



**NEW JERSEY ASSOCIATION OF REALTORS® STANDARD FORM OF
RIDER TO CONTRACT FOR SALE OF REAL ESTATE
NEW CONSTRUCTION**



© 1996 New Jersey Association of REALTORS®, Inc.

**TABLE
OF
CONTENTS**

- | | | |
|---|--|--|
| 1. TIME OF CLOSING OF TITLE | 6. CONSTRUCTION STANDARDS | 11. WELL/SEPTIC CERTIFICATION |
| 2. SELLER'S INABILITY TO DELIVER THE DEED | 7. WARRANTIES | 12. PRE-CLOSING WALK-THROUGH |
| 3. SUBSTITUTION OF MATERIALS | 8. INSULATION | 13. RECORDING OF AGREEMENT PROHIBITED |
| 4. STANDARD CHOICES | 9. SITE VISITS/PREOCCUPANCY INSPECTION | 14. NOTIFICATION REGARDING OFF SITE CONDITIONS |
| 5. OPTIONS AND SELECTIONS | 10. RADON CLAUSE | |

1 This Rider is attached to a Contract for Sale of Real Estate ("Contract") and is made a part of the Contract. The Attorney
2 Review Clause set forth in the contract remains a part of the transaction as modified by this Rider. This Rider and the Contract are
3 collectively referred to as the "Agreement." In the event of any conflict between the Contract and the Rider, the terms of this Rider
4 shall govern. It is understood that the property being sold consists of a lot and a detached single family home (the "House") to be
5 constructed upon the lot by the Seller.

7 **1. TIME OF CLOSING OF TITLE.**

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

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

24 **2. SELLER'S INABILITY TO DELIVER THE DEED.**

25 If the Seller will not be able to deliver the Deed on the Anticipated Closing Date, the Seller may postpone the closing for up to
26 _____ calendar days from the Anticipated Closing Date. To exercise this right, the Seller must notify the Buyer in writing within not
27 less than ten (10) calendar days of the Anticipated Closing Date that the closing has been postponed and specify the new closing date.
28 If, after this extended period has expired, the Seller is still unable to deliver a Deed, the Buyer may terminate this Agreement by so
29 notifying the Seller in writing. If this Agreement is so terminated by the Buyer, the Seller will, within ten (10) business days, return to the
30 Buyer all deposit monies paid under this Agreement, with interest in the event the Seller has retained the deposit monies in escrow and
31 placed them in an interest bearing account. The Seller will also reimburse the Buyer for the expenses of title searches and survey
32 certificates which the Buyer has incurred if the Buyer produces adequate proof that the Buyer has paid or been charged these
33 expenses. When the Seller returns the deposit monies and makes any applicable reimbursement to the Buyer, neither the Buyer nor the
34 Seller will have any further rights or obligations under this Agreement. To comply with the Interstate Land Sales Act, Seller states that
35 this Agreement is for the sale of a home on improved land which the Seller is obligated to erect within a period of two (2) years, if there
36 are no unanticipated circumstances totally outside of the control of the Seller.

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

41 **3. SUBSTITUTION OF MATERIALS.**

42 Seller has the right to make substitution of materials, equipment or design changes without prior notice to Buyer whenever Seller, in
43 its sole discretion, finds it necessary or expedient for reasons such as site conditions and availability of materials, provided that the
44 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
45 including as a reverse of the floor plan; the right to make any grading adjustments; and to remove, change or leave any naturally
46 occurring features on the lot.

48 **4. STANDARD CHOICES.**

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

69 The Buyer understands and agrees that all work to be performed in connection with the construction shall be done under the order
70 and direction of the Seller. No contractors, agents or other persons, including the Buyer, shall be allowed to perform work of any kind on
71 the property prior to the closing of title and delivery of the deed to the Property from the Seller to the Buyer.

72 **5. OPTIONS AND SELECTIONS.**

73 Options or extras offered by the Seller and desired by the Buyer not listed at the time the Agreement is signed by the Buyer
74 and the Seller and the cost of which is not included in the purchase price stated in the Contract must be paid for when ordered by
75 the Buyer unless the Seller and the Buyer agree otherwise in a Rider signed by them both.
76

77 **6. CONSTRUCTION STANDARDS.**

78 Construction shall be performed in a good and workmanlike manner and shall comply with all applicable Federal, State and
79 local laws and regulations. The Seller agrees that it has constructed or will construct the property to substantially conform to the
80 model type, if any, indicated, which the Buyer has selected after inspecting the Seller's plans, specifications and/or sample and all
81 improvements shall be constructed within the lot lines. THE BUYER UNDERSTANDS THAT THE HOUSE, AS CONSTRUCTED,
82 MAY VARY FROM THE SELLER'S PROMOTIONAL MATERIALS AND/OR PLANS AND/OR SPECIFICATIONS FOR THE
83 MODEL TYPE AND/OR FROM THE SELLER'S SAMPLE OF THE MODEL TYPE TO THE EXTENT THAT FIELD CONDITIONS,
84 TOPOGRAPHY, AVAILABILITY OF MATERIALS AND OTHER CIRCUMSTANCES BEYOND THE SELLER'S CONTROL MAY
85 PREVENT THE HOUSE FROM CONFORMING TO SUCH PROMOTIONAL MATERIALS, PLANS, SPECIFICATIONS AND/OR
86 SAMPLE OF THE MODEL TYPE. THE BUYER UNDERSTANDS THAT THE SELLER'S SAMPLES MAY CONTAIN OPTIONS
87 AND/OR EXTRAS THAT ARE NOT INCLUDED IN THE BASE PRICE OF THE HOUSE. THE SELLER WILL CLEARLY MARK
88 THESE EXTRAS AND/OR OPTIONS IN THE SAMPLES.
89

90 **7. WARRANTIES.**

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

106 At the closing, the Seller will assign to the Buyer any unexpired, assignable warranties issued by the manufacturers or
107 suppliers of appliances, equipment or other personal property installed in or sold with the Property. The Seller does not
108 independently warrant any such appliance, equipment or other personal property except to the extent required within this
109 Agreement. By signing this Agreement, the Buyer acknowledges and agrees to the following statements:

110 The Seller is not obligated to repair or replace any part of the House or other property which is the subject of this Agreement
111 unless it is covered by one of the warranties listed above;

112 The Seller has not made any promises or representations as to the condition of the House or other property which is the
113 subject of this Agreement;

114 The Seller has not authorized anyone else to make any promise or representation as to the condition of the House or other
115 property which is the subject of this Agreement; and

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

119 The Seller also expressly disclaims liability for any consequential damages to personal property arising out of any breach of
120 warranty. This means that the Seller will not be responsible if personal property is damaged because of a defect in any warranted
121 item. By signing this Agreement, the Buyer agrees that the Seller will not be liable for consequential damages.
122

123 **8. INSULATION.**

124 The Unit shall be insulated with _____ [Insert Type] as follows:

126 LOCATION	THICKNESS	R-VALUE
127 Attic	_____	_____
128 Exterior Walls	_____	_____
129 _____	_____	_____
130 _____	_____	_____
131 _____	_____	_____
132 _____	_____	_____
133 _____	_____	_____

134
135 The above stated R-values are based upon information supplied to the Seller by the manufacturer of the insulation.
136

137 **9. SITE VISITS/PREOCCUPANCY INSPECTION.**

138 Buyer and Buyer's contractors are not allowed to do any work in the House before the closing. Due to safety and insurance
139 regulations, Buyer's site inspections must be by appointment and accompanied by Seller's representative. Visits to the House
140 when under construction are limited to two (2) visits before the preoccupancy inspection. Buyer assumes all liability for any
141 damage or injuries during any unaccompanied visit. A breach of this Paragraph is a default under this Agreement. Before the
142 closing, Seller will specify the time and date for Buyer's walk-through inspection of the House. Those items which, in Seller's
143 judgment, must be completed or repaired to satisfy building code or Warranty Act standards will be entered on a preoccupancy
144 inspection report signed by Buyer and Seller. The agreed upon items will be repaired or completed by Seller as soon as possible
145 after the closing and will not prevent or delay the closing.
146

147 **10. RADON CLAUSE.**

148 The obligations of the Buyer under the Contract of Sale are contingent upon the Premises being free of elevated levels of
149 naturally occurring radon gas. The Seller and Buyer agree that the Buyer has the right, at his expense, to retain a qualified
150 inspector to conduct and complete an investigation to test for elevated levels of naturally occurring radon gas on the property

151 using established testing procedures recommended by the New Jersey Department of Environmental Protection (DEP) and/or
152 United States Environmental Protection Agency (EPA). In the event that the test results indicate Levels of radon gas above four
153 (4) picocuries, Buyer shall give Seller, within three (3) days of receipt of the test results, a copy of the test results. Seller shall then,
154 at its own cost and expense, take whatever remedial measures are necessary to lower the presence of radon to the four (4)
155 picocuries level. Upon taking such remedial action, this contingency shall have been satisfied.

156 **11. WELL/SEPTIC CERTIFICATION.**

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

161 **12. PRE-CLOSING WALK-THROUGH.**

162 It is understood and acknowledged that at the time of closing, Buyer may find items which Buyer believes need service or
163 adjustment. Immediately prior to closing Buyer will have a pre-closing walk-through with a representative of Seller only in order to
164 prepare a list of mutually-agreed incomplete items which are Seller's responsibility and which items are to be serviced by Seller within a
165 reasonable period of time after closing. Both parties will sign the list. Unless same is required by the New Home Warranty and Builder's
166 Registration Act and is covered by the insurance program, Seller does not warrant nor will Seller change the color variations or dye lots
167 or streaks in brick, stone, marble, shingles, paints, tiles, cabinets, carpeting, and/or woodgrains and the staining of woodgrains. Seller
168 shall have no responsibility whatsoever for any difference or change in color, tint, shading, discoloration, or toning between samples of
169 standard items, extras, options or upgraded items displayed to Buyer or of merchandise ordered by either Buyer or Seller, and that
170 which is actually delivered and/or installed in or upon the subject premises. It is expressly understood that Buyer shall not be permitted
171 access to the dwelling prior to closing unless such access has previously been arranged with the Seller. Buyer agrees that Buyer will not
172 request or demand any escrows for incomplete items at title closing. Rather, Buyer agrees to accept a written guarantee from Seller that
173 the incomplete work will be completed within a reasonable period of time. An additional list of incomplete items may be submitted by
174 Buyer to Seller within thirty (30) days after closing. The only items which will be the Seller's responsibility to complete are those that are
175 considered a defect by the Homeowner Warranty standards. Such additional items will be completed within a reasonable period of time.
176 It is specifically agreed that the pre-closing walk-through is the only time cosmetic items will be addressed by Seller. The Seller does not
177 warrant cracks in doors, trim, sheetrock or walls; chips, scratches or mars in tile, glass, woodwork, walls, brick, mirrors, countertops; or
178 nail pops in trim, sheetrock, walls or flooring unless specifically listed and agreed upon on the pre closing walk-through.

179 After closing, Buyer agrees to provide Seller with convenient access to the dwelling and be present whenever reasonably requested
180 by Seller so that Seller can make the repairs that are Seller's responsibility. Buyer agrees to remove any obstruction installed or stored
181 by Buyer, at Buyer's own cost, which in any way makes Seller's responsibility more difficult or costly. If Seller, or anyone that Seller
182 designates, schedules repairs to be made within normal business hours and Buyer unreasonably denies convenient access to the
183 dwelling, then Seller is relieved of Seller's responsibility to make those specific repairs.

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

190 **13. RECORDING OF AGREEMENT PROHIBITED.**

191 The Buyer agrees not to record this Agreement or any memorandum of this Agreement. If the Buyer breaches this promise, the
192 Seller may declare this Agreement in default and proceed as provided in the Agreement.

194 **14. NOTIFICATION REGARDING OFF-SITE CONDITIONS.**

195 **PURSUANT TO THE "NEW RESIDENTIAL CONSTRUCTION OFF-SITE CONDITIONS DISCLOSURE ACT" (N.J.S.A.**
196 **46:3C-1, ET. SEQ.), SELLERS OF NEWLY CONSTRUCTED RESIDENTIAL REAL ESTATE ARE REQUIRED TO NOTIFY**
197 **BUYERS OF THE AVAILABILITY OF LISTS DISCLOSING THE EXISTENCE AND LOCATION OF OFF SITE CONDITIONS**
198 **WHICH MAY AFFECT THE VALUE OF THE RESIDENTIAL REAL ESTATE BEING SOLD. THE LISTS ARE TO BE MADE**
199 **AVAILABLE BY THE MUNICIPAL CLERK OF THE MUNICIPALITY WITHIN WHICH THE RESIDENTIAL REAL ESTATE IS**
200 **LOCATED AND IN OTHER MUNICIPALITIES WHICH ARE WITHIN ONE-HALF MILE OF THE RESIDENTIAL REAL ESTATE.**
201 **THE ADDRESSES AND TELEPHONE NUMBERS OF THE RELEVANT MUNICIPALITIES AND THE APPROPRIATE**
202 **MUNICIPAL OFFICES WHERE THE LISTS ARE MADE AVAILABLE ARE LISTED BELOW. BUYERS ARE ENCOURAGED**
203 **TO EXERCISE ALL DUE DILIGENCE IN ORDER TO OBTAIN ANY ADDITIONAL OR MORE RECENT INFORMATION THAT**
204 **THEY BELIEVE MAY BE RELEVANT TO THEIR DECISION TO PURCHASE THE RESIDENTIAL REAL ESTATE. BUYERS**
205 **ARE ALSO ENCOURAGED TO UNDERTAKE AN INDEPENDENT EXAMINATION OF THE GENERAL AREA WITHIN WHICH**
206 **THE RESIDENTIAL REAL ESTATE IS LOCATED IN ORDER TO BECOME FAMILIAR WITH ANY AND ALL CONDITIONS**
207 **WHICH MAY AFFECT THE VALUE OF THE RESIDENTIAL REAL ESTATE.**

208 **BUYER HAS FIVE (5) BUSINESS DAYS FROM THE DATE THE CONTRACT IS EXECUTED BY THE BUYER AND THE**
209 **SELLER TO SEND NOTICE OF CANCELLATION OF THE CONTRACT TO THE SELLER. THE NOTICE OF CANCELLATION**
210 **SHALL BE SENT BY CERTIFIED MAIL. THE CANCELLATION WILL BE EFFECTIVE UPON THE NOTICE OF**
211 **CANCELLATION BEING MAILED. IF THE BUYER DOES NOT SEND A NOTICE OF CANCELLATION TO THE SELLER IN**
212 **THE TIME OR MANNER DESCRIBED ABOVE, THE BUYER WILL LOSE THE RIGHT TO CANCEL THE AGREEMENT AS**
213 **PROVIDED IN THIS NOTICE.**

215 MUNICIPALITY _____
216 ADDRESS _____
217 TELEPHONE NUMBER _____

220 **IN THE PRESENCE OF:**

222 _____ (L.S.)
223 _____ Date _____ SELLER
224 _____ (L.S.)
225 _____ Date _____ BUYER
226 _____ (L.S.)
227 _____ Date _____ BUYER