLANTIC CONSTRUCTION, INC.**

**By:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

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Buyer's Initials

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Buyer's Initials

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Seller's Initials

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Seller's Initials

Atlantic Construction, Inc. provides a one-year structural warranty from the date of occupancy or your closing, whichever occurs first. This is an implied limited warranty; however, the following may serve as a guideline.

A. CABINETS AND COUNTERTOPS

*Doors and Drawers* – Under normal use doors and drawers should open and close properly. Doors and drawers should be even and level.

*Backsplashes*- Gaps between the cabinets/backsplashes and wall are common and result from shrinkage of materials. Caulking is a non-warrantable item.

*Grain and Stain*- By the nature of the material, some variations in wood grains and color are to be expected.

*Countertops*- There should be no significant gaps (3/16" in excess) at the seams in laminate tops. Scratches are not covered under this warranty after closing.

B. APPLIANCES

All new appliances are warranted directly by the manufacturer. Each appliance comes with a warranty card you must fill out and mail in. The warranty information will be in your homeowner package. Please read the booklets carefully and mail in all registration cards. Should any of your appliances require service, be prepared to give them your closing date, as well as the model and serial numbers of the appliance.

C. FLOORS

Both the vinyl and carpet flooring in your home have a limited manufacturer's warranty. All workmanship will be covered in your warranty. Damaged floors will not be covered after closing.

D. BATHROOMS

*Cultured marble*- DO NOT use abrasive cleaners as it may damage or scratch the surface.

*Fiberglass Tubs*- DO NOT use abrasive cleaners or strong chemical cleaners that may cause scratches or the finish to be damaged. Damaged tubs will not be repaired after closing.

E. WALLS

*Sheetrock*- Over time hairline cracks may develop at the seams. This is to be expected. Another common occurrence involves the fasteners used to attach the sheetrock to the studs. Due to the high moisture content of lumber, as studs dry out, some fasteners will back

out slightly. These can be easily repaired. The builder will repair these cracks and “*nail pops*” ONE TIME ONLY.

F. INTERIOR TRIM

*Cracks*- Separations in excess of ¼” will be corrected. As with any other natural product, grain may show through paint. Any damaged trim will not be warranted after closing.

*Maintenance*- Similar to sheetrock, trim may experience some shrinkage as it dries. You may see joints in trim work opening up or nail holes becoming visible where they were not before. Cracks in the caulk around trim are normal in the first year and is not a warrantable item.

G. WINDOWS

Windows should open and close with relative ease and operate as designed. Vinyl windows will expand when hot and shrink when cold. Sometimes you may notice they are easier to open than others. Condensation is normal due to temperature differences. Cracks or broken windows and damaged screens will not be covered after closing.

H. DOORS

*Interior*- Under normal use all interior doors should open and close freely. Damaged doors will not be covered after closing.

*Exterior*- Under normal use all exterior doors should open and close freely. Locks should also operate with reasonable ease. Damaged doors will not be covered after closing.

*Maintenance*- Inspection of exterior door thresholds and seals should be done seasonally. Any alterations needed are considered normal homeowner maintenance. It may also be necessary to clean hinges and knobs with a damp cloth once a year to prevent dust buildup.

I. HEATING AND AIR CONDITIONING

*Operation*- Under normal conditions, your A/C should be capable of maintaining a temperature of 78 degrees at five feet above the floor. In case of excessive heat a ten degree difference is acceptable. The heating system should be capable of maintaining a temperature of 70 degrees. Under extremely cold conditions a ten degree difference is acceptable. Some room temps may vary.

*Maintenance*- The manufacturer suggests changing each of your filters once per month. Any deficiencies in heating or cooling systems found to be a result of inadequate maintenance are the responsibility of the homeowner.

J. ROOF

The roof of your home has limited lifetime shingles. This warranty does not apply to storm damage or natural disasters.

K. DRIVEWAYS, PATIOS AND PORCHES

Cracks in concrete are typical due to the nature of the product. Any crack less than 1/4" is considered a non-warrantable item. Concrete driveways, patios, or sidewalks damaged after closing will not be repaired.

L. LANDSCAPING

Landscaping is not covered after closing.

M. VINYL SIDING

Cleaning of vinyl siding is the responsibility of the home owner. The best method is a pressure washer and simple green. DO NOT use Clorox.

N. PLUMBING

*Maintenance*- Inspections for leaks at drain lines and traps under sink after walk through is the responsibility of the homeowner. Any damage to cabinets will not be covered. Chlorine tablets should not be used in the toilets. Repetitive use compromises the integrity of the flapper and its components causing the toilets to continuously run requiring parts to be replaced. Use of these tablets will void any warranty.

O. SEPTIC

Do not clog your plumbing or septic lines by improperly putting the following items down your sinks or toilets: cat litter, diapers, feminine products, cigarettes, coffee grounds, grease, etc.

P. NAMED STORMS

Builder one-year warranty does not include coverage for damages caused by named storm.

Lot # \_\_\_\_\_ Subdivision \_\_\_\_\_ Buyer's Initials \_\_\_\_\_

**ATLANTIC  
CONSTRUCTION, INC**

**"Building Value"**

**BUYER INFORMATION FORM**

Subdivision: \_\_\_\_\_ Lot: \_\_\_\_\_ Floor Plan: \_\_\_\_\_

Property Address: \_\_\_\_\_  
\_\_\_\_\_

Buyer's Name: \_\_\_\_\_ Birth Month: \_\_\_\_\_

Telephone #: \_\_\_\_\_ Email: \_\_\_\_\_

Current Address: \_\_\_\_\_  
\_\_\_\_\_

Co-Buyer's Name: \_\_\_\_\_ Birth Month: \_\_\_\_\_

Telephone #: \_\_\_\_\_ Email: \_\_\_\_\_

Current Address: \_\_\_\_\_  
\_\_\_\_\_

Lender: \_\_\_\_\_ Loan Amount: \_\_\_\_\_

Loan Officer: \_\_\_\_\_ Telephone #: \_\_\_\_\_

Email Address: \_\_\_\_\_ Fax #: \_\_\_\_\_

**Comments**

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