



# **D&S Construction**

**of North Carolina**

## **D & S Construction of N.C.**

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**Residential Building Contractors**  
137 Cross Center Rd # 207  
Denver, NC 28037

**Phone:(704) 489-9956**  
**Fax: (704) 489-9369**

**Contractor: D & S Construction of N. C., Inc.**

**Date:**

**Buyer Names:**

**Lot: #      Development:**

**Contractor agrees to construct a residence on the above lot according to the plans and specifications, \_\_\_\_\_ Plan, general components described below, that are agreed upon by the Buyer and Contractor that are attached hereto for the amount of \$\_\_\_\_\_. This contract and its specifications supercede any other contract that may apply to this transaction.**

**Buyer fully understands that all construction costs of said residence is based solely upon the choice of materials and components listed in attached specifications and any changes may affect final cost of said residence and land. Any changes must be on a change order, written, signed and approved by all parties before they are in force. Changes may not be made as to interrupt the building process and must be paid for at time of change (see below).**

**Buyer shall make a non-refundable \$\_\_\_\_\_ deposit to the contractor before the construction of said residence shall commence. Contractor shall obtain a construction loan and contract includes any and all fees associated with the construction loan including interest during the construction loan period. Construction shall not start until construction loan has been closed and Buyer has provided proof of qualification of permanent mortgage**

for the amount of the residence and land costs. The amount of this contract does not include any costs associated with obtaining permanent financing.

Contractor shall commence construction as soon as feasible and shall pursue work to a scheduled completion on or before twelve months from commencement except if such completion is delayed by unusually unfavorable weather conditions, natural disasters, unavailability of labor materials, or changes in the plans or specifications.

Additionally, Buyers agree that once foundation is complete, all change orders carry a \$250.00 processing fee payable to the contractor for the administration of the change not including costs of materials and labor.

Any such changes shall be completely evidenced in writing, any costs and the construction lender & Contractor reserve the right to approve such changes. In addition, any additional costs thereof shall be paid for in advance, or the payment guaranteed in advance of work being accomplished.

Contractor shall build the residence in substantial compliance with plans and specifications and in good workmanlike manner, and shall meet all applicable building codes.

Contractor shall not be responsible for failure of materials or workmanship due to any act of God or neglect by the owners. In addition, Contractor shall carry Builder's Risks Insurance at Buyers expense as required by bank and shall name the Buyer(s) as an Additional Insured.

Contractor shall request draws periodically from the bank and shall deposit all monies due directly with Contractor upon draw inspection made by Bank Loan Officer.

## GENERAL SPECIFICATIONS

### FINISHED MAIN FLOOR LIVING AREA

Approximately \_\_\_\_\_ Sq. Ft.

Includes: TO BE SPECIFIED PER PLAN

- 1) 2x4 exterior walls with R13 insulation/R30 in ceiling/floor not insulated
- 2) Dual glazed windows grids and arches as per plan
- 3) Fiberglass tub and tub/shower combination – shower door in master only
- 4) Paint grade trim and casing
- 5) Round corners, smooth finish (drywall)
- 6) Hardie type siding, vinyl soffit and fascia – **stone accents as per plan**
- 7) Appliances - range, hood, disposal, and dishwasher
- 8) Basic light fixture package per allowance
- 9) Standard flooring as per plan
- 10) Paint grade hollow core interior doors
- 11) Metal exterior doors – front door is fiberglass
- 12) 80% efficiency furnace or 13 seer heat pump, 50 gallon electric water heater
- 13) Architectural shingle over OSB sheathing
- 14) Standard 9' ceilings throughout vaulted as per plan

- 15) One color flat paint throughout house with white ceilings and trim
- 16) Standard cabinets and granite counter tops per allowance

## **FINISHED BASEMENT**

Approximately \_\_\_\_\_ square feet

**Includes: TO BE SPECIFIED PER PLAN**

- 1) 2x4 exterior framed walls with R13 insulation/**concrete walls insulated** / floor not insulated
- 2) Dual glazed windows no grids as per plan
- 3) Fiberglass tub and tub/shower combination
- 4) Paint grade trim and casing
- 5) Round corners, smooth finish (drywall)
- 6) Basic light fixture package per allowance
- 7) Standard flooring as per plan
- 8) Paint grade hollow core interior doors
- 9) Metal exterior doors
- 10) Standard ceilings throughout
- 11) One color flat paint throughout house with white ceilings and trim

## **GARAGE**

Approximately \_\_\_\_\_ Sq. Ft. unfinished  
and solid surface drive to road

## **EXCAVATION AND GRADING OF LOT**

Excavation includes digging of foundation and backfill with soil on property. We then grade your lot away from house to Code standards – 5% grade – 10 feet out from house to keep water from running into house. Owner must maintain this grade after purchasing the house. Grading does not include side and back yard grading or leveling more than 10' outside of building pad.

## **COMPLETION**

Unless delayed by uncontrollable Acts of God, completion of home will be within \_\_\_\_\_ months of start date - date building permit issued. This date will be determined by all necessary paperwork completed and turned in to, and approved by, financial institutions and building departments. Construction loan must be in place before building permit is issued so all preapproval letters and other documentation required from buyer must be submitted and approved by construction loan lender. Upon completion of home and achievement of Certificate of Occupancy the sale of the home must close within ten

working days of the date of Certificate of Occupancy or a \$200 per day penalty will be charged to the buyer. We require five days after achieving Certificate of Occupancy to complete minor details. The home will be considered complete at that time. There will always be a few items that will require attention that will be discovered after you move in. We have a person on staff that will take care of any punch list items in a timely manner.

#### **PERMITS/FEEES**

Price of \$\_\_\_\_\_ includes all permits and hookup fees. Any additional costs associated with obtaining long term financing are the responsibility of the purchaser.

#### **OPTION /ADDITIONAL AMOUNTS**

These are be added to the original contract for the amounts listed below. Any additional changes must be added on with a written change order.

Electric range and electric dryer hook ups - an additional \$\_\_\_\_\_

Gas barbeque hook up approximately \$\_\_\_\_\_

Other: (need to added and initialed by all parties)

#### **HOMEOWNERS RESPONSIBILITIES**

It is the responsibility of the home buyer to provide all necessary financial documentation required by lending institution carrying the construction loan in a timely manner. If construction loans require home buyer/owner to sign for draws, this is to be done in a timely manner as to not hold up timely payments to suppliers or subcontractors. If home buyer/owner is required by lending institution to sign for draws, it is imperative that they understand the construction loan process and costs associated with building BEFORE construction process begins so as to not hold up progress on the job.

Buyer is expected to fund and close at time of Certificate of Occupancy, if not closed within 10 working days of Certificate of Occupancy a penalty will be assessed.

It will be the homeowner's responsibility after possession and occupancy to maintain watershed and grade away from the house. It is recommended that roof downspouts should discharge into splash blocks that extend beyond any backfill (5 feet minimum). All sprinkler heads should be aimed away and kept at least 4 feet from the foundation. Irrigation valve boxes should not be allowed within 10 feet of building perimeters.

The owner also understands that their use of chemicals after purchase may affect the building products (i.e. concrete, wood). D&S Construction builds according to International Codes and the owner understands that any products we use as per owner's request will be the owner's responsibility.

## **CONCRETE**

**Buyer understands that it is the nature of concrete to expand and contract. D&S Construction makes sure that proper expansion joints are put into concrete slabs, however, it is the nature of concrete to crack and it will probably do so. However, minor cracks in concrete do no structural damage.**

## **BUILDING INSURANCE**

**D&S Construction will provide building insurance on the home during the course of construction through their Builders Risk Insurance plan or homeowners may obtain their own insurance, but insurance policy must be in place before work may begin. Builders Risk Insurance only covers the building site - additional liability insurance may be necessary for the remainder of the property.**

## **SUBCONTRACTOR AGREEMENT**

**If the homeowner wishes to use a subcontractor other than that D&S Construction, the general contractor, approves, D&S Construction reserves the right to require a release of liability form signed releasing D&S Construction from any liability for problems caused by the performance of said subcontractor.**

## **ALLOWANCES AND SWEAT EQUITY**

**Allowance items will be clearly spelled out in specifications or are not considered to be allowances. Sweat equity may or may not be allowed and will be contract specific. Many financial institutions will not allow sweat equity to be a credit towards building cost.**

**Funds for allowance items and or sweat equity work will be held and released at the time of closing unless a separate agreement is entered into at the time of this contract. The allowance items can only be released to the home buyer if they wish to purchase the items or complete the work under a sweat equity agreement at the time of completion of the job as long as all change order additions have been paid in full at time of release of sweat equity and that the long term mortgage is not reliant upon these funds to be available at closing. Allowance amounts given in this contract include delivery and installation of named items unless otherwise noted. Any amount spent for allowances that is over the allowance amount must be paid for at the time of purchase by the owner. Any sweat equity that the owner chooses to perform must be completed competently to the standards required by D&S Construction since our name goes on the finished product. It must be completed in a timely manner on the predetermined schedule so as not to hold up the general construction time line. If D&S Construction or any of our scheduled subcontractors are unable to perform our work as per schedule because of sweat equity not being performed in a timely manner, a \$200 per day penalty will be charged to the buyer for each day that job is held up.**

**The allowance items for this contract are as follows:**

**Cabinets:**  
**Countertops:**  
**Flooring:**  
**Patio/Decks:**  
**Appliances:**  
**Lighting:**

## **DISPUTE SETTLEMENT**

**If any disputes arise that cannot be settled between the contractor and the home buyer, both parties agree that these disputes will be settled by a mediator.**

## **PERTINENT DATES:**

**DATE THIS CONTRACT GOES INTO EFFECT:** Date when all acceptable qualification letters for permanent financing have been submitted and approved by our construction loan company, plans have been finalized and signed off and appropriate governing office has approved building permits. This date must fit within contract dates or may result in a nonvalid contract.

**COMPLETION DATE:** As mentioned above, Acts of God may delay completion. Weather, national disasters affecting material supplies, or other factors out of our control may necessitate the extension of the substantial completion date.

**DATE YOU CAN MOVE INTO HOUSE:** As mentioned earlier in contract, your final loan must be funded within ten days of achievement of Certificate of Occupancy. When the loan has funded and we have been paid in full, you will be given possession of the home. If your permanent loan has not funded within the ten required days, a per diem penalty will be assessed and, if agreed to by all parties, a rental agreement will need to be signed in order to move into the home. Once you have closed on the house, you need to get all utilities into your name as we are set up to disconnect them within 24 hours after closing.

## **WEATHER ISSUES**

**Weather plays a big part in the construction of your home. As mentioned below it may interrupt the time schedule and cost of materials. It may also affect materials used on job and may require use of materials appropriate for weather conditions.**

## **ACTS OF GOD**

**Uncontrollable Acts of God (weather, disasters, etc.) affect not only time schedule, as mentioned above, but may affect costs and availability of materials. These can also create uncontrollable delays.**

**DATE OF OCCUPANCY**

**Buyers shall not occupy residence until all work has been substantially completed and all monies due contractor hereunder shall have been paid. Buyer shall close on said property on or before \_\_\_\_\_. Contractor shall not be obligated to continue work hereunder in the event Buyer shall breach any term or condition of the contract and specifications hereof. Any additional or special stipulations attached hereto and signed by the parties shall be and are made a part hereof.**

**Signature constitutes acceptance of the contract:**

**Buyer:\_\_\_\_\_ Date:\_\_\_\_\_**

**Buyer:\_\_\_\_\_ Date:\_\_\_\_\_**

**Contractor: \_\_\_\_\_**

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