



Caviness & Cates Building and Development Co. GENERAL BUILDERS ADDENDUM TO CONTRACT

This addendum to the Purchase and Sale Agreement dated Contract Date between Buyer Name ("Buyer"), and Caviness & Cates Building and Development Co. ("Builder"), regarding property known as Lot Home Site / Community Community in or near the City of City County of County, North Carolina, by reference hereto, is incorporated in and is a part of said contract, as follows: _____

Closing Attorney: Closing shall be held by the following Builder preferred Attorney:

Delete this line and Insert builder's preferred attorney name and contact info here – if buyer is using a different attorney, please indicate both the Builder's Preferred attorney along with the buyer's attorney.

1. When Buyer is using Builder's preferred attorney, said attorney will conduct the closing and disburse all funds. Said attorney shall represent both Buyer and Builder only in such case as the common representation can be managed in the best interest of both the Buyer and Builder. Said attorney shall on behalf of the Buyer render an opinion on title, prepare any necessary loan documents for Buyer, explain loan documents to Buyer and disburse loan proceeds.

If a conflict develops between Buyer and Builder, Builders preferred attorney must withdraw from the representation of both parties and will not represent either party any further in the transaction.

Buyer may independently employ separate counsel, however all additional and redundant costs shall be the sole obligation of the Buyer.

PROFESSIONAL SERVICES DISCLOSURE: This is to give you notice that Caviness & Cates Building and Development, Co. has an affiliated business relationship with CHARTER TITLE LLC through its partial ownership. Because of this affiliated relationship with the Company, the referral to you and your selection of Charter Title LLC may provide the Company with financial or other benefits. You are not required to use Charter Title LLC as a condition for settlement of your loan for or purchase, sale or refinance of the subject property. THERE ARE FREQUENTLY OTHER SETTLEMENT SERVICES PROVIDERS AVAILABLE WITH SIMILAR SERVICES. YOU ARE FREE TO SHOP AROUND TO DETERMINE THAT YOU ARE RECEIVING THE BEST SERVICES AND THE BEST RATE FOR THESE SERVICES. TITLE INSURANCE RATES IN NORTH CAROLINA ARE SET BY THE STATE AND COSTS FOR SIMILAR SERVICES ARE THE SAME FROM ALL PROVIDERS.

2. Property Owner Association: Buyer has received a copy of the COVENANTS, CONDITIONS AND RESTRICTIONS ("CC&Rs") from his/her agent and acknowledges his/her responsibility to read them for compliance.

3. Schools: It is Buyer's responsibility to confirm school assignment and any potential redistricting.

4. Trade Partners and Suppliers: Builder builds "pre-assigned, inventory" homes – not custom homes, which means all selections are made from our pre-chosen samples and vendors. We do not accommodate "vendor shopping". All of the items that you can choose will be selected with a representative of the Builder at the Selections Center, except for lighting and appliances which will be selected through Builder's approved Vendor.

Any pricing (i.e., upgrades, fences, etc.) will be done directly through Builder's Design Center. Pricing done in the field by a trade partner and/or field associate (project manager) will not be honored.

5. Variations: Floor plans vary in regard to square footage, special features and upgrades; therefore many of the items viewed in other homes may not be standard. Architectural renderings, floor plans and artist renderings are not to be used for the purposes of buying within the projects they depict as they may not be current or could have changed. Photos, videos and

virtual tours may not accurately represent specifications, selections or floorplan options available in every community. Do not base any decision to buy real estate or anything else from these images, videos, renderings or illustrations. Buyer shall consult with sales representative to obtain the current building specifications and included features before submitting the Purchase and Sale Agreement.

6. Buyer Installations: Builder will not install or allow to be installed prior to closing any items provided/purchased by the buyer. Buyers may not engage the project manager, or tradesmen/sub-contractors to make additions or changes of any kind while under construction and/or prior to closing. Such changes must be coordinated between their agent and the builder representative.

7. Modifications to the Included Features: All upgrades, changes and additions must be submitted on a Change Order. If it is not in writing and paid for, no upgrades, changes or additions will be made. Upgrades, changes and additions will be required to be paid for in advance and are non-refundable.

Design Center Selections: Buyer is responsible for coordinating all available interior and exterior selections through the Builder's Design Center Representative.

- ☐ INVENTORY HOME. The Buyer will be required to meet with the Builder's representative, at the Selections Center, to choose the Buyer's various available options, upgrades, and selections to be made to the Residence, if any, within 7 ("seven") days from the date of this Agreement. The value and designation of any options, upgrades or selections chosen by the Buyer will be set out in an executed Amendment to this Agreement finalizing the Selection Center process within 10 ("ten") days from the date of this Agreement. The Buyer will be responsible for any Non-refundable deposit required by the Builder for the Buyers choice of any option, upgrade, or selection. Once the Selection Center process has been completed there will be no changes, additions or deletions, to the options, upgrades, and selections made by the Buyer. The stage of construction at the time of contract will determine which changes the builder will accommodate.
- ☐ PRE-SALE: The Buyer will be required to meet with the Builder's representative, at the Selections Center, to choose the Buyer's various options, upgrades, and selections to be made to the Residence within 21 ("twenty-one") days from the date of this Agreement. The value and designation of any options, upgrades or selections chosen by the Buyer will be set out in an executed Amendment to this Agreement finalizing the Selection Center process within 28 ("twenty-eight") days from the date of this Agreement. The Buyer will be responsible for any Non-refundable deposit required by the Builder for the Buyers choice of any option, upgrade, or selection. Once the Selection Center process has been completed there will be no changes, additions or deletions, to the options, upgrades, and selections made by the Buyer.

A \$ 500 fee plus the cost per accepted change will apply for any allowable changes made after the Selection Center Process has been finalized.

9. Timely Completion: Builder shall diligently pursue the construction of the House, and shall complete construction as a "turn-key" job on or before the closing. If Builder is delayed at any time in the process of construction by a) any act or neglect of Buyer, b) any changes ordered in the construction, c) material shortages, adverse weather conditions, or delays in transportation which were not reasonably anticipated or d) acts of God, then the time for completion on construction of the House and closing shall be extended automatically by a reasonable time to account for the delay experienced. Construction shall be deemed complete when i) the House has been completed in accordance with the Plans and Specifications and is broom-clean; ii) a certificate of compliance has been issued by the appropriate governmental authority having jurisdiction over the construction of the house. Builder is not responsible for any expenses or fees incurred by the buyer, including but not limited to housing, hotel, moving company fees or fees to extend a rate lock, resulting in such delays of closing beyond builder's control. Buyer(s) Initials: _____

10. Termination of Agreement: Buyer(s) Initials: _____ Buyer agrees not to harass, annoy, abuse, or treat disrespectfully any employee or agent of Builder, or interfere with work of Builder or any employee, contractor, subcontractor, vendor or supplier of Builder. Builder, in its sole discretion, may elect to treat any such conduct (or conduct demonstrating that Buyer has unreasonable expectations, escalating differences, and/or issues that have become irreconcilable), as a material breach of this Agreement. In the event Builder elects to terminate this Agreement pursuant to this paragraph, the Builder shall

give written notice of such termination by certified mail, return receipt requested, to the Buyer and Buyer shall forfeit all deposits.

11. Utilities: The buyer is responsible for having the utilities turned on in their name within 48 hours after closing, i.e., electric, water/sewer, gas.

12. Statements and Agreements Made by Builder: Builder wants to ensure that Builder and Buyer are in full agreement on all terms and conditions relating to the Agreement. To best ensure that there are no misunderstandings, Buyer should ensure that all terms and conditions (including all statements, representations, or understandings upon which Buyer relies in purchasing the Home) are set forth in writing in the Agreement. Builder is not responsible for, or bound by, any statement or agreement by any new home consultant, salesperson, broker, agent, employee or other representative of Builder unless such statement or agreement is in writing and signed by an Authorized Agent of Builder. If there are any statements, representations or understandings which are made by a sales staff person or any other representative of Builder which are material to Buyer's decision to purchase, Buyer should insist that any such statement, representation or understanding is put in writing and contained in the Agreement.

13. Surrounding Areas: Builder typically has no control over the development or use of the areas adjacent to or in the vicinity of the Community. Buyer acknowledges: (i) that the character, nature and uses of the areas adjacent to or in the vicinity of the Community may change in the future; and (ii) that future uses of adjacent or nearby property could include transportation, commercial, residential, agricultural, recreational, or any number of other uses. Builder has not made any representations concerning the development or use of the areas adjacent to or in the vicinity of the Community.

14. Future, Development, Marketing and Other Changes: Future development of the Community cannot be predicted with accuracy. Therefore, Builder makes no representations or warranties as to future development of the Community and Buyer (whether or not Builder is the developer of the Community) acknowledges that any of the following may occur:

1. Changes in the design, plan, size, materials and/or features of the Community, the amenities in the Community and/or the homes in the Community including, without limitation, the number of homes and the sizes of lots in the Community. Topographical maps in sales office(s), site plans, lot plotting maps, sales literature and brochures and other items showing the Community, the amenities in the Community and/or the homes in the Community do not in any way constitute Builder's promise to complete the same as shown.
2. Different methods of marketing to sell homes in the Community, including, without limitation, the use of incentives, concessions, price reductions, lot sales programs, bulk sales or other promotions or techniques, without regard to the price paid by Buyer for his/her Home, and without any obligation to offer any comparable incentives to Buyer.
3. The sale, at any time, of all or any portion of the lots within the Community to any third party, including other developers and/or Builders.

15. Construction and Sales Activity. Certain construction and sales activities within and near the vicinity of the Community may be occurring after Buyer's occupancy of Buyer's Home. This may result in some inconvenience to Buyer due to increased noise, dust and debris from the construction activities and the operation of the model homes and sales office. Construction hours often begin early (particularly in warmer seasons) and sales activity will likely involve significant traffic and visitors, particularly on weekends before the Community is completely sold out.

Furthermore, Builder has taken steps to adhere to applicable code requirements, if any, pertaining to sound attenuation between homes, from adjacent uses and between floors of any townhouse buildings. However, meeting code requirements will not necessarily eliminate noise. Buyer understands and acknowledges that multi-unit and/or attached housing inevitably creates more sound transmission and noise intrusion than detached residences due to shared walls and floor/ceiling construction. Shared walls, floors and ceilings will contain plumbing lines, ventilation ducts and other related devices. These devices can generate and transmit noise from a neighboring home which may be heard in Buyer's Home. Buyer acknowledges that Builder shall not have any responsibility for any type or level of sound transmission within or between units in a Community building, from street noise within or outside the Community, or otherwise from surrounding properties or uses.

16. Views. Buyer acknowledges that Builder has not made any representation, warranty or covenant of any kind regarding views that may be available from Buyer's Home. A view may be negatively impacted by a variety of occurrences, including construction of buildings, decks, fences, walls, tree and plant growth, landscaping or other future development.

17. Soil Conditions. It is possible that certain problems may arise with the Home due to expansive soils and/or sinkholes. Buyer acknowledges and agrees that Seller makes no representation, warranty or guarantee against the risk of soil changes and/or sinkhole activity.

18. Insulation. Pursuant to Title 16, Chapter I, Section 460.16 of the Code of Federal Regulations, the insulation that is or will be installed in the Home is as follows and will, according to the manufacturer, yield the R-values stated:

		Most Homes in North Carolina	Harnett & Wake Counties, North Carolina
Location	Type	R-Value	R-Value
Exterior Walls	Fiberglass Batts	R-15	R-19
Ceilings	Cellulose Blown / Fiberglass Batt	R-38	R-38
Non-Slab Floors (If applicable)	Fiberglass Batt	R-19 on Crawl	R-19 on Crawl

If so indicated above, fiberglass (also known as glass wool) is/will be used for insulation in the Home. The U.S. Department of Health and Human Services ("HHS") has listed fiberglass as a substance "which may reasonably be anticipated to be a carcinogen." This listing identifies substances selected for further study because of their potential carcinogenic risk but is not an assessment by HHS that there is a causal connection between fiberglass and human cancer. The listing does not establish that fiberglass presents a risk to persons in their daily lives.

19. Mold. Mold is not necessarily harmful and medical professionals disagree about the effects of exposure to mold and the level of mold exposure that may cause health problems. Mold in elevated airborne concentrations may cause allergic symptoms in people who are sensitive to mold and people with suppressed immune systems or lung disease may be at risk for fungal infections. The best way to control indoor mold growth is to control moisture. In order to minimize moisture, Buyer should, among other things: (i) immediately fix leaky plumbing or other sources of moisture; (ii) properly ventilate kitchens and bathrooms by opening windows and using exhaust fans; (iii) maintain low indoor humidity; (iv) regular vacuuming and cleaning; (v) clean and dry refrigerator, air conditioner and dehumidifier drip pans and filters regularly; (vi) inspect for condensation and leaks in and around the home and clean up and repair sources of moisture; and (vii) regularly caulk windows, faucets, tubs and showers and maintain the roof in good repair.

20. Photography Release. Buyer authorizes Builder or any of its affiliates the absolute and irrevocable right to utilize without charge, for any purpose, photographs and/or renderings of the Property, whether taken prior to or after Closing.

21. Home Owner's Guide and Warranty Manual is available at:

www.cavinessandcates.com/warranty

Builder agrees to fulfill all of its obligations under the Communities Homeowner's Guide & Warranty Manual ("Warranty.") By its signature(s), *Home Owner* acknowledges acceptance of the Warranty in lieu of all other warranties express or implied, including merchantability, habitability, and construction in a workmanlike manner and fitness for a particular purpose. *Home Owner* acknowledges that it has been advised to read this Warranty and has done so prior to completing the purchase of the Home. *Home Owner* further acknowledges and agrees, and understands the contents of the Warranty to its satisfaction, and was given the opportunity to seek, if necessary, help in understanding these documents. *Home Owner* agrees to perform its obligations, which include, but are not limited to, notifying Builder in writing when requesting service. This Warranty shall survive closing. Should Builder be required to execute a warranty form at closing supplied by the Department of Veterans Affairs or USDA, *Home Owner* acknowledges and agrees that such Warranty shall be in addition to this Warranty, and shall

supplement this Warranty, but such VA or USDA Warranty shall not exclude or replace this Warranty, including without limitation this Warranty's exclusion of implied warranties.

Complete the Following Information:

Caviness & Cates Warranty Registration:

Name: _____ Cell: _____

Name: _____ Cell: _____

Phone Number – Other: _____

Email: _____ Email: _____

*Home Owner further acknowledges that it is his/her sole responsibility to register for all manufacturer's warranties after closing. Failure to do so may limit or void any manufacturer's advertised warranty.

KEY NON-RELEASE NOTICE:

Buyer(s) Initials: _____

DUE TO THE BUILDER'S INSURANCE COVERAGE, KEYS TO THE PROPERTY WILL NOT BE RELEASED TO THE BUYER(S) UNTIL AFTER THE DEED HAS BEEN RECORDED. ONCE RECORDED, BUYER(S) OR THEIR AGENT MAY PICK UP THE KEYS FROM THE CLOSING ATTORNEY OR THE BUILDER'S SALES REPRESENTATIVE.

DELIVERY OF PERSONAL PROPERTY:

Buyer(s) Initials: _____

DO NOT SCHEDULE DELIVERY OF MAIL, PACKAGES, FURNITURE OR OTHER HOUSEHOLD GOODS UNTIL AFTER DEED HAS BEEN RECORDED AND KEYS HAVE BEEN RELEASED.

UTILITIES:

Buyer(s) Initials: _____

YOUR UTILITIES WILL BE DISCONNECTED IF NOT TRANSFERRED INTO YOUR NAME WITHIN 48 HOURS AFTER CLOSING.

COMMUNICATION:

Buyer(s) Initials: _____

BUILDER AND THEIR SALES REPRESENTATIVE, SHALL HAVE THE RIGHT TO PROVIDE UPDATES DIRECTLY TO THE BUYER THROUGH EMAIL AND THE NOVIHOME APP.

BUYER'S ACKNOWLEDGEMENT OF RECEIPT : I/We acknowledge that I/we have received, read and accepted all of the provisions of this Builder Addendum to Contract. I/We also realize that it contains important information affecting my/our rights and obligations and I/we have familiarized myself/ourselves with its contents.

Buyer (Signature) Date

Buyer (Signature) Date

Caviness & Cates Building and Development Co.

(Signature) Date