

# HARBORLIGHT HOMES, LLC

## PURCHASE AND SALE AGREEMENT

This **PURCHASE AND SALE AGREEMENT** (this "Agreement") is made and entered on ("Agreement Date") by and between Arbor Land Holdings, LLC ("Lot Owner") as Lot Owner, Harborlight Homes, LLC ("Harborlight") as Homebuilder, and the following Buyer(s) (whether one or more hereinafter referred to as "Buyer")

### **Buyer Information:**

Buyer 1 Name: [Akil Dalrymple](#)

(Print name as it should appear on the Deed)

Buyer 2 Name:

(Print name as it should appear on the Deed)

Buyer 1 Cell Phone: 401-743-4357

Buyer 2 Cell Phone:

Buyer 1 E-Mail: [akil.dalrumple@gmail.com](mailto:akil.dalrumple@gmail.com)

Buyer 2 E-Mail:

Buyer 1 Mailing Address: 3245 Shamrock Dr Apt B Charlotte NC 28215

Buyer 2 Mailing Address:

Buyer agrees to purchase the lot from Lot Owner, and Lot Owner agrees to sell and convey to Buyer, upon the terms and conditions as follows, the described real property as noted below (the "Property"). This includes the land together with all fixtures and improvements constructed, or if applicable, to be constructed thereon pursuant to the attached Plans noted below (the "Improvements"):

Community: The Cloisters

Lot Number: 94

Plan / Elevation: Harborlight Westminster Lot 89

Street Address: 1026 Westminster Dr

City: Lancaster

State: SC

County: Lancaster

Lot Owner owns or has a purchase agreement in place to secure the said Property. Harborlight's obligations under this Agreement are subject to and contingent upon Lot Owner obtaining clear marketable title to the Property. The Property and all of the Improvements shall jointly be further referred to as the "Home."

**DUE TO THE NATURE OF THIS AGREEMENT, IT IS CRITICAL THAT THE DOCUMENT BE REVIEWED IN ITS ENTIRETY PRIOR TO SIGNING. BUYERS THAT HAVE ANY QUESTIONS MUST SEEK THE COUNSEL OF AN INDEPENDENT ATTORNEY TO ENSURE THAT ALL RIGHTS AND RESPONSIBILITIES BOUND BY THIS AGREEMENT ARE CLEARLY UNDERSTOOD.**

**BOTH PARTIES FURTHER UNDERSTAND THAT THIS WHOLE PURCHASE AND SALE AGREEMENT**

**IS SUBJECT TO THE TERMS AND CONDITIONS THAT FOLLOW. ANY AND ALL EXHIBITS, SCHEDULES, RIDERS, AND/OR AGENDA ATTACHED HERETO WILL BOUND BY THE SAME.**


**IN ACCORDANCE WITH THIS AGREEMENT, ALL LEGAL CLAIMS OR DISPUTES INVOLVING CONSTRUCTION DEFECTS AND WARRANTY ITEMS RELATING TO THE HOME SHALL BE SUBJECT TO BINDING ARBITRATION. BUYER(S) ACKNOWLEDGE THAT, PURSUANT TO TERMS AND CONDITIONS OF THIS PURCHASE AGREEMENT, THEY ARE VOLUNTARILY WAIVING THEIR LEGAL RIGHT TO FILE A LAWSUIT FOR DISPUTE RESOLUTION THEY MAY HAVE AT ANY TIME WITH HARBORLIGHT AND/OR THE CONTRACTOR IDENTIFIED HEREIN.**

**1. Sales Price and Payment Schedule:**

- a. The total sales price of the land, improvements and all options ("Sales Price") for the Home being purchased as described within this document, independent of any incentives, closing costs, and any change orders, as outlined in other sections of this agreement, is \$257,500
  - i. Any modifications to scope of work, Plans, or Selections and upgrades will result in an adjusted sales price.
  - ii. All Change Orders will be documented in accordance with Change Order Addendum and are subject to Harborlight approval. Change orders are non-refundable unless specifically agreed to in writing. Payment of Change Orders will not be applied to Sales Price for Home unless specifically agreed to in writing and are to be considered "in addition to" the Sales Price of the Home.
- b. Buyer shall make prompt payments according the following Payment Schedule:

PAYMENT	DUE DATE	AMOUNT DUE
Payment #1	Due at Agreement Signing	\$ 2,500
Payment #2	Framing start	\$
Payment #3	M/E/P passage of rough inspections	\$
	TOTAL DEPOSIT	\$ 2,500
Note. Remaining balance of Sales Price, along with any adjustments, to be paid at Closing		

- c. Down payments and all other funds shall be made payable to Harborlight Homes, LLC, or Lot Owner as noted in Section 2 of this Agreement. All down payments and funds shall be immediately used by Harborlight to customize and construct the Home for Buyer.
- d. If applicable, the Sales Price for this project has been calculated based on the current prices for the component building materials. However, the market for the building materials is considered to be volatile, and sudden price increases could occur. Harborlight agrees to use its best efforts to obtain the lowest possible prices from available building material suppliers, however should there be an increase of greater than four percent (4%) in the prices of building materials from the execution of this Agreement and the placement of orders for said material, the Buyer agrees to pay that cost increase to Harborlight. Any claim by Harborlight for payment of a cost increase, under this section, shall require written notice delivered by Harborlight to Buyer stating the increased cost, the building material or materials in question, and the source of supply, supported by invoices or bills of sale.

- e.  BUYER DOES NOT CURRENTLY HAVE A HOME TO SELL. By initialing this line, Buyer understands this contract is unconditionally binding and that Buyer's failure to close on the Home and execute all obligations contained within this Agreement will result in the forfeiture of the Buyer's Deposit Funds (including without limitation all Deposit Funds made for options and / or upgrades). Harborlight is in no way obligated to return any Deposit Funds but may elect to do so in their sole discretion. Furthermore, if Buyer fails to close on the Home, Harborlight may pursue specific performance of this Agreement or may seek other remedies available by law or in equity pursuant to the default.

- f. \_\_\_\_\_ BUYER DOES CURRENTLY HAVE A HOME TO SELL / HOME UNDER

CONTRACT TO CLOSE. By initialing this line, Buyer understands that the sale and successful closing of the Buyer's existing home is a condition for the successful execution of the Buyer's obligations under the full terms of this Agreement and agrees to complete a Contingency Addendum.

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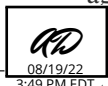
## 2. Down payments and other funds:

- a. All down payments and funds are made payable to Harborlight Homes, LLC or Lot Owner.
- b. All down payments and funds shall be used by Harborlight as “working capital funds”. Working capital funds will be used to construct and customize the Home specifically for Buyer.

## 3. Financing:

- a. \_\_\_\_\_ By Initialing here, Buyer is agreeing to a “Cash Purchase”. Buyer warrants that this Agreement and all of the obligations contained within are not subject to a contingency or the Buyer securing financing for the purchase and closing of the Home. Buyer further agrees that they will be solely responsible for their financial arrangements and understand the obligation to pay “all cash” at closing.

- i. Buyer shall offer evidence for the source of certified funds within seven (7) days of the signed agreement.

- b.  By Initialing here, Buyer is indicating their intention to secure a mortgage loan to pay some portion of the funds at closing.

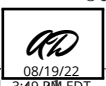
- i. **Lender Selection:** Buyer may obtain financing from any lending source they choose to purchase the Home from Harborlight.

- ii. \_\_\_\_\_ By Initialing here, Buyer opts to choose Harborlight’s Preferred Lender

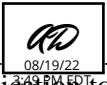
1. A credit up to the amount of \$\_\_\_0\_\_\_ will be due the Buyer assuming they actually obtain their mortgage loan from one of Harborlight’s Preferred Lenders and fulfill all of their obligations within this Agreement in a timely manner. Such a credit is referred to as the “Preferred Lender Credit.”

- a. Buyer clearly understands and acknowledges that not obtaining the mortgage loan from the Preferred Lender and closing attorney or failing to execute any responsibilities and obligations under this Agreement will result in the cancellation of the Preferred Lender Credit.

2. Buyer clearly understand without issue that by selecting Harborlight’s Preferred Lender (as outlined in the Preferred Lender Addendum, if applicable and attached), Buyer is also committing to utilize Harborlight’s designated Closing Attorney. In order to qualify for any Preferred Lender Credits, Buyer(s) must use Harborlight’s Preferred Lender and Closing Attorney. Should the Buyer opt to use their own Lender though designating otherwise, Buyer will forfeit the Preferred Lender Credit outlined above.

- iii.  By Initialing here, Buyer opts to choose their own Lender, with the understanding that they must use Harborlight’s closing Attorney, abide by Harborlight’s construction process, and that keys cannot be dispersed until after recordation.

1. Harborlight agrees to consider any Alternative Lender that may be chosen by the Buyer, so long as there are no additional costs to Harborlight. Closing with the Buyer’s Lender will be agreed to and coordinated, if and only if, the Buyers Lender meets Harborlight’s Closing schedule and pays Harborlight all due proceeds at Closing. Should closing proceeds be withheld or delayed in any way, Buyer will NOT be allowed to take possession of the Home until such a time as the proceeds are successfully dispersed to Harborlight and the deed is recorded.

- c. **Loan Qualification and Approval:**  By initialing here, Buyer clearly understands that they shall submit a complete loan application to their selected Lender within five (5) business days from the Agreement Date.

- i. Buyer further commits to and understands the following:

1. Buyer will provide Harborlight with a pre-qualification approval within two (2) days of the buyer's receipt thereof.
2. Within five (5) days of the Agreement Date, Buyer will provide conditional approval of the loan application to Harborlight.
3. Buyer agrees that within thirty (30) days from the Agreement Date (the "Financing Contingency Period") all necessary arrangements will have been made to obtain the required commitments and / or approvals for the mortgage loan as stated.
4. Buyer authorizes the Lender to send Harborlight a copy of the Buyer's pre-qualification approval upon request.
5. Buyer authorizes Harborlight to contact their Lender regarding the financing status and further authorizes the Lender to share any and all pertinent loan information regarding the Buyer's loan.

ii. Assuming Buyer diligently executes all obligations within this Section but does not obtain the required commitment and / or approval within the Financing Contingency Period, Buyer may terminate this Agreement by providing the following:

1. Written declined loan notice from preferred lender within the Financing Contingency Period
2. If the written notice is received within the Financing Contingency Period, this Agreement will be cancelled, and the deposit shall be returned to the buyer. If the Buyer cancels for any other reason not due to obtaining financing, the deposits will not be returned.
3. Upon cancellation, the Agreement is terminated along with any further rights, obligations, or liabilities to either party.

iii. Assuming Buyer qualifies for a mortgage loan for less than the amount as noted herein and the Buyer does not choose to cancel the Agreement during the Financing Contingency Period, the difference between the mortgage amount as noted in herein and the maximum allowable loan amount as expressed by the Lender shall be required of the Buyer to Harborlight ("Loan Deposit") within five (5) business days after loan approval. Failure to do so will result in a default on the contract. Further, the Financing Contingency Period shall be deemed over or waived, and the Buyer shall be obligated to the full terms, conditions and remedies as provided within this agreement. No further rights to cancel or receive a return of any Deposit monies will be provided the Buyer for any reason, whatsoever as it relates to financing or Lender performance.

iv. Once the Buyer has applied for loan qualification and/or approval within 30 days prior to closing, the Buyer may not switch lenders without consent from Harborlight. The Lender is hereby allowed to provide loan status updates to Harborlight.

d. **Closing Attorney:** Harborlight will pay a maximum amount of \$\_\_\_0\_\_\_ toward the Buyer's closing costs if the Buyer agrees to Wilson & Beam for the closing. If the Buyer's costs will be entirely in cash, without financing, Harborlight will pay a maximum amount of \$\_\_\_0\_\_\_ toward the Buyer's closing costs if the Buyer agrees to use Wilson & Beam for the closing. The Buyer has the right to retain any legal counsel for advice and review of the closing documents.

e. **FHA/VA Loans:** Buyer is allowed to seek FHA and/or VA financing, and the Buyer is allowed to complete the purchase with FHA and/or VA loan funds. If the purchase price of the home is greater than the value appraised by the FHA or VA, the Buyer is not required to complete the purchase and is entitled to a reimbursement of any deposits so far paid. The Buyer may proceed with the purchase without consideration of the value appraised by the FHA or VA.

4. **Design Studio and Construction Selections:** The Buyer agrees to make all Design Studio and Construction Selections in line with all time frames, restrictions, and provisions hence forth detailed in this Section 4.

- a. **Selections Required by the Agreement Date:** The following selections must be finalized by, or on, the date of this Agreement and cannot be changed: floor plans, elevation, garage options, patio options, windows, structural choices, or other items that would differ from the project permit requirements.
- b. **Design Studio Selections:** Design elements have been selected and are incorporated within the Specifications provided with this Agreement. Within fourteen (14) days of the Agreement Date any outstanding selections, must be finalized. If Buyer's elections to change any selection, a Change Order will be used resulting in an increased Sales Price. Buyer agrees to pay for additions to Sales Price based upon selections made by Buyer after the Agreement Date.
- c. **Selection Guidelines and Restrictions:** Option availability and pricing is subject to change by Harborlight. Harborlight is under no obligation to provide changes or upgrades to the home. No additions, deletions, or changes to the home will be provided after the determined selection periods outlined in Section 4(b), unless otherwise agreed upon by both Harborlight and the Buyer. Harborlight retains the right to cancel any option, addition, deletion, or change. If an item becomes unavailable, Harborlight will select a replacement item.
- d. **Model Home and Promotional Material Features:** The Buyer is aware that any model home and/or promotional materials seen before finalizing this agreement may have had additional features not included in the Home, such as extra design features, decorations, floor coverings, decorator light fixtures, wall coverings, window treatments (such as shutters, drapes, etc.), landscaping, pool, spa, sound and alarm systems, furnishings, appliances and other designer/decorator features and amenities as shown. Such features would not be included unless specifically referenced in this Agreement or any Addendums or Amendments later approved by Harborlight.
  - i. The Buyer is aware that the model is not required to be an accurate representation of all features included in the Home. Each model may have differing features, code requirements, materials, association guidelines, local aesthetics, landscaping, and other variances across communities. Models, features, and pricing can vary between communities. Harborlight may build similar model homes at different communities. The Buyer may view similar models at different communities but acknowledges that the model may include options and features unavailable in the community where the Home is located.
  - ii. A Change Order or Selection Amendment, as well as Purchase Price adjustments, must be provided to this Agreement if any previously unavailable options are to be made available by Harborlight upon the Buyer's request. Harborlight is not required to inform the Buyer of any initially unavailable options or upgrades made available later.

## 5. Construction:

- a. **Construction Improvements:** Harborlight, contractors, and/or hired trade contractors will construct the improvements to the property. Harborlight, or its approved trade contractors or suppliers, will supply all material and labor. The construction of the improvements will substantially conform to the plan attached of this Agreement. However, the Buyer acknowledges that variation may occur, without limitation, including variation in the following:
  - 1. Material, equipment, or appliance substitutions of equal or better quality.
  - 2. Minor changes to style, color, and/or lot orientation.
  - 3. Minor changes to window or door locations, and/or room dimensions.
  - 4. Changes required by state, federal, county, or local governments resulting from options chosen by the Buyer and approved by Harborlight.
  - 5. Changes considered reasonably necessary by Harborlight.
  - 6. Variation from renderings, floor plans and other drawings displayed in sales brochures and other collateral, which may not be to scale.
  - 7. The location of any electronic transformers, catch basins, utility lines, and meters.



- i. If applicable, the Buyer acknowledges that the Home may be but one in a planned development of similar homes.
  - ii. Harborlight may reverse a model floor plan when constructing a Home floor plan.
  - iii. The Buyer cannot use and/or occupy the Home until funds are received from the lender notwithstanding builder certification, the recordation of deed, the completion of construction, and the issuance of the Certificate of Occupancy.
- b. **Construction Completion:** The Buyer is aware that the construction schedule may vary due to delays in municipality processing and inspections, weather conditions, material availability, trade contractor availability, and other factors outside of Harborlight's control, subject to the provisions detailed in this Section 5b. Therefore, Harborlight is not held to any estimated completion dates provided to the Buyer by Harborlight, its agents, employees, trade contractors, or suppliers. Harborlight is required to complete construction of the Home by the Required Completion Date, which is set two (2) years from the date of this Agreement, barring any legally recognized event by federal, state, or local governmental authorities, causing the delays in construction of the Home to be utilized as a defense to a contract action for non-performance or delay in performance. If construction is delayed due to a legally recognized event, the Required Completion Date will be extended by the time delayed. The Required Completion date cannot be extended via a notice of default or required cure period. The Home will be considered complete once the relevant government entity issues a certificate of occupancy, temporary or permanent, for the purposes the Home was sold. The parties' rights and obligations in this Agreement are laid out to allow the sufficiently unconditional obligation of Harborlight to complete the home within two (2) years, exempting the transaction from the Interstate Land Sale Full Disclosure Act (15 U.S.C. 1701, et, seq.) pursuant to the statutory Improved Lot Exemption (15 U.S.C. 1702(a)(2)). The Buyer is allowed to pursue action against Harborlight, at law or in equity, if the Home is incomplete by the Required Completion date, adjusted with any delay-period extensions.
  - i. **Closing will not take place until occupancy clearance has been issued by the city or county, all subdivision improvements are completed, and/or compliance is met with applicable law. These requirements do not limit Harborlight's obligation to complete the Home by the Required Completion Date.**
- c. **Construction Materials:** Variation in the color and texture of the materials used may occur, due to age, density, finish type, dye mixtures, textures, designs, porosity, place of origin, exposure to the elements, and other options. Such materials include, but are not limited to, paint, stucco, roofing materials, concrete, block, stone, brick, tile, granite, wood, carpet, laminate, cabinets, cultured marble, etc. Due to such variation, Harborlight, Contractors, Suppliers, and trade contractors cannot guarantee exact matches. The Buyer acknowledges the possibility of such variation.
  - i. While expansion joints or a post tension slab system will be used to minimize any cracking in a concrete floor (due to concrete settling, expansion, and contraction), the Buyer acknowledges that some cracking may still occur.
  - ii. When installing ceramic tile, the Buyer acknowledges that some cracking may occur in the ceramic tiles and grout between the tiles. Harborlight is not liable to repair or replace cracked, dislodged, or otherwise damaged tile or grout, except as covered by the Limited Warranty (Section 12 of this agreement).
- d. **Residential Access during Construction:** The Buyer acknowledges that construction sites are inherently dangerous, and agrees that neither they nor the Buyer's agents, charges, or invitees, will enter the property without Lot Owner's prior approval. The Buyer assumes all risks, and will not hold Harborlight or Lot Owner liable, for any personal injury and damages suffered or sustained by the Buyer and/or the Buyers agents, charges, or invitees. Breach of this section by the Buyer will put them in default of this Agreement.

- e. **Work on the Home by the Buyer prior to Closing:** The Buyer agrees not to provide materials, trades, contractors, or supplies to the Home and related work prior to Closing. The Buyer agrees not to make modifications to the Home prior to Closing. If the Buyer violates this section of the Agreement, any affected home warranties will be voided, and Harborlight may remove such installations or alterations at the Buyer's expense, and retain ownership of removed materials. Breach of this section by the Buyer will put them in default of this agreement.
- f. **Future Construction:** The Buyer acknowledges that Harborlight may continue construction in the Community of the Home after Closing and after the Home is occupied by the Buyer. The Buyer agrees to make no claims against Harborlight, contractors, or trade contractors for any inconvenience resulting from such continued construction. Harborlight may make changes to the Community design, plans, specifications, improvements, and/or elevations of the homes constructed after the Closing.
- g. **Insulation:** The Buyer acknowledges that any wall and ceiling insulation referenced in Harborlight's collateral pertains to the Home's heated and cooled areas only. Harborlight is required to provide information about the insulation to be installed in the Home to the Buyer. (See specification sheet for location and R-Value):
  - i. R-value measures heat flow resistance and is based on the manufacturers listed thickness. the Buyer understands that Harborlight is not liable for the manufacturer's errors. Only national name brand insulation will be used by Harborlight in the Home.
  - ii. Harborlight retains the right to makes changes to the plan and the applicable limitations of Harborlight's liability to the Buyer. In the case of any such changes, Harborlight will provide notice to the Buyer.
  - iii. Upgraded insulation will only be added to the Home if specified on specifications sheet or another Addendum/Amendment to this agreement.
- h. **Home Inspectors:** Any inspection must be paid for prior to the inspection. Any third-party inspector hired to inspect the property must be licensed or certified as required by state and local law and must provide proof of general liability insurance as well as worker's compensation insurance in order to enter the Property. The inspector's inspection will not interfere with Harborlight's construction process or damage any of the constructed improvements on the property. The inspector agrees to contact Harborlight to schedule the date and time of inspection.

## 6. Placement, Grading, and Soil Conditions of the Home:

- a. The exact placement of the Home and related improvements detailed on the Property site plan is approximate. Actual improvement layout may vary.
  - i. Harborlight may situate the Home and related improvements on the Property in accordance with Harborlight's normal construction practices.
  - ii. The elevation heights of the yard, main floor, related improvements, and adjoining lots may vary.
  - iii. Yard wall heights may vary due to elevation differences between adjoining lots.
  - iv. The existence and condition of any vegetation on the Property or surrounding areas, both prior to and following construction, is not represented in the plan
- b. Grading of the Property will be conducted in accordance with a Community wide, government approved grading and drainage plan.
  - i. The Buyer is aware that future construction (including but not limited to pools, spas, fences, landscaping, etc.) may cause disruption to the drainage, flooding, excess settlement, and/or other problems.



- ii. The Buyer is responsible for any damages or loss due to changes in grade and/or soil condition after the Closing. Harborlight and its agents and employees are not liable for any such damages or loss.
  - c. The final location of the house on the property shown on the plat map will become part of the transactions contract once initialed by all parties.
- 7. **Homeowner's Associations and Declaration:** The Buyer acknowledges receipt of a declaration of covenants and restrictions copy for the Property and understands that both the Community and Property are subject to declarations of covenants, conditions, restrictions, and at least one homeowner's association.
  - a. A one-time payment of \$\_\_\_\_\_n/a\_\_\_\_\_ will be made to the homeowner's association as a Capital Contribution.
  - b. Payments of \$\_\_\_\_\_n/a\_\_\_\_\_ will be made \_\_\_\_\_ (timer period) to the homeowner's association as dues.
    - i. Such dues may increase after Closing, in line with the Community's declarations of covenants, conditions, and restrictions, which may also be amended at any point as allowed in the terms.
- 8. **Pre-Closing Orientation:** Prior to closing, Harborlight will schedule a time for the Buyer to review the Home alongside Harborlight's authorized representative (the "Pre-Closing Orientation," hereto referred to as the "PCO")
  - i. At the PCO, Harborlight will provide the Buyer with a PCO form, upon which any differences believed to exist between the Plan, the specifications, and the constructed Home will be detailed, subject to Sections 4 and Section 5 of this Agreement. The Buyer will also note any defects in workmanship or materials believed to exist in the Home on the PCO form.
  - ii. Harborlight will correct any differences and/or defects noted on the PCO form, at Harborlight's expense and within a reasonable amount of time.
    - 1. Harborlight can correct such defects after Closing provided the defects do not provide grounds to defer the Closing or impose conditions on the Closing.
    - 2. The Buyer acknowledges that Harborlight may still be in the process of completing certain finishing details on the Home, other properties, and/or common areas at the time of Closing, which will not impose conditions of the Closing.
  - iii. Once the closing has proceeded, any differences not detailed on the PCO form will be considered accepted by the Buyer, who in turn waives any rights and claims against Harborlight in regards to such differences between the Plan and Constructed Home, except in the case of differences that later result in structure deficiencies.
  - iv. Any defects not detailed on the PCO form will be considered to have occurred after the PCO date and the sole-responsibility of the Buyer.
- 9. **Closing:** The closing of this transaction (the "Closing") will occur after the completion of the Home, as evidenced by the issuance of a certificate of occupancy or its equivalent, whether temporary or permanent, on a date specified on the PCO and provided to both Harborlight and the Buyer. The Closing date will not limit Harborlight's unconditional obligation to complete the Home by the Required Completion Date.
  - a. Harborlight will provide a PCO to the Buyer within one month before the Closing date designated by Harborlight unless otherwise agreed to in writing. Harborlight is not responsible for any damages resulting from circumstances beyond Harborlight's control that may delay the Closing date.
  - b. Harborlight is not responsible to provide the Buyer with temporary housing, furniture storage, moving expenses, or other costs/expenses arising from the planned completion of the Home and/or the

Closing.

- i. Harborlight will remain under unconditional obligation to complete the Home by the Required Completion date as defined in Section 5b.
  - c. The Buyer is responsible for all costs, fees, charges and expenses of the transaction related to title, recording, closing and escrow.
    - i. These costs include, but are not limited to, attorney fees, title insurance, recording fees, revenue stamps, excise tax, survey expenses, pest inspection costs, home costs, capital contribution fees to the homeowner's association, transfer fees to the homeowner management company, and any Buyer obtained financing costs.
    - ii. All taxes and homeowner assessments of the Home will be prorated as of the Closing.
  - d. The Buyer will be given possession of the Home only after the funding of the Buyer's loan payment of the entire purchase price, recording of the deed, and if applicable, the deed of trust and disbursements of funds.

**10. Pre-Closing Remedies:**


- a. **Lot Owner and Harborlight's Pre-Closing Remedies:** Lot Owner and Harborlight retains the right to cancel this agreement if, prior to Closing, the Buyer fails to comply in a timely fashion to any term or provision of this Agreement, the Buyer wishes to terminate this Agreement, or if the Buyer conveys in writing or orally that the Buyer will not fully perform any term or provision of this agreement.
  - i. In such a case, Lot Owner or Harborlight must give the Buyer written notice and a fourteen (14) day opportunity to cure period before cancelling this agreement.
  - ii. In such a case, Harborlight will retain up to 15% of the total purchase price, as liquidated and agreed upon damages for the Buyer's default or termination, and not as a penalty. This charge will be paid first by any funds received from Buyer for the deposit or other funds paid by the Buyer (other than the amount due at Closing).
    1. Harborlight may also retain all payments made by the Buyer for options, extras, customizations, allowance items beyond amounts included within this Agreement, Change Orders, or upgrades (including which Harborlight has since made contractual obligations or incurred liability for orders placed) as liquidated damages, not as a penalty, and all rights and privileges will be thereafter terminated.
    2. The portion of the deposit, if any, in excess of 15% of the total purchase price will be returned to the Buyer.
  - iii. In such a case, the Buyer recognizes that Harborlight has removed the Home from the market, incurring both direct and indirect costs in relations to sales, models, advertising, customizations, and similar items. The Buyer understands that the actual damage and cost resulting from the Buyer's default cannot be precisely calculated and therefore accepts the detailed liquidated damages as a fair and reasonable solution, not as a penalty.
  - iv. If the Buyer does not close on the specified closing date through no fault of Harborlight or the Buyer, and the Buyer does not choose to cancel this agreement, the Closing may be extended for a period of time granted both Harborlight and the Buyer agree to the extension, and the Buyer agrees to pay Harborlight an extension fee of \$75 per day (via cash, cashier's check, or wire transfer) a day, spanning the number of days from the originally scheduled Closing date to the extended Closing date. Such an extension fee will be paid by the Buyer, remain non-refundable, and will not be considered part of the purchase price.
- b. **The Buyer's Pre-Closing Remedies:** The Buyer retains the right to cancel this agreement if, prior to Closing, Harborlight fails to comply in a timely fashion to any term or provision of this agreement, and the Buyer provides written notice detailing the content of Harborlight's default.






- i. In such a case, the Buyer must give Harborlight fourteen (14) days from the receipt of the written notice, an opportunity to cure, before cancelling this agreement.
- ii. If Harborlight has not corrected the default within the fourteen (14) day period following receipt of the written notice, the Buyer may do either of the following:
  1. Cancel this agreement and receive a full refund of any deposits previously paid by the Buyer to Harborlight.
  2. Pursue action to remedy the specific performance of this agreement related to such default, as allowed by law or in equity.
    - a. In such a case, the Buyer acknowledges that they waive the right to pursue action against Harborlight, or Contractor, for exemplary, punitive, or speculative damages.
- iii. The Buyer and Harborlight acknowledge that this section will not apply with regard to any alleged or actual construction defects and/or deficiencies in the Home, or any dispute actions in regard to the limited warranty, as all such matters will be dealt with as specified in section 11 of this Agreement.

**11. Arbitration of Construction Warranty Issues:** The Buyer acknowledges that any post-closing claims against Harborlight or Contractor regarding the Home (a "Claim") arising from this agreement or in relation to the Home, and the exclusive solutions of such claims, are as follows:

- i. Detailed in the 2-10 Warranty (the "Limited Warranty") of the 2-10 Homebuyers Warranty Corporation.
  - ii. Filed as a complaint against the contractor with the registrar of contractors, as permitted by law, and except as provided in section 10b of this agreement.
- b. The Buyer explicitly waives any other solutions and remedies for any claim to which they could otherwise be entitled.
- c. The Buyer acknowledges and agrees that any post-closing claims resulting from or related to this agreement will be submitted to final binding arbitration, as pursuant to and in accordance with the Limited Warranty's arbitration agreement, which is incorporated through reference herein as though fully set forth.
- d. Any party that succeeds in a court proceeding to compel arbitration, or to stay litigation commenced without regard to this arbitration, or to confirm or vacate an awarded arbitration, will recover applicable costs related to attorney's fees, expert witness fees, paraprofessional fees, court costs, and other litigation-related expenses, to be paid by the non-prevailing party.
- e. The Buyer must provide Harborlight and/or Contractor with written notice of any items or issues which the Buyer complains prior to Closing, as well as a reasonable opportunity to correct any such complaints and make any required repairs, replacements, or remedies, as in accordance with the terms and provisions of the limited warranty. If Harborlight and/or Contractor fail to make such remedies or if a dispute arises as to the party responsible for such remedies, resolution will be sought in accordance with the provisions of this section 11.

**12. Warranty:** A limited warranty covering the constructed improvements of the property will be delivered by Harborlight to the Buyer at Closing. Improvements will be given warranty periods of one (1), two (2), or ten (10) years depending on the type of improvement.

- a.  By Initialing here, the Buyer acknowledges receipt of a sample limited warranty as detailed above, either on or prior to the date of this agreement, which will commence on the date the title for the Home is transferred to the first Buyer, and which will expire per PWC years from the date the title for the Home is transferred to the first Buyer.

- b.  By Initialing here, the Buyer agrees to read the sample limited warranty in its entirety prior to their option finalization and agrees to contact Harborlight regarding any questions about either parties' duties, rights, and/or obligations under the limited warranty, and/or the coverage, limits, or exclusions of the limited warranty.
- i. The Buyer may contact the warranty administrator (2-10 Home Buyers Warranty Corporation) to discuss any questions or issues.
  - ii. The Buyer retains the right to hire an attorney of their choosing, and at their expense, to review the limited warranty and any and all other documents related to the purchase of the Home.
    1. The buyer will not be allowed to alter the terms of the limited warranty or delay or cancel the closing due to such review.
  - iii. By attending their option finalization, the Buyer will have acknowledged receipt, review, and approval of the sample limited warranty in its entirety.
    1. The Buyer's failure to read the sample limited warranty and obtain necessary assistance to understand the limited warranty will not change the rights, duties, or obligations of the Buyer and Harborlight under the limited warranty.
- c. Manufacturer's warranties apply for all appliances, equipment, and other consumer goods, as defined in the limited warranty and as included in the home, to the Buyer upon Closing. Harborlight makes no representations or warranties with regard to such items specified.
- d.  By Initialing here, the Buyer acknowledges that Harborlight has made no warranty in regard to the trees, shrubs, or other landscaping elements that reside on the property.
- e. Lot Owner and Harborlight rejects and disclaims all other warranties, express or implied, to the extent permitted by law.
- f.  By Initialing here, the Buyer acknowledges that they are buying the Home "as is," in the condition observed during inspection (or in the condition observed at the time of Closing or delivery of possession, whichever is sooner, if no inspection of the Home takes place), except for items covered in the limited warranty and/or PCO form.
  - i. Lot Owner and Harborlight will not be liable or obligated to the condition or construction of the Home going forward from such point
- g.  By Initialing here, the Buyer acknowledges that Lot Owner and Harborlight makes no warranty, express or implied, to the soil and subsurface conditions of the Property, including but not limited to the stability, firmness, consistency, permanence, or habitability.
- h.  By Initialing here, the Buyer assumes all risk of loss, damage, or injury to the Property, and to persons or personal property located on the Property, caused by issues not covered with the limited warranty and not under the control of Lot Owner or Harborlight (unless directly caused by gross negligence or willful misconduct of Lot Owner or Harborlight).
  - i. No disclaimer or warranty waiver will relieve Harborlight of its unconditional obligation to complete the Home by the Required Completion Date.


**13. Proprietary Documentation:** Harborlight retains the right of ownership over any documentation, marketing material, sketches, house plans, photographs, site plans, architectural plans, and other related documents, which may have been provided to the Buyer in honor of this agreement. Such documents may not be reproduced, copied, or disseminated in any way by the Buyer, regardless of whether Harborlight has copyright over such materials.

**14. The Buyer's Acknowledgements:**  By Initialing here, the Buyer understands and agrees to the following:

- a. The location of utility lines, utility junction boxes, transformers, meters, pedestals, fire hydrants,


sewer taps, and similarly classified objects will be determined by Harborlight, applicable government authority, or the utility companies.

- b. Harborlight may make changes to the Community design and plan, and the design and plan for any Community improvements or changes to elevations, size, features, or price for objects constructed within the Community.
- c. The Buyer of any Community property that sits adjacent to any drainage easement, ditch, gully, creek, or natural drainage way will be prohibited from obstructing such ways or easements with fences, buildings, vegetation, or other constructs which would obstruct the drainage operation and/or maintenance facility.
- d. Certain easements of reserves in the Community belong to particular individuals, companies, and utility providers, and such entities retain specific rights that may include placement of pipeline easements, gas lines, or electric transmission lines.
- e. The Buyer acknowledges that Harborlight does not warrant the wellbeing of any native or existing tree, and that Harborlight is not liable for injury, damages, or other claims related to the condition of such trees or other occurring vegetation on the property.


**15. Plat:**  By Initialing here, the Buyer acknowledges that they have received and reviewed the recorded plat, and that the Buyer is responsible for investigating any additional details (such as easements, flood lines, etc.) that may be recorded.

**16. Surrounding Areas:**


- a. The Buyer acknowledges that the character, nature, and uses of the Community surroundings and vicinity may change, and that adjacent or nearby property could be developed for transportation, commercial, agricultural, industrial, recreational and/or pedestrian use. Therefore, Harborlight, Contractor, and respective agents, employees, or trade contractors cannot make any representation, warranty, or covenant.

**17. Square Footage:**  By Initialing here, the Buyer acknowledges that any and all estimates of square footage provided by Harborlight are approximations, not exact, and subject to field changes and/or errors. The square footage estimates are figured from the plans.

**18. Mineral, Oil, and Gas Rights Disclosure:**   N/A   If applicable, see the attached Mineral, Oil, and Gas Rights Mandatory Disclosure Statement for related information.

**19. Waiver of Environmental Conditions:**  By Initialing here, the Buyer acknowledges and agrees to the following:

- a. The Property and Home may be exposed to adverse environmental conditions, such as but not limited to, mold, potential toxins, and other naturally occurring or man-made contaminants.
- b. Such adverse environmental conditions may not be discoverable, even given reasonable due diligence.
- c. Harborlight makes no representation or warranty regarding the presence or absence of such adverse environmental conditions.

**d. Radon:**  By Initialing here, the Buyer acknowledges that they have the option to purchase radon testing for the property before the Closing, and at their own expense. Test results that indicate a radon level of less than 4.0 pCi/L will be considered satisfactory by both Harborlight and the Buyer.

**20. Agreement Not Recordable:** This agreement, any memorandum, amendments, and addendums, cannot be



recorded in the public records of any county in the State of South Carolina, unless required. The recording of such documents will be considered default and in breach of this agreement. Harborlight may waive this requirement in their sole discretion.

- 21. No Assignment by Buyer:** The Buyer may not assign this agreement without the express written consent of Harborlight, who may withhold such consent at their own discretion, and who may subject the agreement to any terms and conditions if elected to give the Buyer the right to assign this agreement.
- 22. Addendum and Exhibits:** Any addendums, riders, amendments, or exhibits attached to this agreement will be considered part of this Agreement, and all terms and provisions of such will be incorporated in this agreement by reference. Additional schedules, exhibits, riders, or addendums not designated herein can be added, and thus considered back of this agreement, and all terms and provisions of such will be incorporated in this Agreement by reference.
- 23. Notices:** Any notices required to be given as pertaining to the terms of this agreement will be delivered either in person, via postage prepaid overnight mail delivery, by a recognized contract carrier who provides signed receipt of delivery, or via email with provided proof of email transmission (provided that a copy of such email correspondence is also forwarded by one of the other methods provided in this section 23.) Such notices will be addressed to the receiving party at their applicable address and set forth on the signature page of this agreement. Such notices will be considered to have been delivered on the date of delivery or the date of delivery refusal by the recipient.
- 24. Miscellaneous:**
  - a.** Lot Owner and Harborlight assumes any and all risk of loss to the Home until Closing for events and/or acts such as fire, natural disaster, acts of terrorism, or other casualty (each a “casualty” or “casualties”). In the event of such casualties, this agreement will continue in full effect and the Buyer will not have the right to reject the title or receive a credit against of abatement in the total purchase price. In such cases, Harborlight will be given reasonable time to complete any necessary repairs of replacements. The Required Completion date will be extended by an amount of time recognized by the state law that the Home resides, thereby negating any contract action for non-performance, excuse of or delay in performance, without affecting Harborlight’s unconditional obligation to complete the Home within the required time frame necessary to comply with the Improved Lot Exemption of the Interstate Land Sales Full Disclosure Act (IS U.S.C.1702(a)(2)). Proceeds received through claim satisfaction, action, or insurance related to such casualties and associated loss and damage will belong entirely to Harborlight. If such proceeds are paid to the Buyer by the requisite entity, the Buyer acknowledges that such proceeds belong to Harborlight and, upon receipt, will promptly deliver such proceeds to Harborlight. If an event, insurable or non-insurable, occurs and thereby constitutes excuse to performance of contract as allowed under South Carolina law, Harborlight will be excused of such performance of contract as allowed under South Carolina law.
  - b.** By accepting a deed and closing the purchase transaction, the Buyer will be considered to have acknowledged Lot Owner and Harborlight’s full performance of all agreements, obligations, and responsibilities under this agreement.
  - c.** This Agreement is binding to all parties, their heirs, successors, and assigns, as subject to restrictions detailed in section 21 of this agreement.
  - d.** It is assumed that time is of the essence in all terms contained within this agreement, except where otherwise specifically noted.
  - e.** The Buyer agrees that the Buyer has based their decision to purchase upon their personal investigation, observation, and provided materials within this agreement, and not upon any verbal or written statement published by or under the authority of Harborlight in and advertising, promotional material, or collateral (including, but not limited to, brochures, newspapers, websites, and/or internet, radio, or television advertisements).



- f. Lot Owner reserves an easement for ingress and egress for Lot Owner, Harborlight, Contractor, their successors and assigns, and each of their respective agents, employees, material men, and trade contractors over, under, and upon the Property, for the purpose of constructing and servicing the Home, as well as other improvements developed for the Community of which the Home is a part. This easement will persist after the Closing and automatically terminate two (2) years after the date of the Closing, without any further action taken by Harborlight or the Buyer.
- g. This Agreement will be construed, governed, and understood in accordance with the laws of the state where the Property sits.
- h. The Buyer acknowledges that Harborlight may use pictures or videos of the home prior to and after Closing, without any right of control to such pictures or videos by the Buyer, and without compensation paid to the Buyer.
- i. The Buyer acknowledges that they have no right, title, or interest in the Home before Closing, and the Buyer agrees not to file a Lis Pendens or Claim of lien resulting from any dispute between the Buyer and Lot Owner or Buyer and Harborlight related in subject to this agreement.

**25. Entire Agreement:**

- a. **The entire agreement between Lot Owner, Harborlight, and the Buyer must be in writing. Harborlight is intent to avoid any and all misunderstanding concerning the purchase of the home. As is policy, Harborlight does not enter into verbal agreements or ask any buyer to rely of any verbal representations in regard to the home, the community, or the surrounding area. Therefore, space is given below for the Buyer to write in any representations or promises that have been made by Harborlight, purported agents, or employees, upon which the Buyer is relying, but which are set out in this agreement. If there are no such representations or promises made, the Buyer will indicate such by writing the word "None" below.**

\_\_\_\_\_None\_\_\_\_\_

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\_\_\_\_\_

\_\_\_\_\_

- i. In order for Harborlight to accept this agreement, the Buyer acknowledges the following:
  - 1. No understandings, representations, or promises have been made that induce the Buyer to execute this Agreement, except as specifically detailed in this Agreement.
  - 2. This Agreement sets forth the entire agreement, in full, between the parties.
  - 3. The Buyer has not relied on any verbal agreement, statement, or representation that is not also included in this Agreement.
  - 4. No other person or party is allowed to make any future verbal agreements, statements, or representations on behalf of Harborlight which may cause the Buyer to cancel, change, or modify any part of this Agreement.

- b. This Agreement supersedes any and all prior agreements, understandings, and/or arrangements between the parties.
- c. This Agreement can only be modified or amended by a written addendum or amendment, signed by both the Buyer and an authorized signer (as defined in section 26 of this agreement) of Lot Owner and Harborlight. In the case of a married couple or otherwise multiple party Buyer, both parties will be held jointly responsible and liable provided only one such Buyer has signed any addendum, amendment, schedule, change order, and/or other modification to this agreement, for the purpose of purchasing options and/or providing modifications to the Home and/or this agreement. Each Buyer grants the other Buyer special, irrevocable, power of attorney to sign and thereby enter into any such addendum, schedule, change order, and/or other modifications to this agreement. Any such addenda, amendments, schedules, change orders or other modifications signed and thereby executed by one Buyer will become binding to all Buyers, and once signed by an authorized signer of Lot Owner and Harborlight, any such instruments will take effect upon this agreement immediately.

**26. Seller's Acceptance:** By executing this agreement, the Buyer enters an offer to purchase the Home. The agreement will only be considered accepted by, and binding upon, Lot Owner and Harborlight once it is executed by an authorized officer of Lot Owner and Harborlight or the designated or associate broker of Lot Owner and Harborlight (each defined as an "authorized signer.") The execution or acceptance of this agreement by any sales associate, agent, or employee of Lot Owner and Harborlight, other than an authorized signer, will not be binding upon Harborlight. If this agreement is not accepted by Lot Owner or Harborlight within thirty (30) days and in line with this section 26, this offer and agreement will be considered revoked, and the Deposit will be returned to the Buyer. The date of this agreement reflects the date of acceptance by the authorized signer of Harborlight. Neither the agreement date nor any delay in Harborlight's execution of this document will extend the time period within which Harborlight must complete construction of the Home by the Required Completion Date.

**27. Survival, Incorporation, and Severability:** Unless expressly stated otherwise, the provisions and disclaimers laid out in this agreement are intended to stay in effect and survive any of the following:

- i. The Closing.
- ii. The termination of this Agreement by either party.
- iii. The default of this Agreement by either party.

- b. If any clause or provision of this agreement becomes void or unenforceable, such clause or provision will be considered deleted as to make the remainder of this agreement valid and enforceable.

**28. Counterparts:** This agreement may be completed in counterparts, any one of which will be considered an original, and a complete set of all counterparts taken together will constitute the whole of this agreement. A complete set of counterparts will include all required signatures, and the inclusion of duplicate counterparts will not be required. Signatures may be given through electronic transmission, legible fax copies, scanned copies, and photocopies of signed documents and will be considered equivalent to an original and given at the date and time of the transmission of this agreement to the other party.

**29. The Buyer acknowledges that this agreement is a sophisticated legal document, pending the resolution of disputes. Any issues, complaints, or disputes regarding this agreement will be best heard by a judge in a court proceeding, not a jury, in the interest of justice being best served. As subject to the terms of this agreement, The Buyer agrees that any claim, demand, action, or cause of action, with respect to any action, proceeding, claim, counterclaim, or cross claim, whether in contract or in tort (regardless of if such tort action is currently recognized or not), including but not limited to, such for personal injuries, pain, suffering, and/or wrongful death, based on, arising out of, in connection with, or in any**

way related to this agreement, the related documents (including any declaration), any course of conduct, course of dealing, verbal or written statement, validation, protection, enforcement action or omission of any party will be heard by a judge in a court proceeding, not by a jury. Therefore, the Buyer, Lot Owner, and Harborlight waive their respective right to a jury trial. If the Buyer does not understand the legal consequences of executing this agreement, Lot Owner and Harborlight suggests that the Buyer contact an attorney to review, explain, or otherwise help the Buyer understand this agreement. No part of the acknowledgements, agreements, or waivers of this section 29 will apply to any claim, demand, action, or cause of action, with respect to any action, proceeding, or claim resulting from Harborlight's failure to meet its unconditional obligation to complete the home by the required completion date.

**Acceptance of Contract:**

By signing below, I acknowledge that I have read and understand this Contract and its Terms and Conditions. The above prices, specifications, and conditions are satisfactory and are hereby accepted on this the 31 st \_\_\_\_\_ day of August \_\_\_\_\_, 2022 \_\_\_\_\_.

This Contract is not enforceable unless and until an authorized representative from Lot Owner and Harborlight executes same within three (3) days from the date of this document.

Buyer / Authorized Signature:

<i>Akil Dalrymple</i>	dotloop verified 08/19/22 3:49 PM EDT DND2-NKSF-2PXI-S2BF
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Date: 08/19/2022

Buyer / Authorized Signature:

\_\_\_\_\_

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

Lot Owner Representative's Signature:

<i>Harborlight Homes, LLC by Tisha Macuga</i>	dotloop verified 09/01/22 3:53 PM EDT OWPV-SALS-RETX-VNIG
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Date: 08/31/2022

Harborlight Authorized Signature:

<i>Harborlight Homes, LLC by Tisha Macuga</i>	dotloop verified 09/01/22 3:53 PM EDT NICT-F3JJ-AQBH-EPEX
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Date: 08/31/2022

**This Contract is subject to company approval. Lot Owner and Harborlight reserves a three day Right of Rescission on this Contract and may cancel anytime within three days of signing without penalty. Upon cancellation of this Contract, Harborlight will return all deposits and terminate the contract by providing written notice to the Buyer's no later than midnight of the third business day following receipt of the signed contract**

## Performance Standards

1. **CONTRACTUAL INCLUSIONS.** Harborlight will provide project supervision, all applicable building permits, Porta-Jon rental, mechanical and electrical inspections, dumpster and disposal of demolish materials, interior and exterior cleaning, and all labor and materials identified in the Scope of Work, plans, and specifications sheet unless such material is identified as supplied by Owner.
2. **CENTER FOR DISEASE CONTROL GUIDELINES.** Harborlight employees and all subcontractors will adhere to CDC guidelines and the following while working on the project until restrictions are lifted or changed including: regular hand washing, tools will not be shared among trades, unvaccinated trades and employee's will wear facemasks when inside a building where social distancing is not possible, and worksite will be broom cleaned daily with hard surfaces regularly wiped down.
3. **PROJECT PLANS.** All plan dimensions will be field verified and are assumed to be accurate to within a half (1/2) inch. Due to the nature of working with existing structures, final dimensions may differ from the plan dimensions. Reasonable effort will be made to adhere to the planned design; however minor deviations are normal and are to be expected. Critical dimensions should be noted prior to proceeding with any work. Should additional plan changes be requested outside of the approved plan set, Architectural and CAD time will be billed at \$150 per hour.
4. **FOUNDATION CONSTRUCTION.** There are several methods to construct a foundation whether it be a basement, crawl space, pier & curtain wall, stem-wall slab, or a monolithic slab foundation. Refer to the Project Specifications and Plans for details on how the foundation is to be constructed. Unless specifically mentioned, basement foundations will be constructed with poured in place concrete, while crawl space and pier & curtain foundations will follow standard construction methods. These will not be sealed foundation systems unless specifically noted. Where new foundations adjoin pre-existing foundations, construction methods will be similar to the existing and no other improvements made unless specifically called out in the engineer's drawings. The Scope of Work outlines the number of stair treads that are included in the contract price. Additional treads over the allotted amount will be the responsibility of the Owner. Due to the variables in determining the requirements for additional treads, such as handrail, footings, and material types, a change order will be issued and agreed to prior to proceeding with the additional stair tread installation.
5. **CONCRETE FLATWORK.** Concrete flatwork includes patios, porches, walkways and driveways. Harborlight will discuss concrete placement for walkways and driveways with the Owner based upon the site layout and any municipal restrictions prior to placing the concrete on site. In some cases, one or more concrete steps may be needed to traverse the lot. Step locations and sizes will be discussed with the Owners prior to placement. Wash stone may be installed beneath areas at Harborlight's discretion. All flat work will be 4" thick unless otherwise called out in the Project Specifications, or as directed by local code enforcement. The Scope of Work denotes the allotted square footage area of 4" concrete. Overages in the square footage amounts poured onsite due to the approved site layout will be the responsibility of the Owner. All concrete flatwork overages will be billed at \$9.50 per square foot. Given the minimum charges to order and place the concrete, there are no credits issued for pouring less than the allotted square footage amount. Contract excludes installing conduit beneath the concrete for future utilities and water lines unless it is specifically mentioned in the Scope of Work. Due to the variations in mixture, curing conditions, and site preparation, Harborlight cannot guarantee an exact color or matched finish to existing concrete on site.
6. **FRAMING.** All framing is outlined in the Scope of Work. Referencing the engineer's drawings first and foremost for materials and methods, the local building code will direct all standard framing practices not specifically mentioned. Engineered floor and roof systems will be installed per the sealed drawings. In cases where a crane is necessary to hoist the roof trusses or other framing materials, those costs are included in the contract. Code approved fasteners will be used to secure all framing members, wall sheathing, and roof sheathing. Unless the Project Specifications direct otherwise, all house wrap will be installed as directed by the manufacturer with joints properly lapped and taped at all seams to create a continuous drainage plane. Subflooring will be both glued and screwed to secure it in place. Where new finished flooring will be installed over existing subflooring, Harborlight will resecure the subflooring with either screws or ring shank nails prior to flooring installation.
7. **DECKS.** All decks will be built according to the standards as outlined in the DCA 6-15 deck construction guidelines. <https://www.awc.org/codes-standards/publications/dca6>. Deck posts will be set on code approved footings with fasteners as noted in the Project Specifications. Using the guidelines in the DCA 6-15 publications, deck bands will be adhered to the home with appropriate fasteners and flashing. In cases where existing deck bands are adhered through an existing brick veneer, it may not be possible to follow the guidelines established in the DCA 6-15, in which Harborlight will defer to the IRC or the Schedule M while taking appropriate precautions to maximize the life of the fasteners. Unless specifically directed in the Project Specifications, all decking and handrails will be installed using code approved nails.
8. **ASPHALT ROOFING.** All asphalt roofing is installed as directed by the local building code. Low slope roofs will include rolled roofing products or other membrane as directed in the Project Specifications. Low slope shed roofs will incorporate ice & water shield as a standard underlayment. All valleys will include ice & water shield unless valley flashing is included in the Project Specifications. As a standard, all roof penetrations will include neoprene roof jacks. Roof and chimney flashing will be aluminum with house wrap overlapping to create a continuous drainage plane. Black drip edging and shingle starter strip are included in the contract where new roofing is installed. As a practice, Harborlight will never install new roofing over an aged and worn shingle roof. Given the age and weathering of an existing roof system, where new roofing abuts an existing roof, Harborlight makes no guarantees as to an exact color or texture match.
9. **WINDOWS, EXTERIOR DOORS & SKYLIGHTS.** All windows and exterior doors will be installed per the manufacturer's instructions using code approved fasteners. Windows will be flashed using butyl or other similar flashing tape that may be recommended by the specific window manufacturer with fins tucked under the house wrap on the top rail to create a continuous drainage plane. Prior to installation, the window rough opening will be prepared with flashing tape to create a waterproof sill for the window to sit on. Replacement windows or new windows being installed in a brick veneer will be installed according to the manufacturer's instructions for such an application. All exterior doors will be installed with a sill flashing set in silicone. Skylights will be installed using code approved fasteners and the manufacturer supplied flashing kit.
10. **MECHANICAL, ELECTRICAL & PLUMBING.** Unless specifically noted in the Scope of Work, all new gas lines will be rolled copper sized per the appliance served. Connections to the appliance may be completed using CSST gas piping at Harborlight's discretion. HVAC units on new construction are sized using code approved Manual J calculations. Existing units servicing new additions or altered footprints may not function as originally designed. Unless specifically noted in the Scope of Work, modifications or upgrades to the existing HVAC units are excluded in from the contract and Harborlight makes no guarantees to the performance of pre-existing units.

New electrical panels will carry a minimum load of 200 AMPs. Unless noted in the Scope of Work, renovation projects will utilize the existing electrical panel and appropriate breakers. Should code enforcement deem an electrical panel upgrade is necessary, all costs associated with said upgrade are the responsibility of the Owner. A change order will be issued and approved prior to upgrading the electrical panel. All interior and exterior wiring is per minimum code with standard white rocker switches. Existing switches and outlets will remain in place unless specifically noted in the Scope of Work.

New switch and outlet locations are approximate and may be relocated as necessary to accommodate structural framing. Switches and outlets in critical locations will need to be specified and agreed to in writing prior to the electrical rough and will only be considered on a limited basis. Fixture locations may be impacted by structural framing members and as such may be placed in close proximity to the locations noted on the plans. Hanging fixtures should have approved offset dimensions agreed to prior to installation unless the fixture is to be centered in a specific room. Audio / Video and security wiring is excluded from this contract unless specifically noted in the Scope of Work. Security wiring movement or connections located in areas where renovation work is taking place should be coordinated between the security company and the Owner. Harborlight accepts no liability for any damage to security wiring in the work area.

In new construction, all plumbing water distribution lines are to be PEX. Existing copper water lines in renovation projects will be tied into using the appropriate connection to convert main service lines to PEX at the point where the water line enters the modified space. Sewer and drain lines, including drops between floors will be installed using PVC pipe and approved fittings. Unless specifically noted in the Project Specifications, the contract excludes cast iron plumbing drops between floors. In all cases, it is assumed that connections to the electrical service, gas service, sewer lines and water lines at the point of service are intact and in working order. Additional charges to upgrade services from the utility companies to service the new home or renovation project are the excluded from this contract and are the responsibility of the Owner.

11. **INSULATION.** Insulation installed in existing homes will match the type and standards of the adjacent surfaces unless code enforcement requires an upgrade. New construction insulation will be installed per the energy guidelines in place at the time of this contract using materials as noted in the Project Specification sheet. Unless noted in the Scope of Work, additional sound attenuating insulation is not included in this contract for bathroom walls, floor systems, or other interior areas. All penetrations will be sealed using foam sealant, fire caulk, or other methods as deemed appropriate by the local building code.

12. **SOFFIT, FASCIA, SIDING & TRIM.** New soffit, fascia, siding and trim will be installed according to the manufacturer's instructions. Cut ends on all exterior components will receive a primer coat to seal the cuts prior to installation. On renovation projects where new materials will abut existing, Harborlight will make a reasonable attempt to match styles, profiles, textures but in no case will guarantee an exact match.

13. **BRICK & STONE.** Due to the age of the existing brick or stone veneer, an exact mortar color, stone or brick color, and stone or brick texture match may not be possible. Where material abut existing, Harborlight will attempt to closely match the profiles & color of the existing materials unless otherwise noted in the Scope of Work. Harborlight will require written approval of the brick or stone selection if replacement material is required. In no case will an exact match be guaranteed.

14. **INTERIOR & EXTERIOR PAINT & STAIN.** All interior walls and trim will be caulked, puttied, and primed prior to applying the finished product. Interior paint will allow for two coats of trim and wall paint and one coat of ceiling paint over the primer coat. All walls will have a rolled texture finish. Exterior surfaces will be cleaned and prepped prior to caulking. Pre-primed siding and trim will have 2 finished coats of paint. Siding or trim components that are not primed will receive a coat of primer prior to the top coats. Painted brick will be primed using the appropriate exterior primer suitable for the brick surface and texture, prior to the finish coats. Interior and exterior stained surfaces will be conditioned prior to stain application.

15. **DRYWALL, DOORS, INTERIOR TRIM & EXISTING FINISHES.** All drywall will be installed with a level 4 finish (or level 3 finish in any garage) per industry standards, manufacturers guidelines and local building code using approved fasteners unless otherwise noted. Drywall mud will be applied in a multi-step process with a bed and tape coat, followed by a fill coat, wrapping up with a finish & skim coat. The finished surface will be sanded smooth prior to applying wall primer. Paper tape or fiberglass mesh may be used to bridge seams in the drywall at Harborlight's discretion. Metal corner beads and flexible corner tape may be used to achieve relatively straight seams in both inside and outside corners. In cases where existing textured walls and ceilings are repaired, Harborlight will attempt to closely match the finish, but an exact match cannot be guaranteed.

Interior trim will be installed using approved fasteners. In areas where mechanical fasteners will not hold, Harborlight may elect to use wood glues and other adhesives to achieve a clean assembly. Unless specifically detailed in the Scope of Work, all inside and outside corners will be mitered, not coped. Furthermore, where new trim pieces abut existing or share a location within the home, Harborlight will attempt to closely match the style, profile and species of the existing trim but makes no guarantees as to an exact match.

Interior doors will be installed using approved fasteners with a minimum of three sets of wood shims on each side of the door jamb and two sets on top. Shims will be placed evenly along the latch side of the jamb while on the hinge side a set of shims will be placed at each hinge location. Shims on the top jamb will be spaced evenly to offer rigid support for the door.

Due to the age and condition of the existing wall systems, minor imperfections, visible irregularities, and other pre-existing conditions visible in the existing drywall and interior trim may remain upon completion of the project. Items of particular concern should be discussed with Harborlight prior to project start.

16. **CABINETRY.** Modular cabinets will be installed according to the instructions provided by the manufacturer using approved fasteners secured to the wall studs. In order to achieve the approved layout and to clear interior trim components, Harborlight in its sole discretion may elect to install filler pieces where cabinet boxes meet the walls and each other. Site built and custom cabinetry will be constructed to fit to the areas as noted on the plans. Filler pieces will be taken into consideration when determining the cabinet box construction. Custom and site-built cabinets will be constructed primarily of cabinet grade plywood, but may incorporate cabinet grade particle board within the box construction where necessary to achieve the desired look. All cabinet hardware locations are to be approved by the Owner prior to installation.

17. **LOW VOLTAGE.** Speaker wire installation & other audio/visual work, low voltage and security wiring is not included in this contract except as noted in the Scope of Work.

18. **TILE.** Considering tile selection and installation, all wall and floor tile in wet areas is installed over Schluter Kerdi waterproof installation systems per industry standards. Wall tile installed in dry areas such as the kitchen backsplash is installed over standard drywall, except as noted in the scope of work. Shower floors and walls are waterproofed at the seams and all wet surfaces using the Schluter Kerdi shower substrate systems. Unless otherwise noted in the Scope of Work, all standard tile installation assumes a square uniform pattern. Mosaics, diagonal patterns, decorative inlays and other non-standard installations will result in a change order for additional labor based upon the complexity of the design.

19. **WOOD FLOORING.** All site finished hardwood flooring and prefinished wood flooring is installed over moisture blocking underlayment, unless otherwise noted in the Project Specifications. Where new wood abuts the existing floor, wood is to be installed flush with the existing, with new boards fingered into the old. In some cases, a transition strip may be necessary to complete the installation due to the floor joist direction. Due to the age and condition of the existing floors some blemishes may remain. For all site finished flooring, stain color is to be approved by the Owners prior to application. Floors will be sealed using two coats of standard polyurethane unless otherwise noted in the Project Specifications. Existing wood may take the stain

differently from the new wood. Prefinished wood flooring may not exactly match existing flooring. Though reasonable effort will be made to closely match the new and old colors, an exact match is not guaranteed.

20. **LANDSCAPING & IRRIGATION.** Contract does not include any repairs to the irrigation lines within the work zone or surrounding area. Owner shall make arrangements to have the lines relocated or flagged prior to construction. Regardless of the flagging, Owner agrees that Harborlight shall not be liable in any way for any damage to irrigation lines, heads, or other drip system components.

21. **WELL & SEPTIC.** If Owner's property will be serviced by a well, Contract pricing assumes a well depth of 200'. If Owner, local municipality, or utility require additional well depth, Owner shall be responsible to pay for additional costs, and will be directly invoiced at \$20.00 per linear foot greater than 200'. If Owner's property will be serviced by a septic system, Contract pricing assumes a single pump and 40' of piping. If Owner, local municipality, or utility require an additional pump to reach desired pressure/gallons per minute or additional piping greater than 40', Owner shall be responsible to pay for additional costs, and will be directly invoiced for the additional cost.

22. **SQUARE, PLUMB & LEVEL.** Out of square, plumb, or level conditions of the existing structure or natural conditions will require some of the same in new work to properly mask the existing conditions and not call undue attention to those details. Harborlight will work diligently to obtain square and plumb conditions, but it is not guaranteed.



## **Additional Terms & Conditions**

1. **CONTRACTUAL ASSUMPTIONS.** Existing water and sewer main lines are intact and in working order if present. Owner shall provide and pay for temporary utilities as need for Harborlight to complete work. Owner shall keep worksite clear of all personal belongings and furniture to allow Harborlight and its subcontractors unencumbered access to the worksite.
2. **SITE PREPARATION.** Prior to construction start, a dumpster shall be placed onsite at a location determined at the Pre-Construction meeting. As there should be relatively few existing structure, features, or objects, Owner must notify Harborlight of any area requiring protection prior to commencement of construction. Harborlight will prepare work area by placing floor protection products, drop cloths prior to painting, plastic barriers with a rigid frame to seal off the work area where practicable, and air scrubbers during periods of high dust creation such as demolition and drywall or floor sanding.
3. **GENERAL.** All proposals by Harborlight, all acceptances of orders and all materials supplied, and services performed by Harborlight are expressly limited to this document and the Additional Terms and Conditions. Any additional, different or inconsistent terms proposed by Owner, whether in writing or otherwise, are hereby objected to and rejected. This constitutes the entire agreement between the Parties. Neither Harborlight's acceptance of Owner's order nor performance of services shall constitute its assent to any different or additional terms contained in Owner's business forms.
4. **PETS.** Harborlight's owners, employees and many of the trades and suppliers that work with and for Harborlight have pets ranging from the small goldfish up to some of the larger breeds of dogs, such as Great Danes. Though we enjoy and often go to great effort to care for our pets and those of our customers, not all trades and suppliers that work with us share the same enthusiasm. Pets should be removed from the work site and contained in areas that do not interfere with the workflow and progress of the project. Harborlight will take no responsibility for corralling, securing, or otherwise protecting the Owner's pet(s). Trades or suppliers that encounter the Owner's pet(s) while onsite may choose to leave without completing their assigned tasks which may result in project delays and cost overruns. Additional charges to have the trades and suppliers return to the project due to the free roaming presence of the Owner's pet(s) may result in a change order to recoup the costs of trip charges and project delays. Owners agree to secure their pet(s) prior to Harborlight's employees, subcontractors and suppliers arriving for work.
5. **CHILDREN, VISITORS, & HAZARDS.** The active jobsite is a dangerous place. The Owners, children and visitors should refrain from walking around, playing in, and utilizing the construction site without being accompanied by an Harborlight representative until the project is complete. Exposure to sharp objects, trip and falling hazards, electrical hazards, or other potentially dangerous situations may exist at any time once work begins on the project. Harborlight does not accept liability for any injury on the Harborlight jobsite after normal work hours or while the Owner, the Owner's children or guests are unaccompanied during the normal course of business.
6. **WORK NOT CONTRACTED.** To the extent the Owners, Owner's agents, or Owner's contractors perform any work or improvements outside of this contract, they agree that Harborlight shall not be responsible for any said work by them or their other contractors, related to the subject property. Further, the Owners agree that they may be held responsible for any project delays as a result of improper work outside of this project scope, and no warranty, implied or otherwise, relates to said work, improvements, or installation.
7. **UTILITIES.** All temporary utilities and the fees associated with them are the responsibility of the Owners. Application for new electric service and any associated charges with underground installation or connections are the responsibility of the Owners. Furthermore, application for gas service and any associated charges with the new service installation or reconnection are the responsibility of the Owners and are not accounted for in this contract.
8. **SOILS & BEARING CAPACITY.** Contract pricing is based upon suitable soils beneath the surface of the building areas. Should we encounter problematic soils, Harborlight will cease work and immediately notify the Owners. In the event Harborlight encounters soft or otherwise unsuitable soils on the subject property, including, without limitation, within any footing or concrete flatwork location, all associated engineering, labor, and material costs are the responsibility of the Owners. A change order will be issued and agreed to prior to proceeding with the site preparation.
9. **INTERIOR DESIGN.** All design time allotments are included within the Design Services Agreement. If additional time to meet with Owner and prepare color boards is requested or required above the allotted time, it will be billed at \$150 per hour.
10. **REQUIREMENTS OF PUBLIC BODIES.** Any changes, alterations to, or omissions from Project Plans or specifications which may be required by any public body, utility, or inspector shall constitute a change and result in a charge order being issued.
11. **HAZARDOUS MATERIALS.** Unless otherwise specifically provided for, Harborlight shall not be responsible for removal, disposal, or both of hazardous materials as defined by any federal, state or local law, regulation or ordinance, including without limitation, lead-based paint, asbestos, and material containing asbestos. If such hazardous materials are encountered in the course of Harborlight's work, then the Owner shall pay any and all additional costs to remove, dispose, or both such hazardous materials in accordance with such federal, state and local laws, regulations, and ordinances.
12. **UNANTICIPATED ITEMS.** Upon removal of the various components, natural ground or dirt, and wall systems, items not specifically mentioned in this contract may need to be addressed, which depending on their nature may result in a change order and increase cost to the Owners, such as, without limitation, wood rot, structural deficiencies, hidden plumbing, electrical and mechanical items and code deficiencies. In the event a change order is necessary, Harborlight will stop work and discuss the item(s) in question and determine the best course of action prior to proceeding. In the event Harborlight encounters any hidden mechanical, electrical, or plumbing items on the subject property during demolition or otherwise, including, without limitation, within the walls, beneath the slab, or underground, the Owners agree that Harborlight shall not be responsible for any damage, needed changes or relocation, unless the items are specifically identified in the project plans or scope of work. This provision is intended to protect Harborlight from unseen, hidden items.
13. **PAYMENT/OWNER DEFAULT(S).** Owner shall pay Harborlight according to the terms contained on the face side of this Contract. The Contract Price is based upon current material and labor prices as of the execution of the Contract. Any price increase in material or labor that occur(s) during the period of time between contract execution and substantial completion of the Project shall be the responsibility of the Owner. Owner shall make timely payment in accord with Harborlight invoices incrementally invoiced by Harborlight during the term of the project, said timing of invoicing at Harborlight's sole discretion. Owner herein agrees and acknowledges its responsibility to make timely and prompt payment in accord with the terms and conditions of the subsequently furnished invoices. Owner agrees to pay all applicable late fees and other charges applicable to Harborlight invoices. In the event of Owner's failure to fully and timely perform any of the terms of this Contract, including, but not limited to, timely and full payment of all Harborlight invoices, Harborlight shall have the right to (a) immediately cease performing any and all services, including any construction services on the project, and (b) institute any and all legal or equitable actions against Owner as a result of Owners' default. Harborlight is not limited to the above

referenced remedies and shall additionally be entitled to retain all monies previously paid by Owner and recover all costs, losses, lost profits, damages and expenses incurred, including reasonable attorneys' fees.

**14. OWNER INTERFERENCE / DELAYS.** Owner agrees not to interfere with the performance of Harborlight's work on the project. Owner's Interference would include, but not limited to, Owner, Owner's agents, Owner's contractors, other than Harborlight or their subcontractors, supplying materials or providing labor. Should Owner, their agents or contractors, decide to supply materials or labor, such work will be exempt from our warranty and, at Harborlight's discretion, void the warranty of related work of Harborlight if failure occurs. Without notice to Owner, any interference, delays, or disturbances by Owner shall constitute a default under the Contract and entitle Harborlight to (a) immediately cease performing any and all services, including any construction services on the project, and (b) institute any and all legal or equitable actions against Owner as a result of Owners' default. Harborlight is not limited to the above referenced remedies and shall additionally be entitled to retain all monies previously paid by Owner and recover all costs, losses, lost profits, damages and expenses incurred, including reasonable attorneys' fees.

**15. DISPUTES.** If designated, in Harborlight's sole discretion, any claim or dispute between Owner and Harborlight shall be determined by arbitration in accordance with the American Arbitration Association's Construction Industry Arbitration Rules then in effect, and Owner shall be bound by such determination and shall comply fully with same. Quality of workmanship shall conform to the guidelines found in the publication, Residential Construction Performance Guidelines for Professional Builders and Remodelers, Fourth Edition © 2011 National Association of Home Builders of the United States. If an item is not covered in that publication, standard industry practice shall govern the quality of workmanship protected by this warranty including within any proceedings under the dispute resolution process as specified above or any court having jurisdiction thereof. Mediation of any claim or dispute may, at Harborlight's sole discretion, be conducted prior to institution of arbitration. Such mediation shall be conducted pursuant to the rules of the American Arbitration Association. Judgment upon the award resulting from mediation or arbitration may be entered in any court having jurisdiction thereof. No claim or dispute shall interfere with payment to Harborlight. Harborlight, in its sole discretion, may, in lieu of demanding arbitration, file a claim or lawsuit in any allowable, competent jurisdiction.

**16. COVENANT NOT TO DEFAME OR DISPARAGE.** Subject to applicable law, each of the Parties acknowledges and agree that as a material element of the Disputes noted in item 16 above, each party as well as its agents, subsidiaries, shareholders, agents, attorneys, affiliates, subcontractors, assigns, officers, key employees, directors or representatives shall not publicly defame or otherwise disparage unless such remarks are factual, the other Party, their products or services, subsidiaries, affiliates, subcontractors, successors, assigns, officers, directors, employees, shareholders, agents, attorneys or representatives orally, in casual conversation, via public media, or elsewhere, or in writing in traditional media or social media, including, but not limited to newspapers, magazines, billboards, Angie's List, Home Advisor, Houzz, Yelp, Facebook, Instagram, Linked In, Twitter, and other social media platforms. For purposes of this provision, "disparage" shall mean communicating any negative comment or statement unless factual that calls into disrepute or criticizes the other Party. The Parties acknowledge and agree that if a breach of this Covenant not to Defame or Disparage were to occur, (a) it would be difficult to determine actual damages; (b) based on what the Parties presently know regarding the cost of litigation and the cost of a damaged personal or professional reputation they agree that a minimum of \$20,000 is a reasonable estimate of the damages that would accrue if a breach of this Covenant occurred in the future; and (c) after due consideration, the Parties agree that the amount of liquidated damages would not operate as a penalty to the breaching party, but rather fair and reasonable compensation to the Party damaged as a result of such breach. The Parties further agree and acknowledge that this Covenant Not to Defame or Disparage is a material term of the Contract, the absence of which would have resulted in the Contractor refusing to enter into this Contract.

**17. PHOTO RELEASE.** Throughout the construction process, from time to time, photos may be taken to document construction progress and ultimately the finished product. Owners agree that all photos taken during the process and upon completion of the project become the property of Harborlight and may be used in its advertising, marketing and other promotional materials without further compensation due. Harborlight may, upon project completion, hire a professional photographer to document the completed project in its best light. In no case will Harborlight include identifying features in any of the photographs used for marketing and promotional purposes, such as address, names, and significant landmarks.

**18. ATTORNEYS' FEES.** In any action brought by either party to enforce the terms and conditions of this Contract, the prevailing party, as allowable under N.C. Gen. Stat. § 6-21.6 or any other applicable statute, shall be entitled to recover its reasonable attorneys' fees, costs, and expenses. Judgment upon any award rendered by arbitrator or arbitrators may be entered in any court having jurisdiction thereof. Harborlight and Owner expressly agree that a judge, arbitrator or arbitrators shall have the power and authority to grant reasonable attorneys' fees and costs in the resolution of the claims, differences and/or controversies arising from this Contract.

**19. IMPAIRMENT OR INSOLVENCY.** If Owner becomes insolvent, or if Owner fails to make timely payment of Harborlight invoices, or if Harborlight reasonably believes that Owner may fail to perform under the Contract, or if Owner has failed to perform completely on any other contract with Harborlight, then Harborlight may at its option, refuse further services under this Contract, stop delivery of any materials in transit and/or may terminate this Contract without any liability to Owner. Owner remains liable for the payments of all materials previously delivered and any work performed by Harborlight prior to the termination. Harborlight's termination of the Contract shall in no way prejudice any other rights or remedies Harborlight may have under this Agreement.

**20. CHANGE ORDERS.** Owner may from time to time: (a) make changes to the work or specifications; (b) issue additional instructions; and/or, (c) require additional work or direct the omission of work previously ordered. Such requests are processed via a Change Order. The process for generating a Change Order may begin as an oral or written conversation with an Harborlight representative. All Change Orders will be reviewed and submitted to Owners for electronic signature via DocuSign prior to any Change Order work commencing. In some critical instances where time is of the essence, Harborlight shall not be obligated to secure a written Change Order from the Owner before starting the work, but will execute a written document prior to completing the change. Owner shall be responsible to pay for any and all Change Orders authorized by Owner and accepted by Harborlight. **Owner shall make complete payment for the Change Order prior to Harborlight's performance for those totaling less than \$2,500. Change Orders in excess of \$2,500 will require a 50% payment of the Change Order total prior to Harborlight's performance with the balance due upon Change Order completion unless otherwise agreed to in writing by Harborlight.** All hidden, concealed, or unforeseeable conditions, including code violations, that must be repaired, corrected, replaced, or overcome, shall result in a Change Order to the work. Any changes, alterations to, or omissions from the Specification or Project Plans which may be required by any public body, utility, or inspector shall constitute a Change Order and shall be paid for in the same manner as any other Change Order. Other municipal requirements not specifically contained within this Contract shall be the responsibility of the Owner. All overages on all allowances are subject to a 35% surcharge and will not require a Change Order for the final tabulation with proper invoice verification.

**21. INDEMNITY.** In consideration of the Contract, and to the fullest extent permitted by law, Owner shall defend and shall indemnify, and hold harmless, at Owner's sole expense, Harborlight and the officers, directors, agents, employees, successors and assigns of Harborlight from and against all liability or claimed liability for bodily injury or death to any person(s), and for any and all property damage, including all reasonable attorney fees,

disbursements and related costs, arising out of or resulting from Harborlight's performance of this contract, Owner's actions or breach of any term, condition, or representation of this Contract and arising out of or related to any claims, actions, awards, liabilities, or damages for any injury to person or personal property incurred by anyone, including, but not limited to, Owner and Owner's invitees and/or guests, on the property during the period of work. Owner shall reimburse Harborlight for any court costs, attorneys' fees, settlement, judgment, or other expense that Harborlight, its agents, employees, officers, directors, or insurers may pay, or become obligated to pay, in connection with any such claim or action. This indemnification excludes liability created by the sole and exclusive gross negligence of Harborlight.

22. **RISK OF LOSS.** Risk of loss shall pass to Owner upon delivery of materials to project. Harborlight shall not be responsible for any loss due to fire, vandalism, weather or theft of any materials once delivered to the job site. Owner shall assume all responsibility for any such loss and Owner shall maintain insurance coverage to protect against the same.

23. **FORCE MAJUERE.** Harborlight shall not be liable for delays or defaults due to Owner, Owner's agents, acts of God, acts of governmental authority, wars, pandemics, epidemics, fires, floods, accidents, strikes, labor disputes, shortages (including but not limited to raw material and energy), transportation delays or shortages, failure of machinery, inability to obtain materials or supplies, payment disputes, change orders, lender interference, weather conditions, soil conditions, or other causes beyond Harborlight's control. Upon the occurrence of any said events, Harborlight shall be entitled to an equitable adjustment of this contract's terms allowing for extensions of time, price adjustment, or any other remedies under applicable law. Harborlight will provide Owners with notice of circumstances providing for relief and the adjustment necessary to continue to perform their obligations herewith.

24. **SUBSTITUTIONS.** Should Harborlight be unable to obtain any material(s) specified in any of the Specifications or Change Order(s), Harborlight shall provide Owner with information regarding proposed substituted materials. To the extent the agreed upon substitute materials increase cost, Owner agrees to make payment thereof.

25. **SUPERVISION.** Owner agrees that the direction and supervision of Harborlight's working forces, including subcontractors, rest exclusively with Harborlight. Owner shall not interfere with Harborlight's working forces or subcontractors.

26. **WARRANTY AND LIMITATIONS OF LIABILITY.** In addition to the warranty provisions in the body of this Agreement, Owner agrees that Owner must commence any and or all claims which Owner may have against Harborlight within the timeframes identified above from and after the date after such completion of Harborlight's services or shall otherwise be forever barred from instituting any cause of action therefor. **Owner further agrees that under no circumstance shall Harborlight be liable for loss of time, inconvenience, commercial loss, or any claimed incidental or consequential damages that arise by way of breach of this agreement, including claims for rent, moving costs, or lack of use by Owner.**

27. **NO WARRANTY / OWNER WORK.** Owner agrees not to self-perform any work on the subject property and, to the extent Owner performs any work or improvements, Owner agrees that Harborlight shall not be responsible for any self-performed work by Owner or any work of Harborlight's related to work done by Owner related to the subject property. Further, Owner agrees that it may be held responsible for any project delays as a result of improper Owner work and no warranty, implied or otherwise, relates to Owner work, improvements, or installation. In instances where the Owner's supply any materials outside of those specifically provided for in the scope of this contract, Harborlight accepts no liability for the performance, function, or suitability of the products in their final application. Furthermore, Harborlight will not warrant the products in any way. Should a product prove defective or cause damage to other work within the scope of the project, the Owner's will be responsible for ALL charges (labor, material, supervision, loss of time, profitability, etc.) associated with the repair or replacement due to the defect. This applies to any and all materials not directly paid for or provided by Harborlight or Harborlight's authorized representatives.

28. **OWNER SIGNATURE.** The Owners agree that any signature obtained from any Owners shall be considered binding upon all Owners. This includes agreements reached in the future related to the performance of this contract such as Change Orders.

29. **PERSONAL PROPERTY.** Owner agrees and acknowledges that the part of the project that is in or near the work area should be clear of Owner's personal property, including but not limited to, furniture. Should Harborlight need to remove personal property from the work area, an additional charge shall be assessed by Harborlight and paid by Owner. Any and all personal property of Owner, including but not limited to furniture, that is in or near the work area is the sole responsibility of such Owner and **Harborlight shall not be responsible for any damage to the property**, including any monetary, repair and/or replacement value of said property. Owner agrees to indemnify, defend, and hold forever harmless Harborlight for any claims related to stained, stolen, damaged, or destroyed personal property within or near the work area. Care should be taken to protect against damage to valuable or heirloom items prior to Harborlight's arrival.

30. **MOLD.** Mold may typically be found anywhere that water is found, whether in a basement, kitchen or bathroom. Some types of mold have been shown to have adverse health effects on people. Harborlight makes neither any express nor implied warranties concerning mold in the home, whether presently or in the future. **Owner hereby agrees that Harborlight shall not be responsible for, and hereby waives and releases Harborlight from any claims, damages, actions, costs or other liabilities, whether direct or indirect, that may be caused by, resulting from, or relating to, mold, or by some other agent, that may or may not be associated with defects in construction, including but not limited to, property damage, personal injury, loss of income, emotional distress, anxiety, embarrassment, humiliation, mental anguish, death, loss of use, loss of value, and any adverse health effect, or any other effect on Owner and/or Owner's family, friends or invitees.** The discovery and/or removal or testing of any mold or any hazardous materials as defined by the Environmental Protection Agency is excluded from the scope of work. Harborlight reserves the right to stop work until such materials are removed.

31. **EXCESS MATERIALS.** Extra materials left over upon completion shall be deemed to be Harborlight's property unless otherwise noted. Harborlight may enter upon the premises to remove excess material(s) at all reasonable hours.

32. **ENTIRE AGREEMENT.** This Contract contains the entire agreement between the parties hereto with respect to its subject matter and supersedes all negotiations, prior discussions, agreements, arrangements, understandings, written or oral, relating to the subject matter of this Agreement. Any modification of this Agreement other than as specified herein and/or any contract document shall be binding only if evidenced in writing signed by both Harborlight and Owner, or an authorized representative.

33. **NO WAIVER.** The failure of Harborlight to insist upon the performance of any of the terms and conditions of this Agreement, or the waiver of any breach of any of the terms and/or conditions of this Agreement, shall not be construed as thereafter waiving any such terms and/or conditions or future breach, but the same shall continue and remain in full force and effect as if no such forbearance had occurred.

34. **ASSIGNMENT.** This agreement is not assignable by Owner in whole or in part without the prior written consent of Harborlight.

35. **COMPLIANCE.** Harborlight warrants that it will comply with all applicable federal, state and local laws and regulations in performing the services detailed in the applicable proposal and its obligations under this Contract. Harborlight has obtained, or will timely obtain, any and all governmental permits and licenses necessary to conduct the services and otherwise perform its obligations hereunder, except those permits and licenses, if any, required to be obtained by Owner by law or as set forth in the applicable Proposal or a Change Order thereto.

36. **COMMUNICABLE DISEASE.** There are many diseases, viruses, and other infectious bacteria present in the world, such as e-coli, Covid-19, SARS, the flu, the common cold, etc. Harborlight agrees to take reasonable precautions as recommended by the Centers for Disease Control and Prevention to limit the exposure of our trades and the Owners to the various contagions through social distancing, regular hand washing, limited tool sharing, face coverings and other recommended best practices as they become available. Harborlight makes neither any express nor implied warranties concerning the presence of any disease, virus, or bacteria in the home, whether presently or in the future. **Owner hereby agrees that Harborlight shall not be responsible for, and hereby waives and releases Harborlight from any claims, damages, actions, costs or other liabilities, whether direct or indirect, that may be caused by, resulting from, or relating to, disease, viral spreads, bacteria, or by some other agent, that may or may not be associated with presence of Harborlight or their subcontractors on site, including but not limited to, property damage or exposure, personal injury, loss of income, emotional distress, anxiety, embarrassment, humiliation, mental anguish, death, loss of use, loss of value, and any adverse health effect, or any other effect on Owner and/or Owner's family, friends or invitees.** The discovery and/or removal or testing for any disease, virus, or bacteria as defined by the Centers for Disease Control and Prevention is excluded from the scope of work. Harborlight reserves the right to stop work and clean the area using reasonable measures in the event there is a known presence of disease, virus, or bacteria from either the Owner, the Owner's family or invitees, Harborlight's employees or subcontractors.

37. **LIMITATIONS ON LIABILITY.** Except for any of the parties' indemnification obligations, Harborlight's liability, in contract, tort (including negligence) or any other legal or equitable theory, arising out of or in connection with the agreement, shall not (A) exceed the fees paid by Owner to Harborlight pursuant to the applicable proposal out of which the liability arose, except that Harborlight shall be able to claim the amount of unpaid fees and non-cancellable out of pocket expenses in the event of breach by non-payment, or (B) except for each party's indemnification obligation, include any indirect, incidental, special, punitive, or consequential damages, including without limitation loss of profit and loss of savings or revenue, even if such party has been advised of the possibility of such damages. The limitations set forth herein shall apply notwithstanding the failure of any limited remedy of its essential purpose.

## Change Orders

Owner may from time to time: (a) make changes to the work or specifications; (b) issue additional instructions; and/or, (c) require additional work or direct the omission of work previously ordered. Such requests are processed via a Change Order.

The Owners agree and acknowledge that changes to the product, design and finish specifications initiated by the Owners, including plan changes, custom colors, decorator selections, and special-order products will result in a Change Order and likely additional costs. Some changes to products or design may result in a "Zero-dollar" Change Order, as replacement products or design elements mirror the pricing and labor of the original selections.

All Change Orders **WILL** result in delays to project timelines.

Below are some examples of circumstances that result in Change Orders. This is not an all-encompassing list:

- Changes to project scope or specifications
- Additional Owner requests not included within the contract at signing
- Intricate tile patterns or specialty tile installation
- Code violations within the work or surrounding areas uncovered during the course of reconstruction
- Any change required by inspector, utility representative, local municipality, or government spokesperson

The process for generating a Change Order may begin as an oral or written conversation with an Harborlight representative. All Change Orders will be reviewed and submitted to Owners for electronic signatures via DocuSign prior to any Change Order work commencing. In some critical instances where time is of the essence, Harborlight shall not be obligated to secure a written Change Order from the Owner before starting the work, but will execute a written document prior to completing the change. Owner shall be responsible to pay for all Change Orders authorized by Owner and accepted by Harborlight. **Owner shall make complete payment for the Change Order prior to Harborlight's performance for those totaling less than \$3,000. Change Orders in excess of \$3,000 will require a 50% payment of the Change Order total prior to Harborlight's performance with the balance due upon Change Order completion unless otherwise agreed to in writing by Harborlight.**

**Acceptance of Change Orders:**

By signing below, I acknowledge that I have read and understand the Change Order section in its entirety and accept it as stated above.

Buyer / Authorized Signature:

*Neil Delamater*

dotloop verified  
08/19/22 3:49 PM EDT  
CBA-WjRA-7C-ZG-7003

Date: 08/19/2022

Owner / Authorized Signature:

*Harborlight Homes, LLC by Tisha Macuga*

dotloop verified  
09/01/22 3:53 PM EDT  
KP2T-3S49-RKNQ-HDFV

Date: 08/31/2022

Harborlight Authorized Signature:

*Harborlight Homes, LLC by Tisha Macuga*

dotloop verified  
09/01/22 3:53 PM EDT  
BCAF-RFYI-Y7DH-ESWT

Date: 08/31/2022