

Navigate Homes – New Construction Addendum

Spec & Pre-Priced Homes Purchased During Construction

Closing & Possession

Building a new home involves coordination with subcontractors, supply availability, and weather conditions, among other variables. For these reasons, the Seller cannot guarantee the Possession Date but will make reasonable efforts to meet it.

If the Possession Date cannot be met, the Seller will notify the Buyer(s) in writing as early as possible. Once the Seller has received a Certificate of Occupancy and fulfilled all obligations in the Purchase Agreement, the Buyer(s) are expected to complete the purchase on the agreed-upon Possession Date. If the Buyer(s) are unable or unwilling to close on that date, the Seller is not obligated to delay closing and may terminate the Purchase Agreement at its discretion.

If the Buyer(s) request, and the Seller agrees to a delayed closing, the Buyer(s) shall pay the Seller **\$25 per \$100,000** of the sales price (prorated) per day until closing. These funds shall be paid in advance to the Seller every seven days following the Possession Date listed in the Purchase Agreement. This fee is non-refundable and cannot be applied toward the purchase price.

The Buyer(s) may not occupy or move possessions into the home prior to the completion of the purchase.

Spec & Pre-Priced Home Acknowledgment

Buyer acknowledges that this home is a **speculative (spec) home** that was planned, priced, and constructed using **pre-selected layouts, materials, finishes, and option packages determined by the Seller**.

If the home is designated as a **pre-priced home**, Buyer agrees that:

- The purchase price reflects predetermined selections and option levels.
- Buyer is limited strictly to the options and finishes included in the pre-priced program.
- **Custom selections, substitutions, or upgrades outside the pre-priced options are not permitted**, regardless of construction stage.

If construction timing allows, Seller may, at its sole discretion, allow Buyer to select between available **pre-priced option levels only**. Any such changes must be approved in

writing by Seller. No pricing negotiations, custom bidding, or non-standard materials will be considered.

Buyer further acknowledges that purchasing a spec or pre-priced home during construction **does not convert the transaction into a custom build**.

Selections & Construction Timing

Timing is essential to maintaining the construction schedule. Seller coordinates labor and materials with multiple subcontractors and vendors.

If Seller provides Buyer with selection deadlines (where applicable within the pre-priced structure), Buyer must meet those deadlines. Failure to do so may result in delays to the construction schedule.

A delay fee of **\$40 per \$100,000 of the sales price, prorated daily**, will be charged for selections not finalized by the required deadline. If multiple selections are delayed on the same day, only one daily fee will apply.

All subcontractors used in construction must be approved by Navigate Homes. The Buyer(s) may not use or hire outside subcontractors.

Inspections

This is a newly constructed home built in accordance with applicable building codes and inspected by the local authority. All required inspections have been completed or will be completed prior to closing.

If a Certificate of Occupancy is not available at closing, Seller may escrow sufficient funds to complete remaining municipal requirements post-closing. Items such as landscaping, driveway sealing, or final inspections may be completed after closing pursuant to escrow and city requirements.

Third-party inspections are permitted at Buyer's expense but **shall not oblige Seller to perform work beyond code requirements or the written Purchase Agreement**. Seller will address only issues that materially affect **structure, safety, or functionality**. Cosmetic preferences, upgrades, or improvement suggestions will not be considered.

Punchlist & Final Walk-Through

Seller will notify Buyer(s) of the date and time for the final walk-through. Buyer agrees that **any third-party inspection and cosmetic walk-through shall occur simultaneously during this scheduled visit**. No additional walk-throughs or inspections for punchlist purposes will be permitted.

All cosmetic items (including paint, drywall, trim, cabinets, flooring, and finish imperfections) must be clearly marked with **blue painter's tape during the walk-through**. **Items not marked at that time shall be deemed accepted** and may not be added to the punchlist.

The punchlist must be submitted as **one complete and final list** via email to Seller's Agent within **24 hours** of the walk-through. Supplemental lists, revisions, text messages, or images sent by text will not be accepted.

Some homes include pre-painted trim, doors, and cabinets. Nail holes will be filled with putty only. **No sanding, repainting, or refinishing will be performed**. This meets **NAHB Residential Construction Performance Guidelines** for prefinished materials.

Cosmetic issues must be **visible from six (6) feet under normal lighting** to qualify as defects. Minor imperfections are acceptable and do not constitute defects.

Items not included on the punchlist will be addressed, if applicable, through the one-year warranty process and **shall not delay the closing**.

Buyer acknowledges that the home may not be fully cleaned at the time of the walk-through. Final cleaning may occur as late as the night before or morning of possession.

Community Disclosure

The Buyer acknowledges that the home is located within a developing community. As such, construction activity may continue after closing, including but not limited to the construction of homes, roads, sidewalks, common areas, and utility infrastructure. These activities may result in noise, dust, and other temporary inconveniences. The Seller makes no guarantees regarding the timing, completion, or nature of future development or the identity of future homeowners or builders. The Buyer understands that homes with shared or common walls may transmit sound between units. While the builder uses materials and construction practices intended to reduce noise, complete soundproofing is not guaranteed. Access to the Property During Construction

Access to The Property During Construction

For safety and liability reasons, Buyers are not permitted to enter or tour homes under construction unless accompanied by a Navigate Homes representative of their licensed real estate agent. Unauthorized access to the home during construction is strictly prohibited.

Warranty The Seller guarantees that all labor and workmanship shall be of good quality and warrants this workmanship for one (1) year following the Possession Date. Manufacturer and dealer warranties for appliances and equipment will be transferred to the Buyer(s) at closing.

The Buyer agrees to provide the Seller and its subcontractors reasonable access to the property after closing for the purpose of completing any outstanding items or performing warranty repairs. Access shall be coordinated in advance and occur during normal business hours unless otherwise agreed upon. The Buyer understands that timely access is necessary to complete work efficiently and within warranty timeframes.

This warranty does not cover:

- Natural variation in materials (e.g., wood grain, stone pattern, granite coloration)
- Expansion or contraction of materials due to changes in climate
- Weather-related wear or deterioration
- Changes caused by natural settling of the home
- Sod or landscaping

Buyer #1 Signature: _____ **Date:** _____

Buyer #2 Signature: _____ **Date:** _____

Seller Signature: _____ **Date:** _____