



NEW JERSEY REALTORS® ADDENDUM FOR NEW CONSTRUCTION

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This Addendum is attached to and made a part of the New Jersey Realtors® Standard Form of Real Estate Sales Contract, Form 118 (the "Contract"). If this Addendum conflicts with the Contract, then this Addendum shall control.

1. TIME OF CLOSING OF TITLE:

The Closing will occur when Seller delivers the Deed to the Property and Buyer delivers the unpaid portion of the total purchase price and all other sums required to be paid under this Addendum. The Closing is anticipated to occur at such place as Seller may designate. This date shall be the Anticipated Closing Date. Seller will notify Buyer in writing of the exact date, time and place of Closing at least ten (10) business days before it occurs. Seller may not schedule the Closing before the Anticipated Closing Date unless Buyer consents. Upon receiving notice of the exact date, time and place of closing, Buyer may not postpone the Closing without the consent of Seller. FAILURE OF BUYER TO CLOSE TITLE AT THE SCHEDULED TIME AND PLACE, UNLESS SELLER CONSENTS TO A POSTPONEMENT, OR AS OTHERWISE PROVIDED IN THIS SECTION, WILL BE A BREACH OF THIS ADDENDUM. Buyer will close even if all site or other improvements are not complete. No funds will be escrowed if the improvements or the preoccupancy inspection report items are incomplete. If Buyer is unable or refuses to close on the date and time specified by Seller, at its option, Seller may exercise its rights in this Addendum or have Buyer reimburse Seller at or before Closing for Seller's total reasonable carrying and administrative costs for postponing the Closing to another time, date and place set by Seller.

However, Buyer and Seller agree that Seller will not unreasonably schedule the Closing before Buyer has a reasonable amount of time to secure a mortgage, if applicable, and that Buyer will not be in breach of this Section if the Closing has to be delayed either because a lender does not timely provide documents through no fault of Buyer or Seller or for three (3) business days because of the change of terms as required by the Consumer Financial Protection Bureau.

Buyer will be under no obligation to close title unless Seller provides a temporary, conditional or permanent Certificate of Occupancy at or before the Closing. Issuance of a permanent Certificate of Occupancy shall be accepted by the parties as conclusive evidence that construction has been completed according to its plans and specifications.

2. SELLER'S INABILITY TO DELIVER THE DEED:

If Seller will not be able to deliver the Deed on the Anticipated Closing Date, Seller may postpone the Closing for up to \_\_\_\_\_ calendar days from the Anticipated Closing Date. To exercise this right, Seller must notify Buyer in writing within not less than ten (10) calendar days of the Anticipated Closing Date that the Closing has been postponed and specify the new Closing date. If, after this extended period has expired, Seller is still unable to deliver the Deed, Buyer may terminate this Addendum by so notifying Seller in writing. If this Addendum is so terminated by Buyer, Seller will, within ten (10) business days, return to Buyer all deposit monies paid under this Addendum with interest if Seller has retained the deposit monies in escrow and placed them in an interest bearing account. Seller will also reimburse Buyer for the expenses of title searches and survey certificates which Buyer has incurred if Buyer produces adequate proof that Buyer has paid or been charged these expenses. When Seller returns the deposit monies and makes any applicable reimbursement to Buyer, neither Buyer nor Seller will have any further rights or obligations under this Addendum. To comply with the Interstate Land Sales Act, Seller states that this Addendum is for the sale of the house on improved land.

Buyer agrees that, if this Addendum is postponed and/or terminated under this Section, Seller will not be responsible for any expenses which Buyer might incur as a result of the delay or termination. Such expenses include but are not limited to storage of Buyer's furniture or other personal property and/or substituted housing, as well as mortgage commitment extension fees.

3. SUBSTITUTION OF MATERIALS:

Seller has the right to make substitution of materials, equipment or design changes without prior notice to Buyer whenever Seller, in its sole discretion, finds it necessary or expedient for reasons, such as site conditions and availability of materials, provided that the substitutions are of equal or better quality. Seller has the right, in its sole discretion, to determine the placement of the House on the lot, including a reverse of the floor plan; the right to make any grading adjustments; and to remove, change or leave any naturally occurring features on the lot.

4. STANDARD CHOICES:

All color and other selections for standard items to be included, where selections are offered by Seller, must be made by Buyer within seven (7) calendar days of the date Buyer receives a fully signed copy of this Addendum or such later date as Seller may permit in writing. All color and other selections, where selections are offered by Seller, with regard to options and/or extras to be included in the House,



51 must be made by Buyer within seven (7) calendar days of Buyer's agreement with Seller to include such options and/or extras in the  
52 purchase of the Property. If Buyer does not notify Seller within the proper time of the choice selected, Seller, in its sole discretion, has the  
53 right to do one or more of the following: (a) increase the prices of decorator selections; (b) change the Anticipated Closing Date; or (c)  
54 make decorator selections for Buyer and Buyer will accept and pay for the selections made by Seller. If Seller elects to make choices for  
55 Buyer, the choice(s), as selected by Seller, may not be changed by Buyer, except as set forth in this Section. If all selections are not made  
56 within the selection period or if Buyer seeks to change previously made selections, whether made by Buyer or Seller, after the expiration  
57 of the selection period, Seller reserves the right to impose a \$ \_\_\_\_\_ processing fee for each such selection or selection change. It  
58 shall be in the sole discretion of Seller whether to agree to permit any selection or selection change after the expiration of the selection  
59 period. Buyer's selections and extras or options are limited to those explicitly listed in this Addendum or on a selection sheet provided  
60 by Seller or on display in Seller's sample of the model type being purchased. Buyer understands that Seller's ability to deliver materials,  
61 appliances, equipment or extra or optional items of the kind, color, make or model which were displayed to or chosen by Buyer depends  
62 upon availability from manufacturers and/or suppliers. If any standard, extra or optional item to be sold as a part of or with the House  
63 becomes unavailable for reasons beyond Seller's control, Buyer authorizes Seller as follows: (a) to substitute colors which Seller feels are  
64 compatible with the color scheme of the House; and (b) to substitute materials, appliances, equipment or optional items of equal or better  
65 quality. Where possible, Seller will consult with Buyer before making any substitution. However, if Seller exercises this authority to make  
66 substitutions, Buyer will be obligated to accept the substitutions.

67 Buyer understands and agrees that all work to be performed in connection with the construction shall be done under the order and  
68 direction of Seller. No contractors, agents or other persons, including Buyer, shall be allowed to perform work of any kind on the Property  
69 prior to the Closing and delivery of the Deed to the Property from Seller to Buyer.

70  
71 **5. OPTIONS AND SELECTIONS:**

72 Options or extras offered by Seller and desired by Buyer not listed at the time this Addendum is signed by Buyer and Seller and the cost  
73 of which is not included in this purchase price stated in this Addendum must be paid for when ordered by Buyer unless Seller and Buyer  
74 agree otherwise in a writing signed by both of them.

75  
76 **6. CONSTRUCTION STANDARDS:**

77 Construction shall be performed in a good and workmanlike manner and shall comply with all applicable Federal, State and local laws and  
78 regulations. Seller agrees that it has constructed or will construct the Property to substantially conform to the model type, if any, indicated,  
79 which Buyer has selected after inspecting Seller's plans, specifications and/or sample and all improvements shall be constructed within the  
80 lot lines. BUYER UNDERSTANDS THAT THE HOUSE, AS CONSTRUCTED, MAY VARY FROM SELLER'S PROMOTIONAL  
81 MATERIALS AND/OR PLANS AND/OR SPECIFICATIONS FOR THE MODEL TYPE AND/OR FROM SELLER'S SAMPLE  
82 OF THE MODEL TYPE TO THE EXTENT THAT FIELD CONDITIONS, TOPOGRAPHY, AVAILABILITY OF MATERIALS  
83 AND OTHER CIRCUMSTANCES BEYOND SELLER'S CONTROL MAY PREVENT THE HOUSE FROM CONFORMING  
84 TO SUCH PROMOTIONAL MATERIALS, PLANS, SPECIFICATIONS AND/OR SAMPLE OF THE MODEL TYPE. BUYER  
85 UNDERSTANDS THAT SELLER'S SAMPLES MAY CONTAIN OPTIONS AND/OR EXTRAS THAT ARE NOT INCLUDED  
86 IN THE BASE PRICE OF THE HOUSE. SELLER WILL CLEARLY MARK THESE EXTRAS AND/OR OPTIONS IN THE  
87 SAMPLES.

88  
89 **7. WARRANTIES:**

90 Seller warrants the construction to Buyer as provided in the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B-1 et.  
91 seq. (the "Warranty Act"). Seller will enroll the Property in an approved warranty security plan prior to the Closing. Seller will pay all  
92 requisite fees and premiums for enrollment and coverage, provided that Buyer will be responsible for any deductibles which are a part of the  
93 warranty security plan. Seller warrants the construction of any common facilities for a period of two (2) years from the date of completion  
94 of each facility and that they are fit for their intended use. Seller warrants the following to be free from material and workmanship  
95 defects for a period of one (1) year from the date of possession or closing: outbuildings, driveways, walkways, patios, retaining walls and  
96 fences, if any. Seller warrants that all drainage is proper and adequate and that offsite improvements, if any, are free from defects for a  
97 period of one (1) year from the date of their construction. Seller warrants that the House is fit for its intended use. THERE ARE NO  
98 OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS  
99 FOR ANY PURPOSE OTHER THAN AS EXPRESSLY STATED IN THIS AGREEMENT AND IN THE WARRANTY ACT.  
100 SELLER EXPRESSLY DISCLAIMS ANY IMPLIED WARRANTY OR WARRANTY ARISING BY VIRTUE OF LAW WITH  
101 RESPECT TO THE PROPERTY, OR ANYTHING CONTAINED IN THE HOUSE, OR WHICH WOULD OTHERWISE ARISE  
102 BY VIRTUE OF THE MAKING OF THIS Addendum. THIS MEANS THAT THE ONLY WARRANTIES WHICH ARE GIVEN  
103 BY SELLER TO BUYER OR OTHER OWNER OF THE PROPERTY ARE THOSE LISTED ABOVE.

104 At the Closing, Seller will assign to Buyer any unexpired, assignable warranties issued by the manufacturers or suppliers of appliances,  
105 equipment or other personal property installed in or sold with the Property. Seller does not independently warrant any such appliance,  
106 equipment or other personal property, except to the extent required within this Addendum.

107 By signing this Addendum, Buyer acknowledges and agrees to the following statements:

108 Seller is not obligated to repair or replace any part of the House or other property, which is the subject of this Addendum unless it is  
109 covered by one of the warranties listed above;

110 Seller has not made any promises or representations as to the condition of the House or other property, which is the subject of this

111 Addendum;

112 Seller has not authorized anyone else to make any promise or representation as to the condition of the House or other property which  
113 is the subject of this Addendum; and

114 The furniture, decorations, wall and window treatments, upgraded flooring, cabinetry, lighting fixtures, appliances and/or other  
115 upgrades and/or options in Seller's samples are for display purposes only and are not included in the sale of the Property unless separately  
116 agreed to in a rider to this Addendum.

117 Seller also expressly disclaims liability for any consequential damages to personal property arising out of any breach of warranty. This  
118 means that Seller will not be responsible if personal property is damaged because of a defect in any warranted item. By signing this  
119 Addendum, Buyer agrees that Seller will not be liable for consequential damages.

120

121 **8. INSULATION:**

122 The House shall be insulated with \_\_\_\_\_ [insert type] as follows:

123

124 LOCATION	THICKNESS	R-VALUE
125 Attic	_____	_____
126 Exterior Walls	_____	_____
127 _____	_____	_____
128 _____	_____	_____
129 _____	_____	_____
130 _____	_____	_____
131 _____	_____	_____

132

133 The above-stated R-values are based upon information supplied to Seller by the manufacturer of the insulation.

134

135 **9. WELL/SEPTIC CERTIFICATION:**

136 Seller shall comply with all laws, ordinances, rules and regulations for the installation and testing of the private well and septic system.  
137 Seller shall obtain all approvals necessary to test and operate the private well and septic system and shall provide copies of all approvals to  
138 Buyer. Seller represents that the drinking water shall be potable and in compliance with all applicable governmental standards.

139

140 **10. SITE VISITS/PREOCCUPANCY INSPECTION:**

141 Buyer and Buyer's contractors are not allowed to do any work in the House before the Closing. Due to safety and insurance regulations,  
142 Buyer's site inspections must be by appointment and accompanied by Seller's representative. Visits to the House when under construction  
143 are limited to two (2) visits before the initial and final inspections. Buyer assumes all liability for any damage or injuries during any  
144 unaccompanied visit. A breach of this Section is a default under this Addendum.

145

146 **11. INITIAL AND FINAL WALK-THROUGHS:**

147 In addition to the inspections set forth elsewhere in this Addendum, Seller agrees to permit Buyer or Buyer's duly authorized  
148 representative to conduct an initial and a final walk-through inspection of the interior and exterior of the Property at any reasonable time  
149 before the Closing. Buyer agrees that the walk-throughs shall be with a representative of Seller so that Buyer and Seller can prepare a  
150 list of mutually agreed incomplete items that are Seller's responsibility and that are to be serviced by Seller within a reasonable period of  
151 time after the Closing. Buyer and Seller will sign the list. The items agreed upon to be prepared or completed by Seller will not prevent  
152 or delay the Closing. Seller shall have all utilities in service for the inspections.

153

154 Unless required by the New Home Warranty and Builder's Registration Act and covered by the insurance program, Seller does not  
155 warrant nor will Seller change the color variations or dye lots or streaks in brick, stone, marble, shingles, paints, tiles, cabinets, carpeting,  
156 and/or woodgrains and the staining of woodgrains. Seller shall have no responsibility whatsoever for any difference or change in color,  
157 tint, shading, discoloration, or toning between samples of standard items, extras, options or upgraded items displayed to Buyer or of  
158 merchandise ordered by either Buyer or Seller, and that which is actually delivered and/or installed in or upon the subject premises.  
159 It is expressly understood that Buyer shall not be permitted access to the House prior to the Closing unless such access has previously  
160 been arranged with Seller. Buyer agrees that Buyer will not request or demand any escrows for incomplete items at the Closing. Rather,  
161 Buyer agrees to accept a written guarantee from Seller that the incomplete work will be completed within a reasonable period of time.  
162 An additional list of incomplete items may be submitted by Buyer to Seller within thirty (30) days after the Closing. The only items which  
163 will be Seller's responsibility to complete are those that are considered a defect by the Homeowner Warranty standards. Such additional  
164 items will be completed within a reasonable period of time. It is specifically agreed that the pre-closing walk-throughs are the only time  
165 cosmetic items will be addressed by Seller. Seller does not warrant cracks in doors, trim, sheetrock or walls; chips, scratches or mars in tile,  
166 glass, woodwork, walls, brick, mirrors, countertops; or nail pops in trim, sheetrock, walls or flooring unless specifically listed and agreed  
upon on the pre-closing walk-throughs.

167

168 After the Closing, Buyer agrees to provide Seller with convenient access to the dwelling and be present whenever reasonably requested  
169 by Seller so that Seller can make the repairs that are Seller's responsibility. Buyer agrees to remove any obstruction installed or stored by  
170 Buyer, at Buyer's own cost, which in any way makes Seller's responsibility more difficult or costly. If Seller, or anyone that Seller designates,  
schedules repairs to be made within normal business hours and Buyer unreasonably denies convenient access to the House, then Seller is

171 relieved of Seller's responsibility to make those specific repairs.

172 Buyer and Seller acknowledge and agree that the warranty and insurance remedies contained in the Homeowner Warranty provided  
173 by Seller to Buyer constitute the only remedy or recourse to Buyer. The parties agree that the conciliation and arbitration procedures as  
174 outlined in the Homeowners Warranty Act are better suited to the determination of outstanding issues, if any, between the parties than  
175 any remedy which may be secured by resort to legal process. Any disputes between Buyer and Seller shall be resolved pursuant to the  
176 mandatory binding arbitration provisions contained herein.

177  
178 **12. RECORDING OF AGREEMENT PROHIBITED:**

179 Buyer agrees not to record this Addendum or any memorandum of this Addendum. If Buyer breaches this promise, Seller may declare  
180 this Addendum in default and proceed as provided in this Addendum.

181  
182 **13. NOTIFICATION REGARDING OFF-SITE CONDITIONS:**

183 Pursuant to the New Residential Construction Off-Site Conditions Disclosure Act, N.J.S.A. 46:3C-1, et seq., sellers of newly constructed  
184 residential real estate are required to notify buyers of the availability of lists disclosing the existence and location of off-site conditions  
185 which may affect the value of the residential real estate being sold. The lists are to be made available by the municipal clerk of the  
186 municipality within which the residential real estate is located and in other municipalities which are within one-half mile of the residential  
187 real estate. The addresses and telephone numbers of the relevant municipalities and the appropriate municipal offices where the lists  
188 are made available are listed below. Buyers are encouraged to exercise all due diligence in order to obtain any additional or more recent  
189 information that they believe may be relevant to their decision to purchase the residential real estate. Buyers are also encouraged to  
190 undertake an independent examination of the general area within which the residential real estate is located in order to become familiar  
191 with any and all conditions, which may affect the value of the residential real estate.

192 Buyer has five (5) business days from the date this Addendum is executed by Buyer and Seller to send notice of cancellation of this  
193 Addendum to Seller. The notice of cancellation shall be sent by certified mail. The cancellation will be effective upon the notice of  
194 cancellation being mailed. If Buyer does not send a notice of cancellation to Seller in the time or manner described above, Buyer will lose  
195 the right to cancel this Addendum as provided in this notice.

196 MUNICIPALITY \_\_\_\_\_

197 ADDRESS \_\_\_\_\_

198 TELEPHONE NUMBER \_\_\_\_\_

199  
200  
201  
202  
203 **14. ADDITIONAL PROVISIONS:**

204 **WITNESS:**

205	_____		_____
206		BUYER	Date
207	_____		_____
208		BUYER	Date
209	_____		_____
210		BUYER	Date
211	_____		_____
212		BUYER	Date
213	_____		_____
214		BUYER	Date
215	_____		_____
216		BUYER	Date
217	_____		_____
218		SELLER	Date
219	_____		_____
220		SELLER	Date
221	_____		_____
222		SELLER	Date
223	_____		_____
224		SELLER	Date
225	_____		_____
226		SELLER	Date
227	_____		_____
228		SELLER	Date
229	_____		_____
230		SELLER	Date