

**OFFER TO PURCHASE AND CONTRACT-NEW CONSTRUCTION**

[Consult "Guidelines" (Form 800G) for guidance in completing this form]

[This form is designed for use when the Seller of a new home is or has engaged a licensed contractor who is constructing or will construct a "spec" or custom single-family dwelling on land owned or to be owned by Seller and then convey improved land to Buyer. It is not for use when: (1) the Seller does not or will not own the land to be conveyed, (2) Buyer owns the land or (3) Buyer will provide financing for construction.]

For valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, Buyer offers to purchase and Seller upon acceptance agrees to sell and convey the Property on the terms and conditions of this Offer To Purchase and Contract-New Construction and any addendum or modification made in accordance with its terms (together the "Contract").

1. **TERMS AND DEFINITIONS:** The terms listed below shall have the respective meaning given them as set forth adjacent to each term.

(a) "Seller": Red Rock Builders  
The General Contractor is  the Seller OR  is (insert contractor's name): \_\_\_\_\_ ("General Contractor")  
NC contractor's license #: 74384 classification: BUILDING limit: limited

(b) "Buyer": Wendy John Dorsainvil

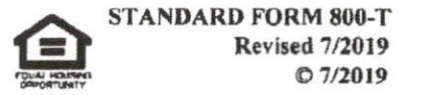
(c) "Real Estate": The Real Estate shall include all that certain lot or parcel of land described below together with all appurtenances thereto.  
Street Address: 10 Heatherspring Way  
City: Spring Lake Zip 28390-5094  
County: Harnett, North Carolina

**NOTE:** Governmental authority over taxes, zoning, school districts, utilities and mail delivery may differ from address shown.

Legal Description: (Complete ALL applicable)  
Plat Reference: Lot 682, Block/Section \_\_\_\_\_, Subdivision \_\_\_\_\_, as shown on Plat Book/Slide 2012 at Page(s) 285  
The PIN/PID or other identification number of the Real Estate is: 0506-72-4943.000  
Other description: \_\_\_\_\_  
Some or all of the Real Estate may be described in Deed Book 3522 at Page 0929

(d) "Purchase Price":  
\$ 450,000.00 Paid in U.S. Dollars upon the following terms (to be adjusted by allowance and Change Orders as defined in Paragraph 3(b)(iii)):  
\$ \_\_\_\_\_ BY INITIAL EARNEST MONEY DEPOSIT made payable and delivered to Escrow Agent named in Paragraph 1(j) by  cash  personal check  official bank check  wire transfer,  electronic transfer, EITHER  with this offer OR  within five (5) days of the Effective Date of this Contract.  
\$ \_\_\_\_\_ BY (ADDITIONAL) EARNEST MONEY DEPOSIT made payable and delivered to Escrow Agent named in Paragraph 1(j) by cash, official bank check, wire transfer or electronic transfer no later than 5 p.m. on \_\_\_\_\_, **TIME BEING OF THE ESSENCE.**  
\$ \_\_\_\_\_ BY SELLER FINANCING in accordance with the attached Seller Financing Addendum.  
\$ 4,500.00 BY BUILDING DEPOSIT made payable to Seller in accordance with the terms of subparagraph (l) below.  
\$ 445,500.00 BALANCE of the Purchase Price in cash at Settlement (some or all of which may be paid with the proceeds of a new loan).

Whenever the final cost for allowances is more or less than the allowances set forth in this Contract or any addendum to this Contract and whenever there are Change Orders which change the cost for the Dwelling, the difference shall be adjusted between the parties either prior to Settlement or at Settlement. The Purchase Price shall be the complete cost for the Property.





Should Buyer fail to deliver any Initial Earnest Money Deposit by their due dates, or should any check or other funds paid by Buyer be dishonored, for any reason, by the institution upon which the payment is drawn, Buyer shall have one (1) banking day after written notice to deliver cash, official bank check, wire transfer or electronic transfer to the payee. In the event Buyer does not timely deliver the required funds, Seller shall have the right to terminate this Contract upon written notice to Buyer.

(e) "Pre-Construction Evaluation Period": The period beginning on the Effective Date and extending through 5 p.m. on April 27th 2020 **TIME BEING OF THE ESSENCE.**

(f) "Dwelling": Seller shall complete construction of a single family dwelling and related improvements to be constructed on the Real Estate in accordance with the Plans and Specifications agreed to by Seller and Buyer.

(g) "Property": The Property shall mean the Real Estate described in 1(c) plus the Dwelling described in 1(f).

(h) "Plans and Specifications":

**NOTE: All site plans, drawings, floor plans, landscape plans, schedule of allowances, description of materials and specification lists should either be listed with copies attached as exhibits OR described with specificity (title of document, date, number of pages, designer, etc.) so they can be clearly identified and referenced:**

**See Attached Cut sheet Floor plan. Features Sheet and Plat**

(i) "Earnest Money Deposit": The Initial Earnest Money Deposit, the Additional Earnest Money Deposit and any other earnest monies paid or required to be paid in connection with this transaction, collectively the "Earnest Money Deposit", shall be deposited and held in escrow by Escrow Agent until Closing, at which time it will be credited to Buyer, or until this Contract is otherwise terminated. In the event: (1) this offer is not accepted; or (2) a condition of any resulting contract is not satisfied, then the Earnest Money Deposit shall be refunded to Buyer. In the event of breach of this Contract by Seller, the Earnest Money Deposit shall be refunded to Buyer upon Buyer's request, but such return shall not affect any other remedies available to Buyer for such breach. In the event of breach of this Contract by Buyer, then without limiting any other remedies available to Seller for such breach, the Earnest Money Deposit shall be applied to such damages as Seller may be legally entitled to recover for such breach, and the balance of the Earnest Money Deposit, if any, shall be refunded to Buyer upon Buyer's request. If legal proceedings are brought by Buyer or Seller against the other to recover the Earnest Money Deposit, the prevailing party in the proceeding shall be entitled to recover from the non-prevailing party reasonable attorney fees and court costs incurred in connection with the proceeding.

(j) "Escrow Agent" (insert name): Jeffrey E. Radford PA.

**NOTE: In the event of a dispute between Seller and Buyer over the disposition of the Earnest Money Deposit held in escrow, a licensed real estate broker ("Broker") is required by state law (and Escrow Agent, if not a Broker, hereby agrees) to retain the Earnest Money Deposit in the Escrow Agent's trustor escrow account until Escrow Agent has obtained a written release from the parties consenting to its disposition or until disbursement is ordered by a court of competent jurisdiction. Alternatively, if a Broker or an attorney licensed to practice law in North Carolina ("Attorney") is holding the Earnest Money Deposit, the Broker or Attorney may deposit the disputed monies with the appropriate clerk of court in accordance with the provisions of N.C.G.S. §93A-12.**

THE PARTIES AGREE THAT A REAL ESTATE BROKERAGE FIRM ACTING AS ESCROW AGENT MAY PLACE THE EARNEST MONEY DEPOSIT IN AN INTEREST BEARING TRUST ACCOUNT AND THAT ANY INTEREST EARNED THEREON SHALL BE DISBURSED TO THE ESCROW AGENT MONTHLY IN CONSIDERATION OF THE EXPENSES INCURRED BY MAINTAINING SUCH ACCOUNT AND RECORDS ASSOCIATED THEREWITH.

(k) "Effective Date": The date that: (i) the last one of Buyer and Seller has signed or initialed this offer or the final counteroffer, if any, and (ii) such signing or initialing is communicated to the party making the offer or counteroffer, as the case may be. The parties acknowledge and agree that the initials lines at the bottom of each page of this Contract are merely evidence of their having reviewed the terms of each page, and that the complete execution of such initials lines shall not be a condition of the effectiveness of this Agreement.

Buyer initials WJD Seller initials JRF



(l) "Building Deposit": The purpose of the Building Deposit, if any, shall be to compensate Seller for the cost of making the following special improvements: To cover all Allowances and Customize home

The Building Deposit shall be paid to Seller (not Escrow Agent) promptly upon occurrence of both of the following events: (i) expiration of the Pre-Construction Evaluation Period and (ii) receipt by Buyer of documentary evidence of Seller's financial ability to construct the Dwelling. If the Building Deposit is to be payable in installments, the payments shall be made according to the following schedule (insert "0" or "N/A" if the Building Deposit will not be paid in installments or if no Building Deposit will be paid).

NOTE: The total of any installments should equal the amount of the Building Deposit set forth in Paragraph 1(d) above, if any:

\$ 1,500.00	Date or event triggering payment: <u>May 1st 2020</u>
\$ 1,500.00	Date or event triggering payment: <u>June 15th 2020</u>
\$ 1,500.00	Date or event triggering payment: <u>July 15th 2020</u>
\$ _____	Date or event triggering payment: _____

The Building Deposit is not a part of the Earnest Money Deposit and will be used by Seller in the construction of the special improvements described above. The Building Deposit will be credited to the Purchase Price at Settlement. The Building Deposit shall be refundable only in the event of a material breach of the Contract by Seller, or if this Contract is terminated under paragraph 13. Should Buyer fail to deliver the Building Deposit or any installment thereof in accordance with the terms of this subparagraph, Buyer shall have seven (7) days after written notice to deliver the Building Deposit or the installments to Seller. In the event Buyer does not timely deliver the Building Deposit, Seller shall have the right to terminate this Contract upon written notice to Buyer.

WARNING: In determining whether and how much Building Deposit Buyer is willing to pay, Buyer should carefully consider that even though Buyer may be legally entitled to a refund of the Building Deposit in the event of a material breach of this Contract by Seller, actual recovery of the Building Deposit may be difficult, time-consuming and/or costly if Seller is unable or unwilling to voluntarily refund the Building Deposit.

(m) "Settlement": The proper execution and delivery to the closing attorney of all documents necessary to complete the transaction contemplated by this Contract, including the deed, settlement statement, deed of trust and other loan or conveyance documents, and payment of all funds necessary to complete such transaction.

(n) "Settlement Date": The parties agree that Settlement will take place on September 30, 2020 (the "Settlement Date"), unless otherwise agreed in writing, at a time and place designated by Buyer. The parties acknowledge and understand that Settlement may be delayed for a number of reasons, including but not limited to: (i) an extension of the Pre-Construction Evaluation Period under paragraph 2(e); (ii) a delay in construction under paragraph 3(g); (iii) an unsatisfactory title update or the closing attorney's lack of authority to disburse funds under paragraph 1(o); or (iv) Seller's failure to perform any required correction, repair, treatment or remediation or other work that may be required under paragraph 4. In the event of a delay in Settlement, the Settlement Date will be extended by a reasonable time to account for the delay(s) experienced. Unless otherwise agreed in writing, there must be Substantial Completion of the Dwelling on or before the Settlement Date.

(o) "Closing": The completion of the legal process which results in the transfer of title to the Property from Seller to Buyer. Closing includes the following steps: (1) the Settlement (defined above); (2) the completion of a satisfactory title update to the Property following the Settlement; (3) the closing attorney's receipt of authorization to disburse all necessary funds; and (4) recordation in the appropriate county registry of the deed(s) and deed(s) of trust, if any, which shall take place as soon as reasonably possible for the closing attorney after Settlement. Upon Closing, the proceeds of sale shall be disbursed by the closing attorney in accordance with the settlement statement and the provisions of Chapter 45A of the North Carolina General Statutes. If the title update should reveal unexpected liens, encumbrances or other title defects, or if the closing attorney is not authorized to disburse the lender's funds, then the Closing shall be suspended and the Settlement deemed delayed.

WARNING: The North Carolina State Bar has determined that the performance of most acts and services required for a closing constitutes the practice of law and must be performed only by an attorney licensed to practice law in North Carolina. State law prohibits unlicensed individuals or firms from rendering legal services or advice. Although non-attorney settlement agents may perform limited services in connection with a closing, they may not perform all the acts and services required to complete a closing. A closing involves significant legal issues that should be handled by an attorney. Accordingly it is the position of the North Carolina Bar Association and the North Carolina Association of REALTORS® that all buyers should hire an attorney licensed in North Carolina to perform a closing.

Buyer initials WJD Seller initials JPF