

STATE OF NORTH CAROLINA
COUNTY OF BRUNSWICK

CONTRACT

THIS CONTRACT, made and entered into this _____th day of _____, 2024, by and between Jerry Dahl and wife Cindy Dahl, hereinafter referred to as "OWNER", and CAROLINA BLUEWATER CONSTRUCTION, LLC, hereinafter referred to as "CONTRACTOR".

WITNESSETH: That CONTRACTOR and OWNER agree as follows:

1. That the CONTRACTOR shall furnish all labor and materials needed for CONSTRUCTION OF SINGLE FAMILY RESIDENCE located 1104 West Main Street, Sunset Beach, NC according to the attached itemized specifications sheet.

Construction. The dwelling house and appurtenant structures depicted in the Contract Documents are referred to collectively in this Contract as the "House."

a. **Commencement.** Within 30 calendar days after the Effective Date of this Agreement, Contractor will obtain and pay for all building permits for the construction of the House. Construction of the House shall commence upon issuance of the building permit, ARC approval, and any necessary land use permits. Contractor will, upon issuance of the building permit, provide all labor, material, and equipment needed in order to construct the House.

b. **Substantial Completion.** The House shall be substantially completed within 270 calendar days after commencement of construction of the House ("Time for Completion"). As used in this Contract the term "substantial completion" of the House shall mean completion of construction of the House to the degree that it is habitable, a certificate of occupancy or temporary certificate of occupancy has been issued by the building inspector's office and delivered to Owner, and only minor imperfections typically referred to as "punch list" items, if any, remain to be corrected. Provided, however, if Contractor is delayed in the progress of construction by any act or neglect of Owner, material shortages, materially adverse weather conditions, delays in transportation which were not reasonably foreseeable, or acts of God, then the Time for Completion shall be extended by such reasonable time as Contractor and Owner may mutually determine.

2. The CONTRACTOR shall allow OWNER to inspect all work and materials at all times. That the OWNER may make separate contracts to secure extra items, service and equipment, not included in the itemized specifications or may award particular parts outlined therein directly to one or more Sub-Contractors provided the exact scope of their work shall be specifically shown and the contracts therefore hereto attached.

3. **Change Orders.** The Owner may, from time to time, during the progress of the work, request changes in the work specified above. If the Owner verbally agrees to an appropriate increase or decrease in the contract amount because of the requested change(s), and the work is less than \$1,000.00, the work shall be performed. Additions, deletions or revisions greater than \$1,000.00 shall be authorized in writing. The Purchase Price and Time for Completion shall be adjusted according to the change(s) mentioned above. All Change Orders shall be paid by Owner prior to delivery of home to owner and will not be

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8. The cost for construction of the house, based on today's material/labor market pricing, the attached specifications and allowances, and the contractor Plus for the substantial completion of the itemized specifications shall be \$ 1,021,000.00 and payable as per above section (7.) or in accordance with the financial institute's inspection progress report.

9. **Completion documentation.** Upon substantial completion of the House, Contractor shall deliver to Owner a certificate of occupancy issued by the building inspector's office and all product warranties in the possession of Contractor. Simultaneously with the receipt of the balance of compensation payable by Owner to Contractor upon substantial completion of the House (less any retainage for punch list items" authorized in Paragraph 5 above), Contractor sign a declaration prepared by Owner verifying that all work, labor, services and materials for the construction of the House have been paid in full and indemnifying and holding Owner and Owner's title insurance company harmless from any and all costs, damage, or expense of any kind (including attorney's fees and court costs) arising out of or on account of any claims or liens of any contractor, subcontractor, laborer, or material supplier of Contractor arising by virtue of Chapter 44A of the North Carolina General Statutes, now or as may be hereafter amended.

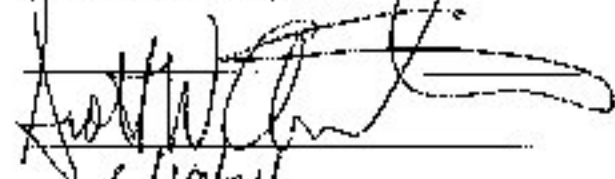
OWNER shall pay interest at the rate of twelve (12%) percent per annum from the final payment date at substantial completion, which shall be the date that the bill is submitted to **OWNER**, in the event **OWNER** does not pay bill within fifteen (15) days from the date said bill is submitted to **OWNER**.

THIS CONTRACT shall be binding on the parties hereto, their assigns, successors, representatives or administrators.

OWNER(S)

Date: _____

**CAROLINA BLUEWATER
CONSTRUCTION, INC.**



Date: 6/19/24 _____

paid by the proceeds of the construction financing but from the Owner's personal funds.

4. **CONTRACTOR** shall obtain and pay for all permits and ARC cost necessary to the prosecution of the work and cost shall be included as part of the "Cost" payment of the contract price. **CONTRACTOR** shall comply with all laws or regulations bearing on the conduct of the work, and shall notify **OWNER** if the itemized specifications are at variance herewith, or if unforeseen conditions arise. In all instances the **CONTRACTOR** shall complete work according to any applicable local or state building code.

5. **Punch list.** Contractor shall notify Owner when the House is substantially completed. Owner shall thereupon promptly inspect the House and deliver to Contractor a written list of all deficiencies that are detectable by visual examination. These deficiencies are referred to in the Contract Documents as "punch list" items. Contractor shall promptly and diligently correct all construction deficiencies so listed. Owner may withhold an amount estimated by Owner and Contractor to be the reasonable cost of correcting the construction deficiencies noted on Owner's punch list from the payment due Contractor upon substantial completion. Any sum retained will be promptly paid as Contractor corrects such construction deficiency. In the event Contractor fails to complete the punch list in a reasonable time, Owner shall have the option of completing the punch list and paying for the same from the monies retained. Any balance of retainage shall be paid to Contractor. Contractor is liable for any deficiency.

6. **CONTRACTOR** shall carry such insurance as required by Workmen's Compensation laws for the personal injury to workmen and shall carry Fire Insurance (Builder's Risk Policy) on building and materials as work progresses, either in binder form or in the usual manner so long as **OWNER** and **CONTRACTOR** are protected. Cost of general liability and workmen compensation insurance shall be part of overhead expenses provided by contractor under the "Plus" payment of construction. Cost of the Builder's Risk Policy including Wind/Hail policies, if required, shall be included as part of the "Cost" payment of the house construction. **OWNER** shall be responsible for Flood Insurance policies if required by lending agent or if desired by owner.

7. It is mutually agreed between the parties that the sum to be paid by **OWNER** to **CONTRACTOR** for the substantial completion of the itemized specifications shall be a COST PLUS contract. Contractor shall pay all billings (material & labor) as related to construction of home thru the contractor's accounts and contractor shall supply billings to owner on a monthly basis (additional monthly payments/billings may be needed for payment of large cost items during construction process). An initial payment and there after monthly payments shall be for the cost of labor and material plus a \$50,000 overall advance balance for in-coming billings for the next month. Owner shall pay Contractor (The Plus) in the sum amount of \$ 155,000.00 for management, design/plans, overhead, and consulting of construction for the house. Contractor shall be paid \$ 45,000.00 of the "Plus" at the time of signing of contract, \$ 35,000.00 at the time the home is under roof and in the dry, \$35,000.00 at the time the cabinets are installed and the remaining \$40,000.00 shall be paid upon the final inspection and CO has been supplied to Owner.

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OCEAN ISLE BEACH, NC 28469

Jerry & Cindy Dahl
1104 West Mair St.
Summit Beach, NC

The following specifications, allowances, and construction cost are based on the plan prepared by Carolina Bluewater Construction dated 6-19-2024.

SPECIFICATIONS

FOUNDATION: ENGINEERED FOUNDATION WITH TREATED 8X8 PILING (TO BE DRIVEN/HAMMER INSTALL NOT WASHED) AND LVL GIRDER SYSTEM NOTCHED INTO PILES AND BOLTED PER NC BUILDING CODE. (NOTE: No consideration for a grade beam has been included in pricing if soils condition requires one.)

FLOOR SYSTEM: PRE-ENGINEERED FLOOR TRUSS (14" DEPTH) @ 19.2" O.C. WITH 1/2" CDX 4PLY PLYWOOD SUBFLOOR & 5/8" UNDERLAYMENT PLYWOOD FINISH FLOOR GLUED AND SCREWED TO SUBFLOOR. ALL TILE AREAS SHALL HAVE AN ADDITIONAL 1/2" DUROCK UNDERLAYMENT.

INSULATION: CLOSED CELL SPRAY FOAM ON UNDERSIDE OF ROOF DECK, FIBERGLASS BATT INSULATION - R-30 IN GROUND FLOOR CEILING, R-19 IN WALLS, R-19 IN BETWEEN FLOORS, AND R-15 SOUND AROUND BATTIS AND BETWEEN BEDROOMS. ALL WINDOWS, EXTERIOR DOORS, CORNERS & TIES SHALL BE INSULATED WITH SPRAY FOAM INSULATION.

EXTERIOR WALLS: 2X6 STUDS @ 16" O.C., 1/2" CDX 4PLY PLYWOOD, TYPAR HOUSE WRAP & TAPED SEAMS, JAMES HARDIE LAP SIDING, STRAIGHT SHAKES AND BOARD AND BATTENS PER PLANS. HARDIE TRIM: 5" CORNERS, 10" BAND BOARD, 6" FRIEZE, 5" WINDOW TRIM. ALL PAINTED WITH TWO COATS OF BENJAMIN MOORE PAINT OR EQUAL.

INTERIOR WALLS: 2X6 & 2X4 STUDS @ 16" O.C., 1/2" SHEETROCK, INSTALLED WITH SCREWS, TAPED AND FINISHED THEN TWO COATS OF BENJAMIN MOORE LATEX MATTE PAINT OR EQUAL. SMOOTH FINISH CEILING

ROOF RAFTERS AND CEILING JOIST: 2X6 & 2X10 @ 16" O.C. WITH 1/2" CDX 4PLY PLYWOOD, PEEL & SEAL WATERPROOF MEMBRANE UNDER ALUMINUM STANDING SEAM .032 GAUGE/16" O.C. RIDGE METAL ROOFING, HURRICANE CLIPS ON EACH RAFTER, ROOF PITCH PER PLAN.

DECKE & PORCHES: SHALL BE PRESSURE TREATED LUMBER FRAMING AND COMPOSITE DECKING (FIBERON HORIZON OR EQUAL) WITH STAINLESS STEEL HIDDEN FASTNERS. ALUMINUM POWDER COATED HANDRAILS (WESTBURY TUSCANY C10 WHITE OR BLACK, 36" HIGH). 8X8 TREATED COLUMNS WITH HARDI BUILD OUT. PORCH CEILINGS SHALL HAVE SMOOTH HARDI W/ 1X4 TRIM. PAINTED. EXTERIOR STAIR SHALL HAVE COMPOSITE DECKING (FIBERON HORIZON/SYMETRY OR EQUAL) WITH STAINLESS STEEL HIDDEN FASTNERS. REAR 2ND LEVEL PORCH SHALL BE PRUSSURE TREATED LUMBER FRAMING

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AND COMPOSITE DECKING (FIBERON HORIZON OR EQUAL) WITH STAINLESS STEEL HIDDEN FASTNERS OVER HYDROSTOP WATERPROOF MEMBRANE WITH GUTTER SYSTEM (WATERPROOF). FRONT DECKS SHALL BE SCREENED. 3RD LEVEL DECK WITH PT FRAMED AND COMPOSITE TREAD STAIRS.

INTERIOR TRIM: 6/8 TALL - 2 PANEL SMOOTH SOLID CORE DOORS. WOOD TRIM 7 1/2" BASEBOARDS, 3 1/2" WINDOW AND DOOR CASING WITH 6" HEADER TRIM THROUGH OUT HOME. 5 1/2" CROWN MOLDING THRU OUT HOME EXCEPT CLOSETS. 52" HIGH 1X8 SHIPLAP IN SITTING, HALLS, STAIR, GREATROOM AND DINING. WEST GREATROOM WALL AND FIREPLACE 1X8 SHIPLAP. ALL PAINTED IN 2 COATS WITH LATEX GLOSS. GREATROOM AND DINING CEILINGS SHALL HAVE 1X6 RECLAIMED BEAMS, STAINED.

HEAT AND AIR: HIGH ENERGY RATED 15 SEER AMERICAN STANDARD HEATPUMP WITH COASTAL COATING, TWO (2) UNITS PER LOAD CALCULATIONS. SYSTEM SHALL BE PRESSURE DUCT TESTED.

ELECTRICAL: 200 AMP SERVICE WITH LOTS OF RECEPTACLES, LIGHTS AND FANS IN ALL MAIN ROOMS AND BEDROOMS. DIMMER CONTROL ON RECESS CANS AND WALL CONTROLS FOR FANS. 30 AMP MANUAL TRANSFER IN ELECTRICAL PANEL BOX WITH 30 AMP PLUG ON GROUND FLOOR FOR OWNER SUPPLIED PORTABLE GENERATOR. DÉCOR SWITCHES AND STANDARD RECEPTILES. STRUCTURE WIRING PANEL FOR DATA LINES AND HIGH VOLTAGE SURGE PROTECTOR.

PLUMBING: PEX WATER LINES AND PVC DRAIN LINES. WHOLE HOUSE HALO WATER FILTRATION SYSTEM, (1) R99 RINNAIT PROPANE WATER HEATER, 4 OUTSIDE FAUCETS, AND OUTSIDE SHOWER. 250 GALLON PROPANE TANK SHALL BE BURIED.

WINDOWS: VINYL/VINYL THERMO PANE WINDOWS, DOUBLE HUNG, TILTS, GRIDS, SCREENS, AND LOW E. MANUFACTURER: VIWINCO (COLOR WHITE, **NON-IMPACT GLASS)

PATIO DOORS: FIBERGLASS, FULL VIEW, SS HTNGES, LOW E, AND INSULATED. MANUFACTURER: PLASTPRO (**NON-IMPACT GLASS)

SOFFITS SHALL BE VINYL AND FASCIA SHALL BE ALUMINUM PRE-PAINTED.

GARAGE SLAB: 3,000 P.S.J. WITH REINFORCEMENT FIBERGLASS. GARAGE SLAB SHALL BE SAW CUT INTO 4'X4' SQUARES FOR ITMA REQUIREMENTS FOR VE FLOOD ZONE.

BASIC WALL HEIGHTS ARE 9' EXCEPT IN ROOMS WITH STEPPED OR CATHEDRAL CEILINGS.

CABINETS: CUSTOM BUILT AND FINISHED TO OWNER'S COLORS, KITCHEN TOPS SHALL BE QUARTZ, BATH TOPS ARE GRANITE REMNANTS.

HOUSE SHALL BE PREWIRED FOR 8 TV JACKS AND 4 DATA/PHONE JACKS TO BE LOCATED BY OWNER. EXTRA TV AND PHONE JACKS ARE \$45 EACH.

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CLOSET SHELVING IS WOOD MELAMINE MADE BY CLOSET MAID STYLES.

DOOR HARDWARE IS KWIKSET/SCHLAGE, LEVER TYPE KNOBS.

BATHROOM ACCESSORIES FURNISHED BY OWNER AND INSTALLED BY CONTRACTOR.

ALL PERMITS, 1" HOUSE WATER METER, AND SEWER TAPS OBTAINED BY CONTRACTOR.

UNDERGROUND POWER SERVICE PAID BY CONTRACTOR.

GROUND FLOOR (SEE PLANS FOR LAYOUT LOCATIONS) 290 SF GROUND FLOOR STORAGE ENCLOSURE SHALL BE CONSTRUCTED WITH PT 2X4 @ 16" O.C. WITH SMOOTH HARDI SHEETS AND 2.5" BATTENS ON EXTERIOR AND UNFINISHED ON INTERIOR (EXPOSED 2X4'S), PAINTED EXTERIOR. 150 SF GROUND FLOOR ENTRY ENCLOSURE AND GROUND FLOOR ENTRY STEPS SHALL BE CONSTRUCTED WITH PT 2X4 @ 16" O.C. WITH 2" SPRAY FOAM INSULATION AND BE FINISHED WITH SMOOTH HARDI PANELS ON INTERIOR AND EXTERIOR OF WALLS WITH 2.5" BOARD/BATTEN HARDI TRIM. NATURAL FINISHED CONCRETE FLOOR. ENGINEERED SMART FLOOD VENTS FOR AE ZONE CLASSIFICATION.

FIREPLACE: PREFAB UNIT WITH TILE OR STONE SURROUND, WOOD MANTEL, AND DIRECT VENT GAS LOGS

ALLOWANCES

CLEARING, LOT FILL, AND STORMWATER SYSTEM	\$ 15,000.00
LANDSCAPING (IRRIGATION & METER)	18,000.00
DRIVE (ROCK)	4,000.00
LIGHT FIXTURES, FANS, SMOKE DETECTORS, DOORBELLS, AND EXHAUST FANS	14,000.00
APPLIANCES	16,000.00
KITCHEN BACKSPLASH	2,000.00
TILE FLOORS BATHS APPROX. 150 SF - INSTALLED	2,000.00
LVP FLOORS - THRU OUT REMAINDER OF HOUSE APPROX. 2,900 SF - INSTALLED	25,000.00
CABINETS IN KITCHEN, LAUNDRY, WET BAR AND BATHS	37,000.00

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QUARTZ, GRANITE COUNTERTOPS & INSTALLATION	14,500.00
MASTER BATH SHOWER - TILE, WATERPROOF, & DUROCK	6,000.00
MASTER SHOWER FAUCET	800.00
MASTER SHOWER GLASS	2,500.00
ACRYLIC TUB INSERT (2 @ 1,250.00 EACH)	2,500.00
KITCHEN SINK & FAUCET	1,000.00
LAVATORY FAUCETS (6 @ 300.00 EACH)	1,800.00
COMMODOES & SEATS (4 @ 350.00 EACH)	1,400.00
TUB FAUCET (2 @ 500.00 EACH)	1,000.00
WET BAR SINK AND FAUCET	600.00
BEDS	800.00
GUTTERS	3,200.00
MIRROR IN BATHS AT VANITIES FRAMED	1,800.00
CLOSET SHELVES	6,000.00
SURVEY, HOUSE LOCATION	2,350.00
TERMITES GROUND TREATMENT	375.00
GAS LINES AND TANK	6,800.00
ELEVATOR AND FLOORING	21,500.00
FIREPLACE, SURROUND AND VENTING	11,000.00

TOTAL ESTIMATED COST AS OF 6-19-2024 \$ 1,021,000.00 (INCLUDING CONTRACTOR PLUS)

(BASED ON TOTAL COST TO BUILD & PLUS FIX CONTRACTOR FEE OF \$155,000.00 INCLUDING OVERHEAD/PROFIT/CONSTRUCTION PLANS/ENGINEERING)

**HOUSE COMES WITH ONE YEAR WARRANTY FROM CONTRACTOR, MANUFACTORY WARRANTIES ARE WITH OWNER.