



BOARD OF COMMISSIONERS MEETING

Monday, August 19th, 2024

Location: The Administrative Office

1307 Tatum Drive, New Bern NC 28560

AGENDA

4:00pm Finance Committee Meeting

4:30pm Board of Commissioners Meeting

In Person & via Zoom, and a recording will be made available within 72 hrs on our Website.

Anyone wishing to make public comments must pre-register with the Interim Executive Director by NOON on Monday, August 19, 2024, which is the day of the meeting by calling 252-633-0800.

All comments will be limited to 4 minutes.

1. Call to Order –Chair Ronald Scott
2. Roll Call
3. Public Comments
4. Staff Comments
5. Approval of Minutes
6. Finance Report
7. Executive Director’s Report
 - FR Danyus Update
8. New Bern Towers Report
9. Trent Court Report
10. ROSS Program Report
11. Resolutions
 - Board approval of CVR agreement
 - Approval of new cost allocation plan for 2024
 - Redevelopment Commission PSA Resolution
12. Closed Session
 - Personnel Discussion
13. Adjournment



New Bern HA is inviting you to join a scheduled Zoom meeting at 4:00pm

Topic: Finance Committee Meeting

Time: August 19th, 2024 @ 4:30 PM Eastern Time

Every month on the Third Monday

Zoom Meeting Link:

<https://us06web.zoom.us/j/82235803647?pwd=yHbKI4OZPczikml6wjSAvUUF5A5dFl.1>

Meeting ID: 822 3580 3647

Passcode: 365894

One tap mobile (if you do not have the zoom app on your smart device and/or are using a cell phone without a wifi signal to connect to the meeting please tap the link below to listen in):

+13126266799,,82235803647#,,,,*365894# US (Chicago)

+16469313860,,82235803647#,,,,*365894# US

New Bern HA is inviting you to join a scheduled Zoom meeting at 4:30pm

Topic: NBHA's Board of Commissioners Meeting

Time: August 19th, 2024 @ 4:30 PM Eastern Time

Every month on the Third Monday

Zoom Meeting Link:

<https://us06web.zoom.us/j/84743061062?pwd=fJpLqYKXZ6kgDz3Jib2tHscPBRfMvP.1>

Meeting ID: 847 4306 1062

Passcode: 225189

One tap mobile

+16469313860,,84743061062#,,,,*225189# US

+19292056099,,84743061062#,,,,*225189# US (New York)

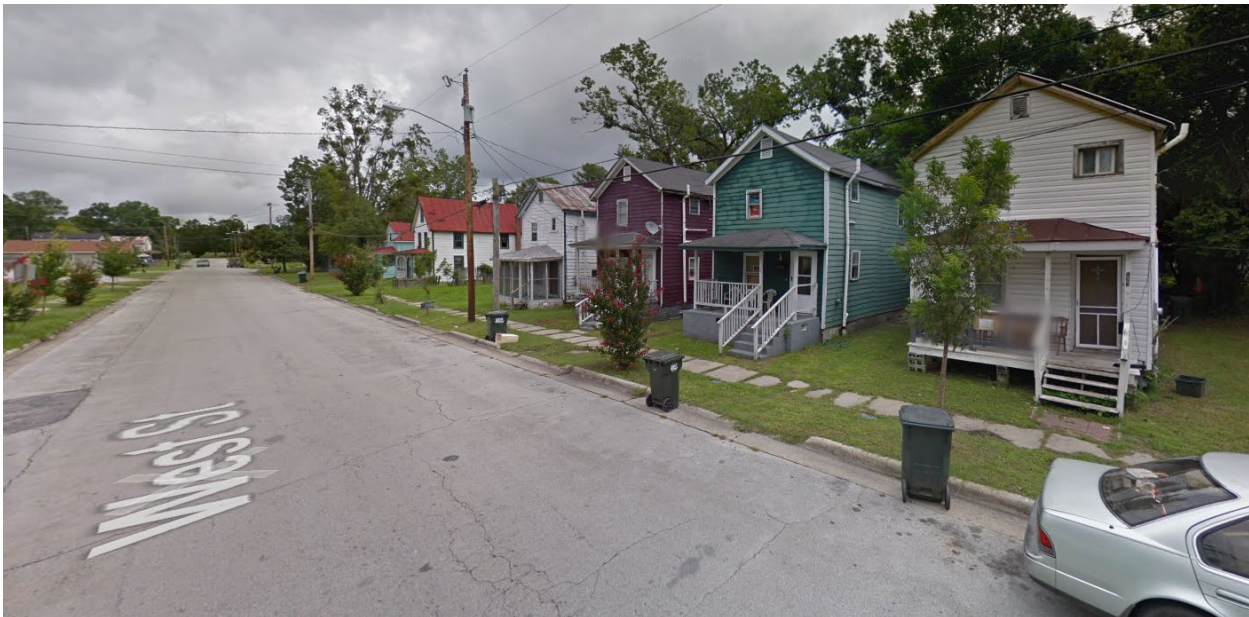


EXECUTIVE DIRECTOR'S REPORT



Subject: NBHA_FR DANYUS

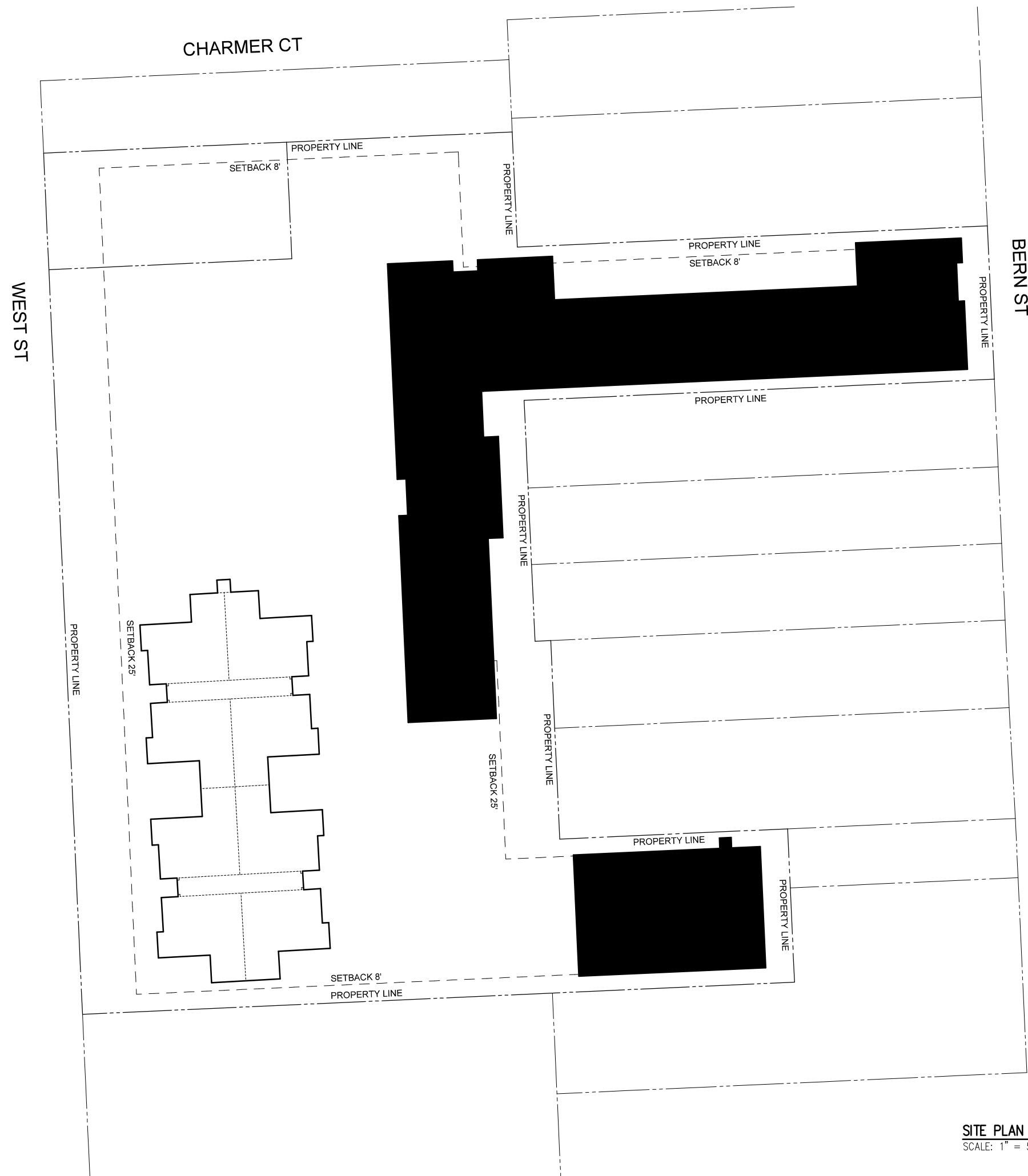
I've attached a really quick sketch of a walk-up footprint on the site vs a townhouse footprint. I tend to prefer a townhouse layout as I feel it scales with the neighborhood better and addresses the street to begin creating a traditional, walkable community (see the photo below of some homes just down the street from our site). With the town house layout, I would like to fit the parking between the townhouses and the school, creating a clean streetscape. The walk-up will probably force the parking to the north or south of the building and in a much larger public view. The townhouse sketch reflects 12 units and offers some space between them and the school. In the townhouse sketch the open area is reflected to the north of the site, but could fit on the south side of the school (removing the breezeway canopy) between the proposed community building and the school.



Fredrick J. Ford, Assoc. AIA, LEED AP



Stogner Architecture, PA
Architecture, Construction Management, Design Build
615 East Broad Avenue
Rockingham, NC 28379
Tel: 910-895-6874
Fax: 910-895-1111
stognerarchitecture.com



SITE PLAN
SCALE: 1" = 50'

PROJECT BIO

ADDRESS: 622 WEST STREET, NEW BERN
 PARCEL ID NUMBER: 8-007-298
 STRUCTURE: EXISTING
 LAND ACREAGE: APPROX. 2.35
 LAND AREA (SQUARE FEET): APPROX. 102,366 SF

FACING STREET 1: WEST STREET
 FACING STREET 2: BERN STREET

ON-SITE STRUCTURES:
 NO. OF STRUCTURES: TWO
 STRUCTURE 1: ADMINISTRATION/CLASSROOMS
 STRUCTURE 1 AREA: 1st 19,111 SF/2nd 10,461 SF
 STRUCTURE 2: CAFETERIA/MULTI-PURPOSE
 STRUCTURE 2 AREA: 4,742 SF

STORIES:
 STORY ONE: ADMINISTRATION AND CLASSROOMS
 STORY TWO: CLASSROOMS

OCCUPANCY/USE:
 EXISTING USE: E/EDUCATIONAL
 PROPOSED USE: R-2/RESIDENTIAL (MULTI-FAMILY)

HISTORICAL SIGNIFICANCE:
 HISTORIC DISTRICT: NO
 HISTORIC STRUCTURE LOCAL: YES
 HISTORIC STRUCTURE STATE: NO

FLOODING CONCERN:
 STRUCTURE 1: ZONE X UNSHADED (OUTSIDE 500 YR.)
 STRUCTURE 2: 0.2% CONCERN (500 YR.)

ZONING

UDO REFERENCE: SECTION 15-136(7)
 CURRENT ZONING: R-8 AND C-4
 TARGET REZONING: R-8

TABLE OF PERMISSIBLE USES
 PROPOSED USE: 1,300 MULTI-FAMILY DEVELOPMENT
 PERMISSIBLE USE: SPECIAL USE PERMIT REQUIRED

SECTION 15-181: RESIDENTIAL DENSITY (R-8)
 LOT SIZE: 8,000 SF (FIRST UNIT) AND 4,000 (EA. ADD.)
 MAXIMUM DENSITY: 24.59 OR 25 DWELLING UNITS

SECTION 15-185: MAXIMUM DENSITY BONUSES
 POTENTIAL BONUS UP TO 30% ABOVE THE MAXIMUM DENSITY
 POTENTIAL BONUS: 7.5 OR 8 DWELLING UNITS (POTENTIAL)
 MAX. DENSITY + BONUS: 33 DWELLING UNITS (POTENTIAL)

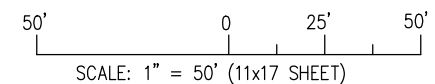
SECTION 15-187: SET BACK REQUIREMENTS
 FRONT: 25'
 SIDE: 8'
 REAR: 25'

SECTION 15-189: BUILDING HEIGHT LIMITATIONS
 MAXIMUM HEIGHT: 50'

SECTION 15-196: USABLE OPEN SPACE
 REQUIRED IF 10 OR MORE MULTI-FAMILY DWELLING UNITS
 MINIMUM: 5% OF THE TOTAL AREA OF DEVELOPMENT
 OPEN AREA: 5,117 SF

SECTION 15-342: NUMBER OF PARKING SPACES REQUIRED
 1,300 - 1 SPACE FOR EACH 1-BEDROOM UNIT
 2 SPACES FOR EACH 2-BEDROOM UNIT
 3 SPACES FOR EACH 3-BEDROOM UNIT
 1 ADDITIONAL SPACE FOR EVERY 4 UNITS IN THE DEVELOPMENT

MULTI-FAMILY UNITS DEVELOPED OR SPONSORED BY A PUBLIC OR NONPROFIT AGENCY FOR LIMITED-INCOME FAMILIES OR THE ELDERLY REQUIRE ONLY 1 SPACE PER UNIT.



REVISIONS

draft
6/12/2024

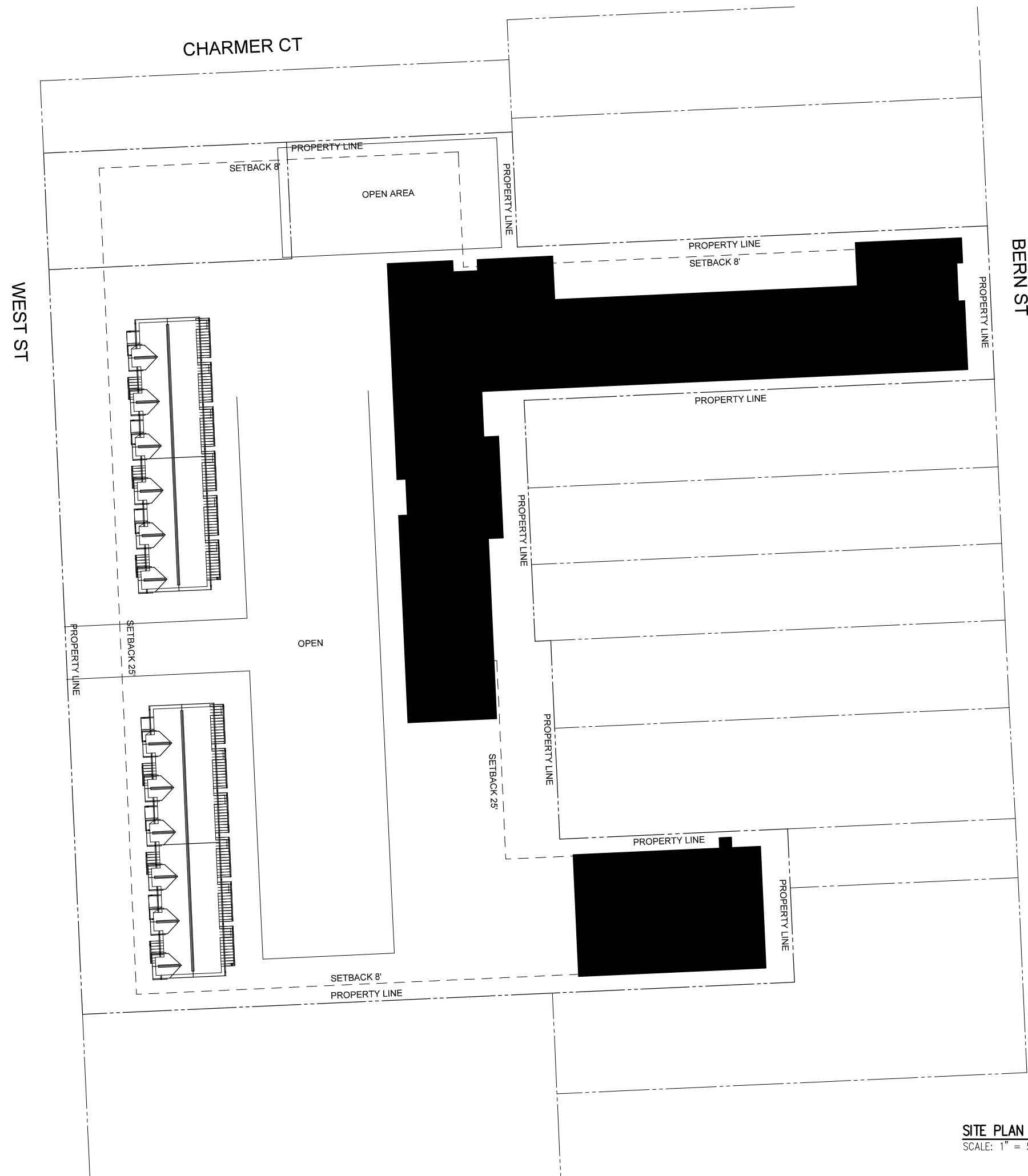
Stogner Architecture, PA
 ARCHITECTURE - CONSTRUCTION MANAGEMENT - DESIGN BUILD
 615 East Broad Avenue, Rockingham, North Carolina, 28379
 Phone 910-895-6874 Fax 910-895-1111

NEW BERN HOUSING AUTHORITY
 F.R. DANYUS SCHOOL ADAPTIVE REUSE
 NEW BERN NORTH CAROLINA

SITE PLAN

COMM. NO.: 6182
 DRAWN BY: FJF
 CHECKED BY: AWS
 DATE: APRIL 17, 2024

SHEET NO.
S1.0



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SCALE: 1" = 50'

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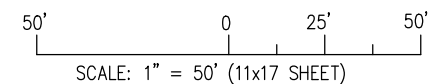
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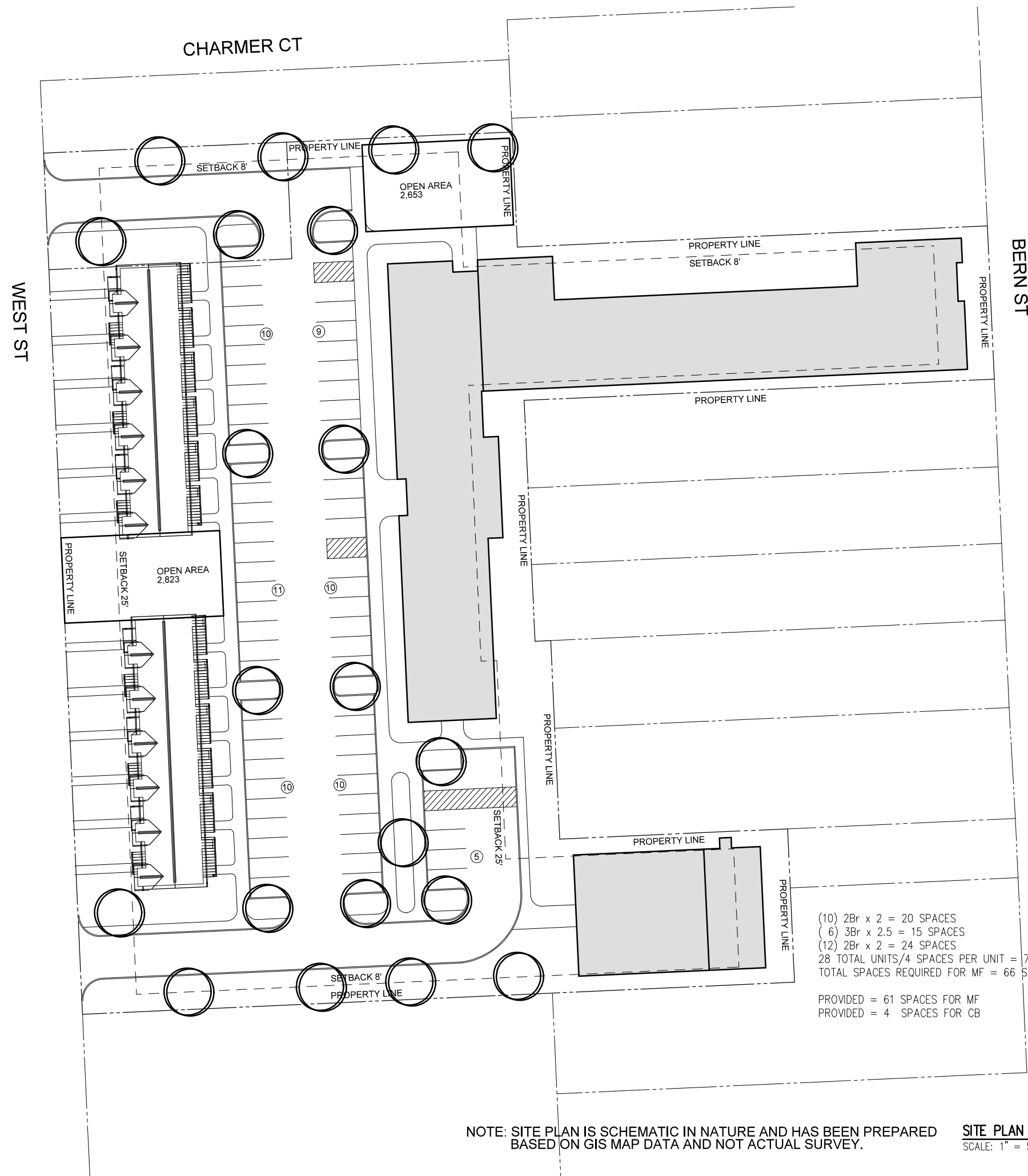
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(10) 2Br x 2 = 20 SPACES
 (6) 3Br x 2.5 = 15 SPACES
 (12) 2Br x 2 = 24 SPACES
 28 TOTAL UNITS/4 SPACES PER UNIT = 7 SPACES
 TOTAL SPACES REQUIRED FOR MF = 66 SPACES
 PROVIDED = 61 SPACES FOR MF
 PROVIDED = 4 SPACES FOR CB

NOTE: SITE PLAN IS SCHEMATIC IN NATURE AND HAS BEEN PREPARED
 BASED ON GIS MAP DATA AND NOT ACTUAL SURVEY.

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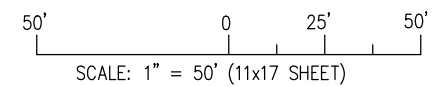
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APPROVAL OF THE MINUTES

**MEETING HELD:
JUNE 17th, 2024**



HOUSING AUTHORITY OF THE CITY OF NEW BERN

MINUTES OF THE REGULAR MEETING

OF THE BOARD OF COMMISSIONERS

HELD ON MONDAY, JUNE 17, 2024

The Board of Commissioners ("Board") of the Housing Authority of the City of New Bern ("Authority") met at 4:30 p.m. on Monday, June 17, 2024, at the Authority's administrative office at 1307 Tatum Drive, New Bern, NC, which are the place, hour, and date set forth in the notice announcing the meeting. A recording of this meeting is incorporated into these minutes and is available to the public.

Chair Scott called the meeting to order at 4:30 p.m.

Roll call was as follows:

Present:

Absent:

Sabrina Bengel

Sulin Blackmon

James R. Copland, IV

Dana Outlaw (arrived after roll call via phone/Zoom)

Denise H. Powell

Jennell T. Reddick

Ronald L. Scott

Following roll call, Chair Scott determined that a quorum was present.



Authority staff members as well as James W. Norment, attorney, and Stephanie Crosby, paralegal, from Ward and Smith, P.A., were present. Members of the public also were present including Wendy Card and Zeb Hough. Fred Ford from Stogner Architects joined via phone.

Public Comment Period

Ms. Card stated that the April 22 minutes that were approved reflect that Chair Scott was present after roll call via Zoom. Chair Scott confirmed that he was present but Vice Chair Bengel was running the meeting because he could not be present in person.

Approval of Minutes of May 20, 2024 Meeting

Commissioner Bengel made a motion to approve the minutes of the May 20, 2024 meeting of the Board of Commissioners. Commissioner Copland seconded the motion. The motion was approved unanimously.

Finance Report – Julianne Lee

Ms. Lee presented the finance report. Commissioner Bengel made a motion to approve the finance report. Commissioner Copland seconded the motion. The motion was approved unanimously.

Executive Director's Report – Reginal Barner

1. NSPIRE Score – This is formerly called the REAC score. The pre-inspector came in and inspected New Bern Towers prior to the scheduled inspection. The pre-inspector provided a list of to the maintenance team of things that needed to be repaired. The maintenance team did a great job of getting repairs done ahead of the actual inspection. New Bern Towers received an 85.
2. CNI Consultant – The Authority received responses for the RFP for a grant writer/planner to assist with CNI Implementation Grant. CVR Associates scored the highest.



Commissioner Bengel made a motion for the Authority and legal to move forward with negotiations with CVR Associates for a contract for assistance with grant writing and planning. Commissioner Reddick seconded the motion. The motion was approved unanimously.

3. Redevelopment Commission – Mr. Barner met with the New Bern Redevelopment Commission meeting last week. The Authority is going to need housing available in the community to move people into as it moves forward with the redevelopment of Trent Court. The Redevelopment Commission has three new houses on Walt Bellamy Drive that it is offering to sell to the Authority for approximately \$164,000 per unit.

Commissioner Copland made a motion for legal to move forward with negotiations with the Redevelopment Commission and the City of New Bern for the purchase of the houses and to bring a Purchase Contract back to the Authority for final approval. Vice Chair Bengel seconded the motion. The motion was approved unanimously.

Mr. Barner said that he was having a call with First Citizens Bank to discuss financing of the purchase. Mr. Barner also stated that FEMA has agreed to reimburse the Authority for the purchase so the financing is short term.

4. New Bern Towers Exterior – Some issues have been noticed on the exterior of New Bern Towers and there was some water infiltration in one of the units. There has been some patching done over the years on the exterior. You will notice some rusting on the front of the building that seems to be caused by the window air conditioner units (PTAC units). The glazing on some of the windows has deteriorated as well as the caulking around the windows. The roof is nearing its useful life. There are lots of things that will have to be addressed. The Authority is looking into what needs to be done.
5. F.R. Danyus School Site – Fred Ford from Stogner Architects joined the meeting to discuss the F.R. Danyus School Site. Mr. Ford will send out a schematic about the potential layout of building which could include ten 2-bedroom units and six 3-bedroom units. There also could be twelve additional townhouse units on the site. The cafeteria could be used as a community building. No action was taken.

Following the Executive Director's Report there was general discussion about the need for a current and regular New Bern Police Department report. Vice Chair Bengel will follow up with the Police Chief about getting a report run regularly.

The Executive Director updated the Board on rent collections in response to a question from Commissioner Copland.



New Bern Towers (NBT) Report – Latahsha Simmons

The New Bern Towers report was included in the Board information packet and no oral report was given.

Trent Court Report – Pam Minor

The Trent Court report was included in the Board information packet and no oral report was given.

Resident Opportunities and Self-Sufficiency (ROSS) Program Report – Sympathy Huggins

The ROSS Program report was included in the Board information packet and no oral report was given.

There being no further business, the meeting was adjourned at 5:24 p.m.



FINANCE REPORT

**New Bern Housing Authority
Consolidated Income Statement
YTD ending 6/30/24**

	ROSS				Total
	Trent Court	Grant	BVHC	NBT	
Dwelling Rental	\$ 188,731	\$ -	-	\$ 221,880	410,611
Excess Utilities	8,557	-	-	-	8,557
Revenues HUD PHA Grants	147,312	31,957	-	-	179,269
Interest on GF Investments	1,298	-	-	634	1,932
Other Income	12,548	-	-	3,879	16,426
Other Income - FEMA	90,000	-	-	-	90,000
Late Charges	4,245	-	-	975	5,220
Other Income Pepsi Cola	-	-	-	721	721
Other Income laundry	-	-	-	1,810	1,810
Hap Payment	-	-	-	360,012	360,012
Development Revenue	-	-	43,069	-	-
Total Operating Revenue	452,690	31,957	43,069	589,911	1,117,627
Administrative Salaries	116,648	22,019	-	103,235	241,902
Legal Expenses	27,228	-	-	8,094	35,322
Staff Training	9,934	525	-	4,027	14,486
Meals Expense	1,360	-	-	619	1,979
Lodging Expense	2,528	-	-	1,427	-
Travel Expense	3,175	863	-	623	4,660
Publications	7,363	-	-	2,051	9,414
Accounting Fees	17,122	-	-	14,585	31,707
Telephone	8,708	564	-	26,882	36,154
Payroll Taxes and emp. benefits	44,808	5,587	-	32,253	82,647
Rent Expense	14,400	-	-	-	14,400
Office Expense	4,879	31	-	1,890	6,800
Sundry Admin Expense	5,351	6,490	-	5,114	16,956
Membership and Dues	1,718	853	-	-	2,571
Computer Expense	5,473	-	-	2,609	8,082
Administrative Expenses	265,221	36,932	-	200,800	502,953
Resident Council	664	-	-	-	664
Resident Expenses	664	-	-	-	664
Water	62,168	-	-	50,373	112,541
Electricity	48,393	-	-	42,665	91,058
Gas-building	43,924	-	-	3,922	47,845
Utility Expenses	154,484	-	-	96,960	251,444
Labor Salaries	44,335	-	-	36,579	80,914
Consulting Services	-	-	-	4,400	4,400
Materials	21,324	-	-	18,041	39,365
Repairs and Maintenance	651	-	-	2,308	2,959
Repair and Maintenance Electrical	1,022	-	-	767	1,789
Repair and Maintenance Plumbing	4,335	-	-	12,448	16,783
Repair and Maintenance Unit Turnover	9,039	-	-	11,766	20,805
Repair and maintenance Laundry	-	-	-	7,753	7,753
Repair and Maintenance Elevators	-	-	-	12,583	12,583
Garbage and Trash removal	26,146	-	-	2,738	28,884
Extermination-Maintenance Expense	4,299	-	-	9,028	13,327
Payroll Taxes and emp. benefits - Maint.	14,076	-	-	19,198	33,274
Repairs and Maintenance Truck	1,734	-	-	1,228	2,962

Heating and Air	6,539	-	-	332	6,871
Gas-Truck	3,046	-	-	2,743	5,789
Security System	365	-	-	8,224	8,589
Landscaping	3,196	-	-	2,752	5,948
Maintenance Expenses	140,108	-	-	152,887	292,995
Insurance	35,520	-	-	30,258	65,779
W/C Insurance Expense	3,681	137	-	3,154	6,972
Storage management	236	-	-	-	236
Eviction Expense	2,178	-	-	126	2,304
App. Screening	7,916	-	-	6,881	14,797
Uniforms	2,339	-	-	3,189	5,528
General Expenses	51,870	137	-	43,608	95,615
Total Expenses	612,348	37,069	-	494,255	1,143,671
CFP NC19P005501-18	4,911	-	-	-	4,911
CFP NC19P005501-19	132,105	-	-	-	132,105
CFP NC19P005501-20	490,771	-	-	-	490,771
CFP NC19P005501-21	7,395	-	-	-	7,395
CFP NC19P005501-22	484,069	-	-	-	484,069
CFP NC19P005501-23	420,000	-	-	-	420,000
Total Other Revenue	1,539,251	-	-	-	1,539,251
Profit / (Loss)	\$ 1,379,594	\$ (5,112)	\$ 43,069	\$ 95,656	\$ 1,513,207

New Bern Housing Authority
Income Statement Budget Performance June 2024
Trent Court (PH)

	Jun-24	YTD	YTD	YTD	YTD \$	YTD %
	Actual	2023	2024	2024 Budget	2024 Variance	2024 Variance
Dwelling Rental	\$ 31,114	\$ 179,190	\$188,731	162,500	\$ 26,231	14 %
Excess Utilities	2,488	14,303	8,557	13,500	(4,944)	-58 %
Revenues HUD PHA Grants	49,109	141,954	147,312	276,323	(129,010)	-88 %
Interest on GF Investments	228	1,378	1,298	750	548	42 %
Other Income	854	5,618	12,548	6,500	6,048	48 %
Other Income - FEMA	90,000	-	90,000	-	-	100 %
Late Charges	690	4,784	4,245	2,000	2,245	53 %
Bad Debt Recovery	-	2,140	-	1,500	(1,500)	#DIV/0!
Operating Revenue	174,483	349,366	452,690	463,072	(100,382)	-2 %
Administrative Salaries	15,394	61,457	116,648	118,500	(1,852)	-2 %
Legal Expenses	4,991	-	27,228	13,000	14,228	52 %
Staff Training	2,087	2,621	9,934	8,500	1,434	14 %
Meals expense	395	-	1,360	1,000	360	26 %
Lodging	-	-	2,528	2,500	29	1 %
Travel Expense	375	-	3,175	1,500	1,675	53 %
Publications	-	341	7,363	1,850	5,513	75 %
Accounting Fees	1,465	-	17,122	-	17,122	100 %
Auditing Fees	-	-	-	8,810	(8,810)	#DIV/0!
Telephone	1,518	4,719	8,708	7,750	958	11 %
Payroll Taxes and emp. benefits	9,201	27,190	44,808	43,500	1,308	3 %
Rent Expense	2,400	14,400	14,400	14,400	-	0 %
Office Expense	454	2,983	4,879	3,250	1,629	33 %
Sundry Admin Expense	1,267	2,253	5,351	4,250	1,101	21 %
Membership Dues and Fees	-	-	1,718	-	1,718	100 %
Computer Expense	1,651	9,624	5,473	7,175	(1,702)	-31 %
Administrative Expenses	39,548	115,965	263,503	228,810	34,693	13 %
Resident Council	-	682	664	1,150	(486)	-73 %
Tenant Services Expenses	-	682	664	1,150	(486)	(1)
Recreation/PUB/Other	-	-	-	350	(350)	#DIV/0!
Water	17,145	34,736	62,168	50,500	11,668	19 %
Electricity	15,535	35,809	48,393	59,000	(10,607)	-22 %
Gas-building	6,712	41,065	43,924	27,500	16,424	37 %
Utility Expenses	39,393	111,609	154,484	137,350	17,134	11 %
Labor Salaries	5,924	30,061	44,335	43,500	835	2 %
Consulting Services	-	2,210	-	4,650	(4,650)	#DIV/0!
Materials	4,646	11,353	21,324	19,500	1,824	9 %
Repairs and Maintenance	-	988	651	6,500	(5,849)	-898 %
Repair and Maintenance -	133	2,029	1,022	3,000	(1,978)	-194 %
Repair and Maintenance -	916	6,311	4,335	13,500	(9,165)	-211 %
Repair and Maintenance - Unit	2,050	9,850	9,039	9,500	(461)	-5 %
Garbage and Trash removal	4,695	17,689	26,146	21,500	4,646	18 %
Extermination-Maintenance	550	3,948	4,299	5,000	(701)	-16 %
Payroll Taxes and emp. benefits	2,230	8,453	14,076	19,000	(4,924)	-35 %
Repairs and Maint. Truck	1,407	1,075	1,734	1,250	484	28 %
Heating and Air	2,835	21,316	6,539	25,000	(18,461)	-282 %
Gas-Truck	1,139	2,625	3,046	3,250	(204)	-7 %

Security System	-	120	365	500	(135)	-37 %
Landscaping	1,808	2,102	3,196	3,000	196	6 %
Maintenance Expenses	28,333	120,130	140,108	178,650	(38,542)	-28 %
Insurance	5,920	41,411	35,520	43,250	(7,730)	-22 %
W/C Insurance Expense	614	3,433	3,681	3,350	331	9 %
Storage management	79	221	236	300	(64)	-27 %
Collection Loss	-	19,569	-	5,000	(5,000)	#DIV/0!
Eviction Expense	-	3,260	2,178	2,250	(72)	-3 %
App. Screening	2,065	3,788	7,916	2,500	5,416	68 %
Uniforms	888	1,109	2,339	2,000	339	14 %
General Expenses	9,566	72,790	51,870	58,650	(6,780)	-13 %
Total Operating Expenses	116,840	421,176	610,630	604,609	6,020	1 %
CFP NC19P005501-18	-	-	4,911	-	4,911	100 %
CFP NC19P005501-19	-	-	132,105	-	132,105	100 %
CFP NC19P005501-20	58,551	-	490,771	-	275,000	100 %
CFP NC19P005501-21	7,395	600,511	7,395	-	-	100 %
CFP NC19P005501-22	-	-	484,069	-	275,000	100 %
CFP NC19P005501-23	-	-	420,000	-	420,000	100 %
Total Other Revenues	65,946	600,511	1,539,251	-	687,016	100 %
Profit / (loss)	\$123,589	\$528,701	\$1,381,312	\$(141,537)	\$580,614	110%

Balance Sheet

PHA - Amp

As of Date: 6/30/2024

Assets

Current Assets

Accounts Receivable- Tenants	1	01	1122	0	58,969.75
Allowance for Doubtful Accts.	1	01	1122.10	0	(19,360.53)
Accounts Receivable - Formal Agreements	1	01	1122.11	0	2,098.75
Accounts Receivable - HUD	1	01	1125	0	105,381.68
CFP Receivables	1	01	1125.08	0	290,272.73
AR - FEMA	1	01	1126	0	11,500.00
Accounts Receivable Other	1	01	1129	0	114,478.66
Accounts Receivable- Tenants	1	02	1122	0	340.00
Cash-Modernization	1	01	1111.03	0	1,222,887.36
Cash-Escrow Sec Dep.	1	01	1111.04	0	49,766.37
Pooled Cash TC	1	01	1111.041	0	(417.00)
Cash-General Fund (Acct 2)	1	01	1111.05	0	2,603,274.66
CD Proceeds Acct # 2155 FCB	1	01	1111.07	0	382,356.46
ACH Rent Payments	1	01	1111.19	0	(1,716.47)
Petty Cash	1	01	1117	0	100.00
Refunds to Tenants Clearing Account	1	01	1690.06	0	2.00
Clearing Account	1	01	1690.1	0	(2,460.21)
Clearing Account	1	02	1690.1	0	47.09
Prepaid Insurance	1	01	1211	0	(21,742.01)
Prepaid Insurance Clearing Account	1	01	1211.00	0	137,248.44
W/C Prepaid Insurance	1	01	1211.50	0	(3,681.24)
Parts Inventory	1	01	1260	0	10,842.52
Allowance for Obsolete Inv.	1	01	1260.01	0	(1,084.25)

Total Current Assets

4,939,104.76

Non-Current Assets

FCB Investment	1	01	1162.05	0	800,000.00
Leased Admin Building	1	01	1900	0	123,999.00
Accumulated Depreciation	1	01	1900.01	0	(59,932.85)
Leased Color Copier	1	01	1901	0	6,573.29
Accumulated Depreciation	1	01	1901.01	0	(2,848.43)
Leased B/W Copier	1	01	1902	0	6,642.85
Accumulated Depreciation	1	01	1902.01	0	(6,642.85)

Total Non-Current Assets

867,791.01

Fixed Assets

Accumulated Depreciation	1	01	1400.50	0	(5,346,428.55)
Land, Structures, and Equipment	1	01	1400.70	0	6,390,574.11
Building Non-Dwelling	1	01	1400.71	0	150,067.67
Vehicle Depreciation	1	01	1400.80	0	51,319.07
Furniture, Equip, Machinery	1	01	1400.90	0	71,489.75
Equipment Non-Dwelling	1	01	1400.91	0	15,869.74
Furniture Equip. Admin	1	01	1400.92	0	32,280.63
CFP 501-18 Management Improvements	1	01	1408.18	0	9,025.00
CFP 501-18 Soft Cost Contra	1	01	1429.18	0	(13,814.29)
CFP 501-19 Soft Costs	1	01	1429.19	0	(68,517.57)
CFP 501-20 Soft Costs	1	01	1429.20	0	(8,089.52)
CFP 501-18 Fees and Cost	1	01	1430.18	0	68,185.00
CFP 501-19 Fees and Costs	1	01	1430.19	0	106,995.00
CFP 501-20 Fees and Costs	1	01	1430.20	0	16,516.00
CFP 501-18 Dwelling Structures	1	01	1460.18	0	378,172.34
CFP 501-19 Dwelling Structures	1	01	1460.19	0	267,426.61
CFP 501-20 Dwelling Structure	1	01	1460.20	0	162,449.44
CFP 501-2021 Dwelling Structure	1	01	1460.21	0	7,394.97
CFP 501-18 Dwelling Equipment	1	01	1465.18	0	16,719.00
CFP 501-18 Dwelling Equip - Soft Cost	1	01	1465.18S	0	4,789.29
CFP 501-19 Dwelling Equipment Soft Cost	1	01	1465.19S	0	68,517.57
CFP 501-20 Dwelling Equipment	1	01	1465.20	0	8,425.08
CFP 501-20 Dwelling Equipment Soft Cost	1	01	1465.20S	0	8,089.52
CFP 501-19 Non-Dwelling Structures	1	01	1470.19	0	6,214.02
CFP 501-18 Non Dwelling Equipment	1	01	1475.18	0	75,685.37
CFP 501-19 Non Dwelling Equipment	1	01	1475.19	0	8,864.05
CFP 501-19 Development Activity	1	01	1499.19	0	114,426.75

Balance Sheet

PHA - Amp

As of Date: 6/30/2024

Total Fixed Assets					<u>2,602,646.05</u>
Total Assets					<u>8,409,541.82</u>
Liabilities					
Current Liabilities					
Accounts Payable - Vendors	1	01	2111	0	52,938.41
A/P Tenants Security Deposits	1	01	2114	0	32,367.00
A/P Unclaimed Property-Esheat	1	01	2117.18	0	(10.70)
Allstate Supplemental Insurance	1	01	2117.200	0	(2,322.40)
401K Withholding	1	01	2117.27	0	2,646.42
A/P Other	1	01	2119	0	167,243.38
Accrued Comp Absences - Short Term	1	01	2135.01	0	3,323.31
Accrued Comp Absences - Long Term	1	01	2135.2	0	1,124.44
Lease Liability- Admin Building (current	1	01	2190	0	25,477.80
Lease Liability - Color Copier	1	01	2190.01	0	1,330.08
Tenants Prepaid Rent	1	01	2240	0	4,055.87
Total Current Liabilities					<u>288,173.61</u>
Long-Term Liabilities					
Lease Liability - admin building	1	01	2390	0	43,667.70
Lease Liability - Color Copier	1	01	2390.01	0	2,678.79
Total Long-Term Liabilities					<u>46,346.49</u>
Total Liabilities					<u>334,520.10</u>
Owner's Equity					
Contributed Capital					
Unreserved surplus	1	01	2810	0	6,700,306.97
Total Contributed Capital					<u>6,700,306.97</u>
Net Income (Loss)					<u>1,374,714.75</u>
Total Owner's Equity					<u>8,075,021.72</u>
Total Liabilities and Owner's Equity					<u>8,409,541.82</u>

New Bern Housing Authority
Income Statement Budget Performance June 2024
ROSS

	Jun-24 Actual	YTD 2024	YTD 2023	YTD 2024 Budget	YTD \$ 2024 Variance	YTD % 2024 Variance
Revenues HUD PHA Grants	839	31,957	-	39,876	(7,920)	-25 %
Operating Revenue	839	31,957	-	39,876	(7,920)	-25 %
Administrative Salaries	2,572	22,019	25,523	25,000	(2,981)	-14 %
Staff Training	-	525	-	2,500	(1,975)	-376 %
Travel Expense	-	863	-	-	863	100 %
Telephone	107	564	547	750	(186)	-33 %
Payroll Taxes and emp. benefits	567	5,587	8,770	4,500	1,087	19 %
Office Expense	-	31	-	3,000	(2,969)	-9717 %
Sundry Admin Expense	1,844	6,490	840	3,000	3,490	54 %
Membership Dues and Fees	-	853	-	-	853	100 %
Administrative Expenses	5,089	36,932	35,680	38,750	(1,818)	-5 %
W/C Insurance Expense	23	137	137	1,127	(989)	-722 %
General Expenses	23	137	137	1,127	(989)	-722 %
Total Operating Expenses	5,112	37,069	35,817	39,876	(2,808)	(7)
Profit / (loss)	\$(4,273)	\$(5,112)	\$(35,817)	\$0	\$(5,112)	\$7

Balance Sheet

ROSS Grant

ROSS Grant

As of Date: 6/30/2024

Assets

Current Assets

Accounts Receivable - HUD	7	01	1125	0	20,258.44
Intercompany Receivables	7	01	1129	0	29,511.07
W/C Prepaid Insurance	7	01	1211.50	0	(137.10)

Total Current Assets

Total Assets

49,632.41

49,632.41

Liabilities

Current Liabilities

Accounts Payable - Vendors	7	01	2111	0	91.56
A/P Other	7	01	2119	0	55,435.96

Total Current Liabilities

Total Liabilities

55,527.52

55,527.52

Owner's Equity

Contributed Capital

Unreserved Surplus	7	01	2810	0	(783.17)
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Total Contributed Capital

Net Income (Loss)

Total Owner's Equity

Total Liabilities and Owner's Equity

(783.17)

(5,111.94)

(5,895.11)

49,632.41

New Bern Housing Authority
Income Statement Budget Performance June 2024
New Bern Towers (SRNC)

	Jun-24	YTD	YTD	YTD	YTD \$	YTD %
	Actual	2024	2023	2024 Budget	2024 Variance	2024 Variance
Dwelling Rental	\$ 35,807	\$221,880	\$ 195,383	\$145,000	\$ 76,880	35 %
Interest on GF Investments	90	634	677	275	359	57 %
Other Income	899	3,879	1,082	900	2,979	77 %
Other Income Pepsi Cola	73	721	-	75	-	90 %
Other Income Laundry	210	1,810	3,121	2,500		-38 %
Late Charges	135	975	1,050	375	600	62 %
HAP Payments	62,029	360,012	330,369	325,000	35,012	10 %
Operating Revenue	99,244	589,911	531,681	474,125	115,830	20 %
Administrative Salaries	13,184	103,235	37,746	49,350	53,885	52 %
Legal Expenses	4,138	8,094	-	10,000	(1,906)	-24 %
Staff Training	1,250	4,027	582	6,000	(1,973)	-49 %
Meals expense	-	619	-	250	369	60 %
Lodging	-	1,427	-	1,000	427	30 %
Travel Expense	-	623	-	250	373	60 %
Publications	-	2,051	-	1,000	1,051	51 %
Accounting Fees	1,248	14,585	-	10,350	4,235	29 %
Auditing Fees	-	-	-	5,690	(5,690)	#DIV/0!
Telephone	10,327	26,882	20,973	24,750	2,132	8 %
Payroll Taxes and emp.	4,816	32,253	20,731	34,000	(1,747)	-5 %
Office Expense	240	1,890	1,172	2,000	(110)	-6 %
Sundry Admin Expense	1,034	5,114	2,686	3,750	1,364	27 %
Computer Expense	539	2,609	3,252	3,150	(541)	-21 %
Administrative Expenses	36,237	200,800	83,890	148,390	52,410	26 %
Resident Council	-	-	1,284	700	(700)	#DIV/0!
Tenant Services Expenses	-	-	1,284	700	(700)	#DIV/0!
Water	-	50,373	28,263	42,500	7,873	16 %
Electricity	-	42,665	36,184	52,500	(9,835)	-23 %
Gas-building	638	3,922	4,273	4,000	(78)	-2 %
Utility Expenses	638	96,960	68,720	99,000	(2,040)	-2 %
Labor Salaries	5,392	36,579	38,333	36,000	579	2 %
Consulting Services	-	4,400	433	3,190	1,210	28 %
Materials	1,300	18,041	11,365	25,000	(6,959)	-39 %
Repairs and Maintenance	-	2,308	4,349	1,750	558	24 %
Repair and Maintenance -	-	767	1,157	750	17	2 %
Repair and Maintenance -	3,016	12,448	1,357	6,000	6,448	52 %
Repair and Maintenance - Unit	1,934	13,699	57,382	16,000	(2,301)	-17 %
Repair and Maintenance -	714	7,753	355	1,500	6,253	81 %
Repair and Maintenance -	-	12,583	13,484	5,000	7,583	60 %
Garbage and Trash removal	119	2,738	2,355	3,000	(262)	-10 %
Extermination-Maintenance	-	9,028	3,990	17,500	(8,472)	-94 %
Payroll Taxes and emp.	3,852	19,198	10,936	21,000	(1,802)	-9 %
Repairs and Maint. Truck	1,128	1,228	775	1,000	228	19 %
Heating and Air	-	332	2,300	5,500	(5,168)	-1557 %
Gas-Truck	748	2,743	2,317	1,450	1,293	47 %
Security System	-	8,224	10,070	9,000	(776)	-9 %

Landscaping	1,540	2,752	2,020	2,500	252	9 %
Maintenance Expenses	19,741	154,820	162,977	156,140	(1,319)	-1 %
Insurance	5,043	30,258	21,402	23,250	7,008	23 %
W/C Insurance Expense	523	3,136	1,030	2,700	436	14 %
Storage management	-	-	-	175	(175)	#DIV/0!
Collection Loss	-	-	5,013	3,000	(3,000)	#DIV/0!
Eviction Expense	-	126	126	1,500	(1,374)	-1090 %
App. Screening	1,859	6,881	3,601	3,750	3,131	45 %
Uniforms	918	3,189	2,059	3,400	(211)	-7 %
General Expenses	8,343	43,590	33,230	37,775	5,815	13 %
Total Operating Expenses	64,960	496,170	350,102	442,004	54,166	11 %
Profit / (loss)	\$34,284	\$93,740	\$181,579	\$32,121	\$61,664	\$0

New Bern Housing Authority
Balance Sheet
 Sect 8 New Construction
 New Bern Towers
 As of Date: 6/30/2024

Assets

Current Assets

Accounts Receivable - Tenants	9	01	1122	0	28,344.39
Allowance Doubtful Acct-Tenant	9	01	1122.10	0	(9,216.82)
Accounts Receivable-Formal Agreements	9	01	1122.11	0	1,695.37
Accounts Receivable Other	9	01	1129	0	45,082.27
NBT General Fund	9	01	1111.10	0	997,748.09
Cash-Escrow Sec Dep.	9	01	1111.12	0	30,347.86
Petty Cash	9	01	1117	0	100.00
Accrued Int TVC	9	01	1300.10	0	3,020.96
Clearing Account	9	01	1690.1	0	(2,372.97)
Prepaid Insurance	9	01	1211	0	(23,448.40)
Prepaid Flood Insurance	9	01	1211.40	0	8,632.24
W/C Prepaid Insurance	9	01	1211.50	0	(3,135.84)
Parts Inventory	9	01	1260	0	4,065.19
Allowance for Obsolete Inv.	9	01	1260.01	0	(406.52)

Total Current Assets

1,080,455.82

Non-Current Assets

FCB Investment	9	01	1162.05	0	400,000.00
Note Receivable TVC	9	01	1300	0	88,361.11
Leased B/W copier	9	01	1902	0	4,286.37
Accumulated Depreciation	9	01	1902.01	0	(4,286.37)

Total Non-Current Assets

488,361.11

Fixed Assets

Land	9	01	1400.10	0	22,999.43
Accumulated Depreciation	9	01	1400.50	0	(3,948,278.96)
Buildings	9	01	1400.74	0	4,181,538.71
Equipment Non-Dwelling	9	01	1400.91	0	102,553.86
Furniture Equip. Admin	9	01	1400.92	0	421,343.83

Total Fixed Assets

780,156.87

Total Assets

2,348,973.80

Liabilities

Current Liabilities

Accounts Payable - Vendors	9	01	2111	0	11,918.71
Tenant Security Deposits	9	01	2114	0	11,349.00
A/P Other	9	01	2119	0	10,407.10
Accrued Comp Absences - Short Term	9	01	2135.01	0	44.93
Tenant Prepaid Rents	9	01	2240	0	7,040.83

Total Current Liabilities

40,760.57

Long-Term Liabilities

Accrued Comp Absences - Long Term	9	01	2135.2	0	14.98
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Total Long-Term Liabilities

14.98

Total Liabilities

40,775.55

Owner's Equity

Contributed Capital

Unreserved Surplus	9	01	2810	0	2,217,066.82
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Total Contributed Capital

2,217,066.82

Net Income (Loss)

91,131.43

Total Owner's Equity

2,308,198.25

Total Liabilities and Owner's Equity

2,348,973.80

**New Bern Housing Authority
Cash Flow - June 2024**

	Modernization 1111.03	TC Sec. Dep. 1111.04	TC Main 1111.05	ACH Rent 1111.19	NBT Main 1111.10	BVHC 6 1111.11	CHI 4 1111.11	NBT Sec. Dep. 1111.12
CASH BALANCE 5/31/24	1,174,391.39	48,532.34	2,580,600.47	12,408.00	1,005,971.63	175,002.57	146,473.32	30,345.37
ADD:								
General Deposits	-	-	23,583.40	-	29,441.00	-	-	-
Health Equity Refund	-	-	-	-	-	-	-	-
HUD Deposit	65,945.97	-	49,948.70	-	62,029.00	-	-	-
ACH Payment	-	-	-	10,301.29	-	-	-	-
ROSS Grant	-	-	-	-	-	-	-	-
Security Deposit	-	1,230.00	-	-	-	-	-	-
Misc	-	-	11,528.36	-	-	-	-	-
Development Revenue	-	-	-	-	-	-	-	-
Interest	-	4.03	208.39	-	87.79	-	-	2.49
TOTAL DEPOSITS	65,945.97	1,234.03	85,268.85	10,301.29	91,557.79	-	-	2.49
LESS:								
ACH Rent Payments	-	-	-	-	-	-	-	-
Checks	5,950.00	-	69,902.86	-	33,687.46	-	-	-
Payroll - ADP	-	-	36,714.49	-	-	-	-	-
Pension Payment	-	-	3,147.39	-	-	-	-	-
BCBS Insurance	-	-	9,683.15	-	-	-	-	-
Federal & State	-	-	10,049.97	-	-	-	-	-
Security Deposit	-	-	-	-	-	-	-	-
Transfer	-	-	-	-	11,528.36	-	-	-
Misc	-	-	-	-	-	-	-	-
Service Charge	-	-	-	502.02	-	-	-	-
TOTAL PAYMENTS	5,950.00	-	129,497.86	502.02	45,215.82	-	-	-
CASH BALANCE 6/30/24	1,234,387.36	49,766.37	2,536,371.46	22,207.27	1,052,313.60	175,002.57	146,473.32	30,347.86

Total for all accounts \$ 5,246,869.81



P 252.633.0800
F 252.633.9496

1307 Tatum Drive
PO Box 1486
New Bern, NC 28563
NewBernHA.org



Investment Activity

As of 6/30/24

Account	Beginning Balance	Interest Earned	Ending Balance
CD Proceeds	382,292.74	15.67	382,356.46
FCB US Treasury Investment	1,500,000		1,500,000



P 252.633.0800 | 1307 Tatum Drive
 F 252.633.9496 | PO Box 1486
 New Bern, NC 28563
 NewBernHA.org

Grant Listings

As of 5/31/24

CFP Year	Authorized \$	Available \$	Start Date	End Date
2020	613,054	110,589	3/26/20	3/25/26
2021	645,163	37,257	2/23/21	2/22/25
2022	796,910	312,841	5/12/22	5/11/26
2023	801,177	381,177	2/17/23	2/16/27
	Total	\$853,558		
ROSS	245,850	94,396	6/1/22	5/31/25
Operating Fund	242,476	95,164	2/16/24	12/4/24



**NEW BERN
TOWERS
REPORT
(July & August)**



July 12, 2024

PROPERTY MANAGER MONTHLY REPORT JUNE 2024- New Bern Towers

**CONTACT PERSON:
Latahsha Simmons
Property Manager**

OCCUPANCY

Total Units	Units Occupied	Occupancy Rate
<u>106</u>	<u>102</u>	<u>96%</u>

Total Vacant Units	1 Bedroom	2 Bedroom
<u>4</u>	<u>2</u>	<u>2</u>

Move Ins	Move Out	Transfers	Approved	In Process
<u>0</u>	<u>2</u>	<u>0</u>	<u>5</u>	<u>40</u>

TENANT ACCOUNTS RECEIVABLE

Charged
<u>\$ 36,492.18</u>

Received	Month Unpaid	TAR Rate	YTD Unpaid Balance
<u>\$ 35658.27</u>	<u>\$ 833.91</u>	<u>97 %</u>	<u>\$ 4224.31</u>

PENDING TERMINATIONS

Non-Payment	Criminal Activity	Other Violations
<u>5</u>	<u>0</u>	<u>0</u>



WORK ORDERS

Outstanding Requests
<u>3</u>

Requests for the month -JUNE

Request Received	Completed	Pending Repair	Pending Parts
<u>39</u>	<u>36</u>	<u>0</u>	<u>0</u>

POLICE REPORT

Total Calls	<u>12</u>
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FIRE REPORT

Total Calls	<u>0</u>
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August 13, 2024

PROPERTY MANAGER MONTHLY REPORT JULY 2024- New Bern Towers

**CONTACT PERSON:
Latahsha Simmons
Property Manager**

OCCUPANCY

Total Units	Units Occupied	Occupancy Rate
<u>106</u>	<u>98</u>	<u>92%</u>

Total Vacant Units	1 Bedroom	2 Bedroom
<u>8</u>	<u>6</u>	<u>2</u>

Move Ins	Move Out	Transfers	Approved	In Process
<u>0</u>	<u>2</u>	<u>0</u>	<u>9</u>	<u>42</u>

TENANT ACCOUNTS RECEIVABLE

Charged
<u>\$ 35,556.38</u>

Received	Month Unpaid	TAR Rate	YTD Unpaid Balance
<u>\$ 33,869.29</u>	<u>\$ 1,687.09</u>	<u>95 %</u>	<u>\$ 3,877.40</u>

PENDING TERMINATIONS

Non-Payment	Criminal Activity	Other Violations
<u>2</u>	<u>0</u>	<u>0</u>



WORK ORDERS

Outstanding Requests
<u>7</u>

Requests for the month -JULY

Request Received	Completed	Pending Repair	Pending Parts
<u>70</u>	<u>63</u>	<u>3</u>	<u>0</u>

POLICE REPORT

Total Calls	
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FIRE REPORT

Total Calls	<u>0</u>
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TRENT COURT REPORT



July 12, 2024

PROPERTY MANAGER MONTHLY REPORT June 2024- Trent Court

CONTACT PERSON:

Pamela Minor

Property Manager

OCCUPANCY

Total Units	Units Occupied	Occupancy Rate
<u>110</u>	<u>105</u>	<u>95 %</u>

Total Vacant Units	1 Bedroom	2 Bedroom	3 Bedroom
<u>5</u>	<u>0</u>	<u>3</u>	<u>2</u>

Move In	Move Out	Transfers	Approved	In Process
<u>3</u>	<u>1</u>	<u>1</u>	<u>6</u>	<u>9</u>

TENANT ACCOUNTS RECEIVABLE

Charged
<u>\$36,767.02</u>

Received	Month Unpaid	TAR Rate	YTD Unpaid Balance
<u>\$26,702.57</u>	<u>10,064.45</u>	<u>73%</u>	<u>\$62,305.94</u>

PENDING TERMINATIONS

Non-Payment	Criminal Activity	Other Violations
<u>14</u>	<u>0</u>	<u>0</u>



WORK ORDERS

Outstanding Requests
<u>0</u>

Requests for the month: JULY

Request Received	Completed	Pending Repair	Pending Parts
<u>44</u>	<u>44</u>	<u>0</u>	<u>0</u>

POLICE REPORT

Total Calls	<u>22</u>
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- 7 assist other agency

FIRE REPORT

Total Calls	<u>0</u>
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August 13, 2024

PROPERTY MANAGER MONTHLY REPORT July 2024- Trent Court

**CONTACT PERSON:
Pamela Minor
Property Manager**

OCCUPANCY

Total Units	Units Occupied	Occupancy Rate
<u>110</u>	<u>104</u>	<u>95 %</u>

Total Vacant Units	1 Bedroom	2 Bedroom	3 Bedroom
<u>6</u>	<u>0</u>	<u>4</u>	<u>2</u>

Move In	Move Out	Transfers	Approved	In Process
<u>1</u>	<u>1</u>	<u>0</u>	<u>7</u>	<u>9</u>

TENANT ACCOUNTS RECEIVABLE

Charged
<u>\$40,747.95</u>

Received	Month Unpaid	TAR Rate	YTD Unpaid Balance
<u>\$33,805.19</u>	<u>6,942.76</u>	<u>83%</u>	<u>\$68,062.27</u>

PENDING TERMINATIONS

Non-Payment	Criminal Activity	Other Violations
<u>22</u>	<u>0</u>	<u>0</u>



WORK ORDERS

Outstanding Requests
<u>1</u>

Requests for the month

Request Received	Completed	Pending Repair	Pending Parts
<u>58</u>	<u>57</u>	<u>1</u>	<u>0</u>

POLICE REPORT

Total Calls	<u>24</u>
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- 2 citizen assist

FIRE REPORT

Total Calls	<u>0</u>
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**RESIDENT
OPPORTUNITIES &
SELF-SUFFICIENCY
PROGRAM
REPORT
(June & July)**



ROSS Grantee	Fiscal Year Start	End Year
New Bern Housing Authority, New Bern, North Carolina	Apr-22	May-25

Report Range: 06/01/2024-06/30/2024

Overview & Services Provided

Case Management Self-Improvement and Awareness (Up to date)

Resident Intake, Education Level, Medical Assistance, Weekly Self-Sufficiency Updates, Community Service Compliance.

Senior Daily Activities, Meal On Wheels, Reentry, Justice Involved Initiative, Substance Abuse, Work First, Vocational Rehabilitation.

Rental assistance funding is limited until exhausted. Determined upon eligibility and/or number of times the resident has used services.

Rent assistance referrals are given to all residents with delinquent accounts.

Partnership Resource Opportunities (Up to Date)

Career Counseling, G.E.D. Adult Literacy, Peer Counseling, Volt Center Fast Track, Reentry Educational Scholarship, Arabian Temple

Displaced Worker, Financial Literacy Workshops, Legal Aid, Diabetes Testing, Blood Pressure Testing, Wic Vouchers

Mental Health Services, Cancer Awareness Counseling, Daycare Referral, Volunteer Services, United Way 211.

Evidence Based Needs Assessment for Residents 65 and Older (Total 4).

Fall Risk Evaluation Point Scale. (None Listed)

Loneliness Evaluation Point Scale.(None Listed)

Lubben Social Isolation Evaluation Point Scale.(None Listed)

Health and Wellness (Up to Date)

Craven County Health Department, Craven County Senior Center.

Great Place To Start Behavioral Health.

Childcare Assistance (Up to Date)

Department of Social Services. No Waiting List For Full-Time Workers.

Craven Community College Scholarship Enrollment Program (Continuous)

Free After School Program (LYFE_3 Learning Center)

The Mediation Center of Eastern Carolina Programs (Continuous)

Teen Court Summer Enrollment and Volunteer Openings.

Peer Alternatives for Man Up and Girls Empowered.

Transportation (Current)

Carts Van Omnibus Schedule.



Outcomes

Upcoming Outreach Events

- Friday, June 21, 2024
- Friday, July 26, 2024
- Friday, August 16, 2024

Summer Vacation Outing

- LYE3 Jungle Rapids
- Trent Court Kids Activity Trip

Outreach Resource Family

Fun Day 05/03/2024

- ROSS Participants:
- 60 Children
- 40 Adults
- 35 Partnerships

Current Presentations and Workshops

- Substance Abuse-Narcan/CPR Training
- FSS Program Enrollment/How to Become Successful
- Budgeting/Checking/Savings Towards Homeownership
- CravenCC,Volt Center Programs/FAFSA Application Process
- Financial Literacy
- Financial Management and Rental Insurance
- NC Works Job Fair
- Opioid Crisis and Medication Disposal
- ReEntry to Society Program
- Workforce Development
- Habitat for Humanity Financial Literacy Tuesday night
- Classes 6:30pm-7:30pm May14th-August 27th

Weekly Handouts

NC Works, Senoir Activity, Education,Community Events

Non-Working Resident Community Service Requirements

Educational Opportunities

- CDL Class B Truck Driver 14 Day Training
- G.E.D., CNA I and CNA II Nursing ADN
- Medical Office Skills / Medical Technician
- Forklift Driver Training/ Plumbing
- Barber Training/ Massage Therapy Training

Digital Inclusion

Computer Basic Training 2 Locations (Continuous)

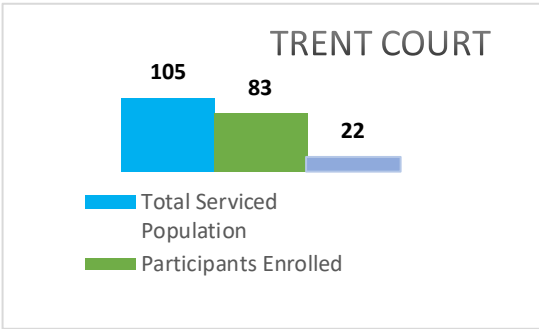
Non-Working Resident Community Service Requirements

Workfirst Program Enrollment Required Weekly Job Search

Data Available

Grantee Population

Participants	83	79.05%
Non Participants	22	20.95%
Total Trent Court Occupancy	105	100.00%





ROSS Grantee	Fiscal Year Start	End Year
New Bern Housing Authority, New Bern, North Carolina	Apr-22	May-25

Report Range: 07/01/2024-07/31/2024

Overview & Services Provided

ROSS Service Coordinator Conducts In Person Resident Meetings, Need Assessments and Referrals by Appointment on Two Days per Month.

Case Management Self-Improvement and Awareness (Up to date)

Resident Intake, Education Level, Medical Assistance, Weekly Self-Sufficiency Updates, Community Service Compliance.

Senior Daily Activities, Meal On Wheels, Reentry, Justice Involved Initiative, Substance Abuse, Work First, Vocational Rehabilitation.

Rental assistance funding is limited until exhausted. Determined upon eligibility and/or number of times the resident has used services.

Rent assistance referrals are given to all residents with delinquent accounts.

Partnership Resource Opportunities (Up to Date)

Career Counseling, G.E.D. Adult Literacy, Peer Counseling, Volt Center Fast Track, Reentry Educational Scholarship, Arabian Temple

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Mental Health Services, Cancer Awareness Counseling, Daycare Referral, Volunteer Services, United Way 211

Evidence Based Needs Assessment for Residents 65 and Older (Total 2).

Fall Risk Evaluation Point Scale (None Listed)

Loneliness Evaluation Point Scale (None Listed)

Lubben Social Isolation Evaluation Point Scale (None Listed)

Health and Wellness (Up to Date)

Craven County Health Department, Craven County Senoir Center.

Great Place To Start Behavioral Health.

Childcare Assistance (Up to Date)

Department of Social Services. No Waiting List For Full-Time Workers.

Craven Community College Scholarship Enrollment Program (Continuous)

Free After School Program (LYFE_3 Learning Center)

The Mediation Center of Eastern Carolina Programs (Continuous)

Teen Court Summer Enrollment and Volunteer Openings.

Peer Alternatives for Man Up and Girls Empowered.

Transportation (Current)

Carts Van Ominbus Schedule.



Outcomes

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Educational Opportunities

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- Barber Training/ Massage Therapy Training

Digital Inclusion

Computer Basic Training 2 Locations (Continuous)

Non-Working Resident Community Service Requirements

Workfirst Program Enrollment Required Weekly Job Search

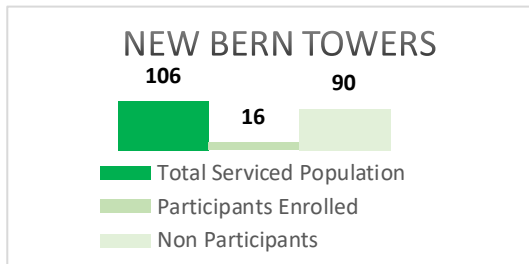
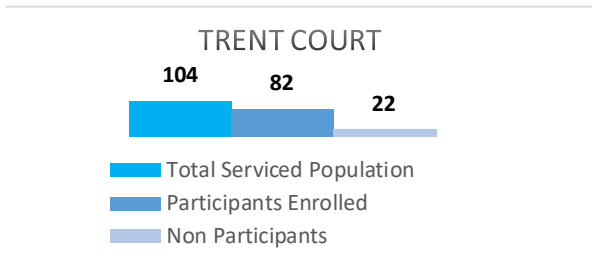
Data Available

Trent Court

Participants	82	78.85%
Non Participants	22	21.15%
Total Units	104	100.00%

New Bern Towers

Participants	16	15.09%
Non Participants	90	84.91%
Total Units	106	100.00%





RESOLUTIONS

1. Board approval of CVR agreement
2. Approval of new cost allocation plan for 2024
3. Redevelopment Commission PSA Resolution



**RESOLUTION OF THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE CITY OF NEW BERN, NC**

**August 19, 2024
Resolution No. 08.24.05
Professional Services Agreement - CVR Associates, Inc.**

WHEREAS, the Housing Authority of the City of New Bern, NC ("NBHA") previously requested proposals for Choice Neighborhood Planning, Consulting and Implementation Grant Application Services ("Services"); and,

WHEREAS, CVR Associates, Inc. ("CVR") was selected to provide the Services to NBHA; and,

WHEREAS, NBHA desires to enter into a Professional Services Agreement ("Agreement") with CVR to provide the Services.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of NBHA hereby authorizes the Chair, Vice Chair and/or Executive Director to work with legal counsel to negotiate the terms of the Agreement and to execute the Agreement when satisfactory.

RECORDING OFFICER'S CERTIFICATION

I, Ronald Scott, the duly appointed Chair of the Housing Authority of the City of New Bern, N.C., do hereby certify that Resolution No. 08.24.05 was adopted unanimously at a regular meeting of the Board of Commissioners held August 19, 2024.

Ronald Scott, Chair



CVR Consultant Agreement

This Professional Services Agreement ("Agreement") made by and between the Housing Authority of the City of New Bern, hereinafter called the ("Client"), with offices located at 1307 Tatum Drive, New Bern, NC 28560, and CVR Associates, Inc., (hereinafter called the "Contractor"), a Florida Corporation with its principal place of business located at 2309 S. MacDill Avenue, Suite 200, Tampa, FL 33629 to provide Choice Neighborhood ("CN") Planning, Consulting and CN Implementation Grant Application Services.

AGREEMENT

The Contractor desires to enter into a contract with the Client, to provide CN Planning, Consulting, and Implementation Grant Application Services in accordance with Contractor's submission to Client titled Proposal for Choice Neighborhood Services, dated May 15, 2024 ("Proposal"), which is incorporated into this Agreement, and the terms and conditions set forth herein. In the event of any conflict between the Proposal and this Agreement, this Agreement shall control.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in further consideration of the covenants and conditions contained in this Agreement, the parties agree as follows:

1. **PERFORMANCE WORK STATEMENT.** Contractor will provide CN Planning, Consulting, and Implementation Grant Application Services as specified herein. The Scope of Work for this project is as follows:
 - a) **Assessment of Gaps and Strategies to Improve Feasibility and Competitiveness** Contractor will perform a review of any existing plans; the capacity, condition and experience of NBHA and proposed leads and partners; the proposed neighborhood boundary and needs within such boundary; condition, size, and location of the target housing site; use of public housing funds, and other key details that affect an Implementation Grant application or serve as a barrier to the overall revitalization of the neighborhood. Contractor will recommend solutions for any identified deficiencies or areas for potential point maximization, and work with NBHA and its partners to address such matters early in the process.
 - b) **Transformation Plan Update**
Contractor will work with NBHA, its residents, partners, and stakeholders to substantially update the 2016 Transformation Plan. This update will build on the existing plan, while capturing current resident feedback, responding to current resident/community needs, and addressing concerns raised in Contractor's feasibility/competitiveness review. This work will include robust engagement workshops and charettes with residents, partners, and stakeholders; new resident and community surveys; and meetings with NBHA leadership. This phase will include the subphases (described in the proposal) of 1) Listing and Confirming; 2) Testing and Updating; and 3) Deciding, culminate in an updated Transformation Plan for the target neighborhood.
 - c) **Grant Writing, Application Preparation, and Submission**
Once the Contractor-Client team agrees that the Transformation Plan is sufficiently updated and adopted, and the Contractor determines that an CN Implementation application would be competitive, the Contractor will begin working with NBHA to prepare for an application submission. The Contractor will:
 1. Write and/or edit all sections of the grant application in response to the NOFA, in collaboration with NBHA's CN Housing, Neighborhood and People leads, meeting all NOFA thresholds, rating factor and/or criteria requirements; deadlines; and layout requirements and page counts. The Client will designate a staff advisor / Point of Contact to provide direction and assistance.
 2. Complete and ensure all narratives, exhibits, attachments, documentation, and required forms are submitted with the grant application.
 3. Attend meetings with Client to enable progress on the application.
 4. Prepare final grant application documentation and submit to Client and HUD prior to grant application deadline in accordance with NOFA due date.



5. Provide all documents to Client electronically in Microsoft Word, Microsoft Excel, or other software that is compatible with Client's technology.
6. Provide CN consulting services throughout the project, related to the organization, planning, writing, and submission of the CN Implementation Grant
7. Fully address all elements required by the NOFA in the application with assistance from Client staff.
8. Assure the application meets or exceeds the expectations of Client and HUD to the greatest extent possible.
2. PERFORMANCE PERIOD. Performance Period is commencing July 1, 2024, and shall remain in effect until June 30, 2026, unless extended by mutual agreement of both parties.
3. COMPENSATION. Contractor shall be compensated in an amount of no more than \$899,873, per the following not-to-exceed ("NTE") pricing for the scope of work set forth below.
 - Assessment of Gaps and Strategies to Improve Feasibility and Competitiveness: \$60,406
 - Transformation Plan Update: \$459,302
 - Implementation Grant Application Preparation and Management Services and Finalist Coaching: \$380,165Contractor shall not proceed with any work prior to authorization from Client. Contractor's work is to be invoiced at increments mutually agreeable to Contractor and NBHA upon completion of tasks, sub-tasks, and travel, with payments to be submitted to Contractor within 30 days of invoicing. Contractor exceeds the NTE amount at its own risk. Contractor is under no obligation to provide additional services that would cause the Contractor's fees or expenses to exceed the NTE amount without amendment of this Agreement by written change order. Further, Client reserves the right to amend the NTE amounts (whether an increase or decrease) at any time during the term of this Agreement when Client reasonably determines doing so is in its best interests; provided, however, Contractor may decline to perform work under the amended scope.
4. INVOICES. Invoices will be submitted incrementally to the following address: 1307 Tatum Drive, New Bern, NC 28560.
5. HUD REQUIREMENTS. Both parties shall comply with any and all HUD or other applicable federal rules and regulations pertaining to the services to be provided under this Agreement, including, without limitation the terms set forth on Exhibit A, which is incorporated herein.
6. MODIFICATIONS/CHANGE ORDERS. Any change in price per service or additional requirements (i.e. service level) that will result in an increase in cost must be approved with a modification to the contract. Change orders submitted by Contractor for the purpose of increasing the NTE price shall NOT be considered an authorization to exceed the NTE price unless they are approved in writing by a modification to this Agreement signed by the Client.
7. CONFIDENTIAL INFORMATION. It is understood that all data and work product that is collected and delivered as a result of this Agreement is the property of the Client and will not be disclosed or otherwise used outside of the scope of services of this Agreement by Contractor without Client's consent. "Confidential Information" is limited to that information defined as confidential under the N.C. Public Records Act (set forth at N.C. Gen. Stat. § 132-1 et. seq, and 9 N.C. Admin. Code § 06B.0103 and .1001), and the parties acknowledge that this Agreement is not Confidential Information.
8. INSURANCE. The Contractor and its employees are insured for coverage of bodily injury and property damage liability in the amount of \$1,000,000, and worker's compensation insurance as required by state law. In addition, Contractor shall secure, pay the premiums for, and maintain in full force and effect during the term of this Agreement, and any extension(s) thereof, professional liability insurance in an amount not less than one million dollars (\$1,000,000) covering Contractor's errors and omissions. Insurance certificates will be provided to Client on request.
9. GENERAL CLAUSES.
 - 9.1. Contractor is an independent contractor, and this Agreement shall not be construed as establishing a joint venture, partnership, or any principal-agent relationship between Client and Contractor. Employees of Contractor



shall remain subject to the exclusive control and supervision of Contractor, who is solely responsible for their compensation and any claims arising therefrom.

9.2. This Agreement shall not be construed by Contractor or any other person to create any benefits on behalf of any third party. Contractor shall include in all contracts, subcontracts, or other agreements relating to this Agreement an acknowledgment by such contracting parties that this Agreement creates no third-party benefits or beneficiaries.

9.3. Contractor's obligations under this Agreement shall not become binding until this Agreement is approved and executed. Until such approval and execution occur, either party retains the absolute right to refuse to be bound by this Agreement, and no expenditure of funds or any other act on the part of Contractor or on the part of any third party shall constitute a waiver of that right.

9.4. Contractor shall not assign or otherwise transfer any of its obligations or interest under this Agreement without the prior written consent of the Client.

2.

10. **RECORDS RETENTION.** Contractor shall maintain financial accounts to assure proper accounting of all funds and all other documents that it creates or receives in connection with its performance of this Agreement. Records shall be kept based on generally accepted accounting procedures or the applicable HUD record retention schedule.

11. **NOTICES.** All notices under this Agreement shall be given by registered or certified mail, return receipt requested, and shall be deemed to have been given when mailed, as is designated in a written notice to the other parties:

Client: New Bern Housing Authority
1307 Tatum Drive, New Bern, NC 28560
Phone: (252) 633-0800 Ext 270

Contractor: CVR Associates, Inc.
2309 S. MacDill Avenue, Suite 200, Tampa, FL 33629
Phone: (865) 934-1915

12. **ORAL MODIFICATIONS.** There shall be no oral modifications or other changes to this Agreement; any modification of this Agreement must be in writing and signed by all the parties hereto. This Agreement shall not be modified or amended by any subsequent agreement between the parties unless such modification is in writing and expressly states that it shall modify this Agreement.

13. **INDEMNIFICATION.** Each party shall indemnify and hold harmless the other party and its officers, employees, and agents (the "Indemnified Parties") from and against any and all liabilities, losses, costs, expenses (including, without limitation, attorneys' fees and disbursements) and damages ("Losses"), arising out of or in connection with any acts or omissions of the party or a party's Agent, regardless of whether due to willful misconduct, negligence, fault, or default, including Losses in connection with any threatened investigation, litigation or other proceeding or preparing a defense to or prosecuting the same; provided, however, that the party shall not be responsible for that portion, if any, of a Loss that is caused by the willful misconduct or negligence of the other party; provided, however, except for waiver of governmental immunity resulting from the execution of a valid contract, Client makes no other waiver of governmental immunity. If any provision of this Agreement is in violation of any legal, statutory or state constitutional prohibition, then such provision(s) shall be unenforceable against Client.

14. **GOVERNING LAW.** The term of this Agreement shall be governed by the laws of the State of North Carolina. The parties hereby irrevocably consent to personal jurisdiction and service of process in the state or federal court of competent jurisdiction located in Craven County, North Carolina.



IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first written above.

BY: DATE

NAME: Reginal Barner

TITLE: Interim Executive Director

BY: DATE

NAME: Fradique A. Rocha

TITLE: Co-CEO

ND:4859-0881-7361, v. 1

Housing Authority of the City of New Bern ("PHA")

Small Procurement Terms and Conditions

(Per HUD Handbook No. 7460.8 REV 2, Table 5.1)

Contractor: CVR Associates, Inc.

The following contract clauses are required in contracts pursuant to 24 CFR 85.36(i). The PHA and contractor are also subject to other Federal laws including the U.S. Housing Act of 1937, as amended, Federal regulations, and state law and regulations.

Examination and Retention of Contractor's Records. The PHA, HUD, or Comptroller General of the United States, or any of their duly authorized representatives shall, until three years after final payment under this contract, have access to and the right to examine any of the Contractor's directly pertinent books, documents, papers, or other records involving transactions related to this contract for the purpose of making audit, examination, excerpts, and transcriptions.

Right in Data and Patent Rights (Ownership and Proprietary Interest). The PHA shall have exclusive ownership of, all proprietary interest in, and the right to full and exclusive possession of all information, materials, and documents discovered or produced by Contractor pursuant to the terms of this Contract, including, but not limited to, reports, memoranda or letters concerning the research and reporting tasks of the Contract.

Termination for Cause and for Convenience (contracts of \$10,000 or more).

(a) The PHA may terminate this contract in whole, or from time to time in part, for the PHA's convenience or the failure of the Contractor to fulfill the contract obligations (cause/default). The PHA shall terminate by delivering to the Contractor a written Notice of Termination specifying the nature, extent, and effective date of the termination. Upon receipt of the notice, the Contractor shall: (1) immediately discontinue all services affected (unless the notice directs otherwise), and (2) deliver to the PHA all information, reports, papers, and other materials accumulated or generated in performing the contract, whether completed or in process.

(b) If the termination is for the convenience of the PHA, the PHA shall be liable only for payment for services rendered before the effective date of the termination.

(c) If the termination is due to the failure of the Contractor to fulfill its obligations under the contract (cause/default), the PHA may (1) require the Contractor to deliver to it, in the manner and to the extent directed by the PHA, any work described in the Notice of Termination; (2) take over the work and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable for any additional cost incurred by the PHA; and (3) withhold any payments to the Contractor, for the purpose of set-off or partial payment, as the case may be, of amounts owned by the PHA by the Contractor. In the event of termination for cause/default, the PHA shall be liable to the Contractor for reasonable costs incurred by the Contractor before the effective date of the termination. Any dispute shall be decided by the Contracting Officer.



**RESOLUTION OF THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE CITY OF NEW BERN, NC**

**August 19, 2024
Resolution No. 08.24.01
Cost Allocation Policy**

WHEREAS, the Housing Authority of the City of New Bern, NC ("NBHA") desires to adopt a Cost Allocation Policy that meets the requirements of 2 CFR 200; and,

WHEREAS, the Cost Allocation Policy attached hereto as Exhibit A has been reviewed and meets the requirements.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of NBHA hereby adopts the attached Cost Allocation Policy such policy to become effective immediately; and,

RESOLVED FURTHER, that the staff of NBHA be, and hereby are, authorized to submit all filings necessary to notify HUD and any related agencies of the adoption of such policy.

RECORDING OFFICER'S CERTIFICATION

I, Ronald Scott, the duly appointed Chair of the Housing Authority of the City of New Bern, N.C., do hereby certify that Resolution No. 08.24.01 was adopted unanimously at a regular meeting of the Board of Commissioners held August 19, 2024.

Ronald Scott, Chair



EXHIBIT A
COST ALLOCATION POLICY

HOUSING AUTHORITY OF THE CITY OF NEW BERN, N.C.

COST ALLOCATION POLICY

The Housing Authority of the City of New Bern, N.C. (NBHA) will maintain a cost allocation plan that meets OMB's requirements (2 CFR 200: Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards).

A cost allocation plan will be prepared each fiscal year on the same schedule as the operating budgets. The operating budgets will be based on the new cost allocation plan. The cost allocation plan will be provided and approved by the Board of Commissioners, on the same schedule as the operating budgets. The approved cost allocation plan will be used to allocate costs at the beginning of NBHA's fiscal year.

The cost allocation plan will include the direct and indirect costs for each project and program. **Direct costs** are costs that can be directly traced to a project or program and will be charged to the respective project or program accordingly. **Indirect costs** are those costs that may benefit several projects or programs and cannot be specifically traced to any one project or program; for example, the executive director's salary for an agency administering multiple programs.

The cost allocation plan will demonstrate the method used to spread (i.e., allocate) costs to multiple projects or programs. Demonstration includes a description of the methodology(s) to be used, the mathematical calculation(s) and the underlying data used in the calculation. The cost allocation plan and documentation will be maintained in accordance with NBHA's documentation retention policy and treated as an accounting record.

To ensure costs are allocated in a fair and equitable manner, multiple cost allocation methods (e.g., direct labor hours, work orders, units, etc.) may be used. NBHA shall minimize the number of cost allocation methods that are used but result in an equitable distribution of costs that meet all other OMB and HUD requirements, e.g., supportable and allocating only eligible costs.

If NBHA changes its service delivery model, the cost allocation plan will be reviewed, updated and implemented. For example, if NBHA receives a new program mid-year, the cost allocation plan would need to be updated to make sure the new program is charged its fair share of indirect costs.

NBHA is prohibited from allocating or charging costs based on a methodology that considers the available resources of the programs; such a methodology is non-compliant with OMB rules.

COST ALLOCATION PROCEDURES

The following procedures related to cost allocation and the cost allocation plan are provided below.

- Examination of Costs
- Cost Allocation Methodology
- Cost Allocation Plan



Examination of Costs

Annually all costs of NBHA will be reviewed by the appropriate finance and program staff to determine if program and project costs that are charged or proposed to be charged are accounted for correctly as a direct versus an indirect cost and if the methodology used to allocate costs is fair and reasonable.

- **Employee Costs.** Each employee's job duties will be examined to determine the proper placement and accounting of the costs. The examination of job duties will be based on the written description and the actual duties currently performed by the individual. From this analysis, a Schedule of Salaries, Benefits and Positions will be prepared showing the placement of the costs and the cost allocation method used to base the cost distribution (if necessary). The schedule will list each employee and will provide the current salary and benefits and the proposed salary and benefits. The schedule will be provided as part of the overall budget approval process.
- **Other Costs.** Other costs associated with the programs and projects will be examined to determine if each cost is accounted for as a direct or indirect cost. If a cost is determined to be an indirect cost, management will complete a cost/benefit analysis to determine if the activity and associated cost could be obtained differently and accounted for as a direct cost. If the cost is determined to be indirect, the cost allocation method should be determined and documented.

Cost Allocation Methodology

To limit the number of cost allocation methods to be maintained and applied, NBHA should group similar costs and establish one cost allocation methodology for each group.

In the case of the same employee providing services to various programs and projects where the program and projects are different, (i.e., does not provide for a per unit allocation), a time study will be conducted annually for a one-month period to arrive at allocation rates. The time study should be conducted in an average month prior to the beginning of the fiscal year to allow for operating budget development, analysis and approval. The time study will capture the direct time of each project, program, and time that cannot be associated with a specific project or program. If all an employee's activity is indirect, an alternate cost allocation method will be developed and applied to the employee.

Cost Allocation Plan

The cost allocation plan will provide a list of each type of costs and the basis for the allocation between the programs. The cost allocation plan is to be completed prior to the beginning of the fiscal year, prepared in conjunction with the preparation of NBHA's operating budgets, and finalized before the presentation of the operating budgets to the Board of Commissioners. The plan will be signed and dated by the Finance Director, where applicable, as well as the Executive Director.

The cost allocation plan will document the method used to allocate the program's share of **indirect costs** by cost item, a description of the methodology(s) used, the mathematical calculation(s) and the underlying data used in the calculation. The cost allocation plan and documentation will be maintained in accordance with NBHA's documentation retention policy and treated as an accounting record.



If NBHA changes its service delivery model, the cost allocation plan will be reviewed, updated and implemented as needed to ensure costs are charged fairly. If the fee accountant is preparing the cost allocation plan in conjunction with the budget, NBHA will support the cost allocations by sending and retaining needed documentation, such as a time study.

Service Type	Methodology
Salaries	Indirect salaries will be allocated based on number of fulltime employees.
Benefits	Employee benefits will follow the allocation of salaries.
Internet	Costs will be allocated based on the salary allocation.
Software – Industry specific	Modules specific to a program will be allocated to that specific program. Other modules will be allocated based on the salary allocation.
Software	Licensing costs will be allocated based salary allocations.
Website	Website hosting costs will be allocated based on salary allocation.
Property Insurance	Costs will be allocated by square footage, when not directed allocated.
General Liability Insurance	Costs will be allocated by square footage, when not directed allocated
Auto Insurance	Auto insurance will be allocated based on the car usage log for property the car was benefiting.
Sexual Misconduct	Cost will be allocated based on salary allocation.
D&O Insurance	Cost will be allocated based on salary allocation.
Crime Insurance	Cost will be allocated based on salary allocation.
Office/Stationary Expense	Cost will be allocated based on salary allocation.
Postage	Postage costs will be allocated based on salary allocation.
Copies	Copier costs will be allocated based on number of copies for each program monthly. It will be monitored by the copier code entered.



Copier Rental	Rental costs will be based on the allocation of actual copies made.
Dues & Fees	Dues and Fees will be based on salary allocation.
Legal Fees	Legal fees will be allocated based on program benefited. If the legal fee is just a monthly retainer, will be based on number of units.
Fee Accounting	Accounting fees will be allocated based on number of units.
Bank Fees	When bank fees cannot be directly charged to a program. It will be based on salary allocation
Payroll Service Fees	Allocation will be based on salary allocation
Training and related travel	Training cost that are considered indirect will be allocated based on time accumulated for program that it benefited. Or, costs will be allocated based on the salary allocation for each employee if the cost cannot be allocated to a program.
Travel	Travel cost that are considered indirect will be allocated based on time accumulated for program that it benefited. Or, costs will be allocated based on the salary allocation for each employee if the cost cannot be allocated to a program.
Advertising	Advertising expense will be allocated based on allocation of salaries.
Membership fees	Membership fees will based on baseline units.
Automobile expense and fees	Automobile expense and fees will be based on salary allocation.



CERTIFICATE OF COST ALLOCATION PLAN

This is to certify that I have reviewed the cost allocation plan submitted herewith and to the best of my knowledge and belief:

(1) All costs included in this proposal [identify date] to establish cost allocations or billings for [identify period covered by plan] are allowable in accordance with the requirements of this Part and the Federal award(s) to which they apply. Unallowable costs have been adjusted for in allocating costs as indicated in the cost allocation plan.

(2) All costs included in this proposal are properly allocable to Federal awards on the basis of a beneficial or causal relationship between the expenses incurred and the Federal awards to which they are allocated in accordance with applicable requirements. Further, the same costs that have been treated as indirect costs have not been claimed as direct costs. Similar types of costs have been accounted for consistently.

I declare that the foregoing is true and correct.

HOUSING AUTHORITY OF THE CITY OF NEW BERN, N.C.

Signature:

Name of Official:

Title:

Date of Execution:



**RESOLUTION OF THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE CITY OF NEW BERN, NC**

**August 19, 2024
Resolution No. 08.24.02
Purchase of 1002 Walt Bellamy Drive**

WHEREAS, the Redevelopment Commission of the City of New Bern ("Commission") owns certain real property located at 1002 Walt Bellamy Drive consisting of approximately 0.14 acres, and more specifically identified by Craven County tax parcel identification number 8 009 00A ("Property 1"); and,

WHEREAS, pursuant to a resolution adopted by the Commission on August 14, 2024, a copy of which is attached hereto as Attachment 1 and incorporated herein by reference, the Commission desires to sell Property 1 to the Housing Authority of the City of New Bern, N.C. ("NBHA") for \$164,000.00 to be used for affordable housing for persons of low to moderate income; and,

WHEREAS, NBHA desires to purchase Property 1 pursuant to the terms of the Offer to Purchase and Contract as set forth in Attachment 1.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of NBHA hereby authorize the purchase of Property 1 from the Commission for \$164,000.00 pursuant to the terms of the Offer to Purchase and Contract as set forth in Attachment 1; and,

RESOLVED FURTHER, that the Chair, Vice Chair and/or Executive Director of NBHA be, and hereby are, authorized and directed to take all actions necessary and to execute all documents required to purchase Property 1.

RECORDING OFFICER'S CERTIFICATION

I, Ronald Scott, the duly appointed Chair of the Housing Authority of the City of New Bern, N.C., do hereby certify that Resolution No. 08.24.02 was adopted at a regular meeting of the Board of Commissioners held on August 19, 2024.

Ronald Scott, Chair



ATTACHMENT 1
COMMISSION RESOLUTION – 1002 WALT BELLAMY DRIVE

Next page.

RESOLUTION

THAT WHEREAS, the Redevelopment Commission of the City of New Bern owns certain real property located at 1002 Walt Bellamy Drive consisting of approximately 0.14 acres, and more specifically identified by Craven County tax parcel identification number 8-009-00A, the same having been acquired by the Commission in July 2021; and

WHEREAS, the Commission previously declared the real property at 1002 Walt Bellamy Drive, as shown on Exhibit A, to be surplus property; and

WHEREAS, North Carolina General Statute §160A-279 provides in part, “Whenever a city or county is authorized to appropriate funds to any public or private entity which carries out a public purpose, the city or county may, in lieu of or in addition to the appropriation of funds, convey by private sale to such an entity any real or personal property which it owns...The city or county shall attach to any such conveyance covenants or conditions which assure that the property will be put to a public use by the recipient entity.”

WHEREAS, N.C.G.S. §160A-279 is applicable to redevelopment commissions pursuant to the provisions of N.C.G.S. §160A-514.

WHEREAS, the Redevelopment Commission of the City of New Bern hereby declares that the real property at 1002 Walt Bellamy Drive constitutes surplus property, and deems it advisable, in the public interest and consistent with the adopted redevelopment plan to sell the same by private sale to the Housing Authority of the City of New Bern, N.C. for the sum of 164,000.00, provided that the same is to provide affordable housing for persons of low to moderate income.

NOW, THEREFORE, BE IT RESOLVED BY THE REDEVELOPMENT COMMISSION OF THE CITY OF NEW BERN:

Section 1: That the Redevelopment Commission of the City of New Bern hereby declares that the real property owned by the Commission located at 1002 Walt Bellamy Drive as shown on Exhibit A (“Subject Property”) to be surplus property.

Section 2: That the Redevelopment Commission of the City of New Bern authorizes the sale of the Subject Property to the Housing Authority of the City of New Bern, N.C. pursuant to the provisions of N.C.G.S. §160A-279, for the sum of 164,000.00, provided that the same is used to provide affordable housing for persons of low to moderate income.

Section 3: That the Executive Director is hereby authorized to seek approval of this sale from the Board of Aldermen of the City of New Bern.

Section 4: That the Chairman and Vice Chairman are hereby authorized to execute the Offer to Purchase and Contract with the Housing Authority of the City of New Bern, N.C., a copy of which is attached hereto and incorporated herein by reference, upon receipt of approval of the sale from Board of Aldermen of the City of New Bern.

ADOPTED THIS 14th DAY OF AUGUST, 2024.



Beth Walker, Chairman



Zeb Hough, Executive Director

EXHIBIT A

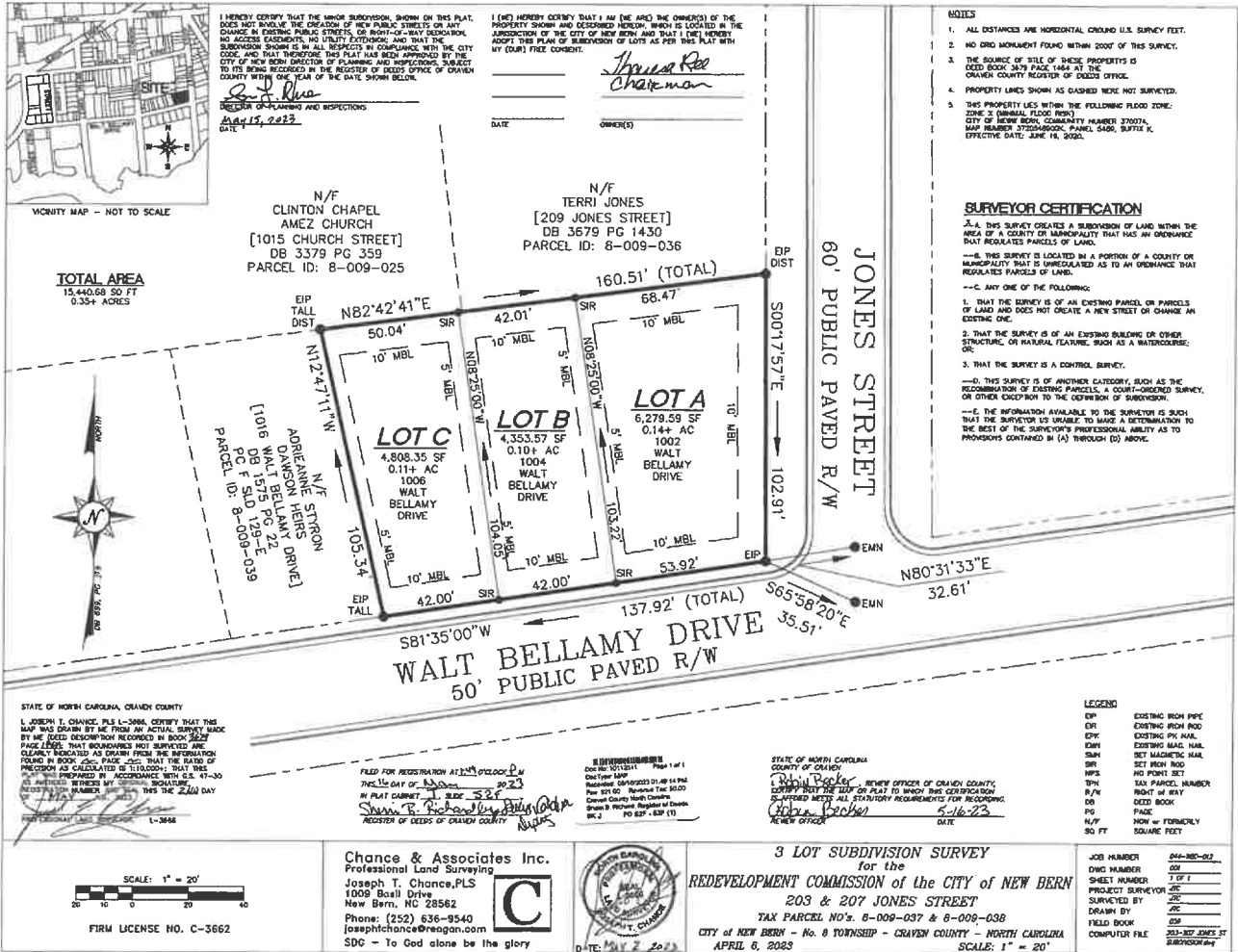


EXHIBIT A

ADDITIONAL PROVISIONS TO OFFER TO PURCHASE AND CONTRACT BETWEEN
REDEVELOPMENT COMMISSION OF THE CITY OF NEW BERN ("SELLER")
AND
HOUSING AUTHORITY OF THE CITY OF NEW BERN, N.C. ("BUYER")
1002 Walt Bellamy Drive, New Bern, NC

The parties agree to the following additional conditions and provisions of the Offer to Purchase and Contract (the "Contract") to which this Addendum is attached:

1. Notwithstanding Section 8(g) of the Contract, the conveyance by Seller to Buyer shall be by Special Warranty Deed.
2. This Contract is subject to the provisions of N.C. Gen. Stat. §160A-514. Buyer acknowledges and understands that this Contract is subject to approval by the Board of Aldermen of the City of New Bern pursuant to N.C. Gen. Stat. §160A-514. All parties agree to execute any and all documents necessary in connection with Closing and transfer of title within thirty (30) days after the granting of final approval of the sale by the Board of Aldermen.
3. Seller acknowledges and understands that Buyer's obligations under this Contract are contingent upon: (a) formal approval by Buyer's Board of Commissioners; (b) the receipt of financing by Buyer upon such terms as may be acceptable to Buyer in its sole discretion; and (c) the receipt by Buyer of Project Based Rental Assistance from Twin Rivers Opportunities.

SELLER:

REDEVELOPMENT COMMISSION OF THE CITY OF
NEW BERN

By: _____

Name: _____

Title: _____



BETH B WAUKER

CHAIR

BUYER:

HOUSING AUTHORITY OF THE CITY OF NEW
BERN, N.C.

By: _____

Name: Reginal Barner

Title: Interim Executive Director

OFFER TO PURCHASE AND CONTRACT
 [Consult "Guidelines" (Form 2G) for guidance in completing this form]

For valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, Buyer offers to purchase and Seller upon acceptance agrees to sell and convey the Property on the terms and conditions of this Offer To Purchase and Contract and any addendum or modification made in accordance with its terms (together the "Contract").

1. **TERMS AND DEFINITIONS:** The terms listed below shall have the respective meaning given them as set forth adjacent to each term.

- (a) "Seller": REDEVELOPMENT COMMISSION OF THE CITY OF NEW BERN _____
- (b) "Buyer": HOUSING AUTHORITY OF THE CITY OF NEW BERN, N.C. _____

(c) "Property": The Property shall include all that real estate described below together with all appurtenances thereto including the improvements located thereon and the fixtures and personal property listed in Paragraphs 2 and 3 below.

The Property will will not include a manufactured (mobile) home(s).
 The Property will will not include an off-site and/or separate septic lot, boat slip, garage, parking space, or storage unit.

NOTE: If a manufactured home(s) or a septic lot, boat slip, garage, parking space, or storage unit is included, Buyer and Seller are strongly encouraged to include further details in the Additional Provisions Addendum (Form 2A11-T) and attach it to this offer.

Street Address: 1002 Walt Bellamy Drive _____
 City: New Bern _____ Zip: 28560 _____
 County: Craven _____, North Carolina

NOTE: Governmental authority over taxes, zoning, school districts, utilities and mail delivery may differ from address shown.

Legal Description: (Complete ALL applicable)
 Plat Reference: Lot/Unit A, Block/Section _____, Subdivision/Condominium _____
 _____, as shown on Plat Book/Slide J at Page(s) 52F
 The PIN/PID or other identification number of the Property is: 8-009-00A
 Other description: _____
 Some or all of the Property may be described in Deed Book 3679 at Page 1464

- (d) "Purchase Price":
- | | |
|--|--|
| \$ 164,000.00 _____
\$ n/a _____

\$ n/a _____

\$ n/a _____

\$ n/a _____

\$ n/a _____

\$ n/a _____

\$ 164,000.00 _____ | paid in U.S. Dollars upon the following terms:
BY DUE DILIGENCE FEE made payable and delivered to Seller on the Effective Date by <input type="checkbox"/> cash <input type="checkbox"/> personal check <input type="checkbox"/> official bank check <input type="checkbox"/> wire transfer <input type="checkbox"/> electronic transfer (specify payment service: _____)
BY INITIAL EARNEST MONEY DEPOSIT made payable and delivered to Escrow Agent named in Paragraph 1(f) within five (5) days of the Effective Date of this Contract by <input type="checkbox"/> cash <input type="checkbox"/> personal check <input type="checkbox"/> official bank check <input type="checkbox"/> wire transfer <input type="checkbox"/> electronic transfer.
BY (ADDITIONAL) EARNEST MONEY DEPOSIT made payable and delivered to Escrow Agent named in Paragraph 1(f) no later than 5 p.m. on _____, TIME BEING OF THE ESSENCE by <input type="checkbox"/> cash <input type="checkbox"/> official bank check <input type="checkbox"/> wire transfer <input type="checkbox"/> electronic transfer
BY ASSUMPTION of the unpaid principal balance and all obligations of Seller on the existing loan(s) secured by a deed of trust on the Property in accordance with the attached Loan Assumption Addendum (Standard Form 2A6-T).
BY SELLER FINANCING in accordance with the attached Seller Financing Addendum (Standard Form 2A5-T).
BY BUILDING DEPOSIT in accordance with the attached New Construction Addendum (Standard Form 2A3-T).
BALANCE of the Purchase Price in cash at Settlement (some or all of which may be paid with the proceeds of a new loan) |
|--|--|



Buyer's initials _____ Seller's initials _____

Should Buyer fail to deliver either the Due Diligence Fee or any Initial Earnest Money Deposit by their due dates, or should any check or other funds paid by Buyer be dishonored, for any reason, by the institution upon which the payment is drawn, Buyer shall have one (1) banking day after written notice to deliver cash, official bank check, wire transfer or electronic transfer to the payee. In the event Buyer does not timely deliver the required funds, Seller shall have the right to terminate this Contract upon written notice to Buyer, and Seller shall be entitled to recover the Due Diligence Fee together with all Earnest Money Deposit paid or to be paid in the future. In addition, Seller may seek any remedies allowed for dishonored funds. See paragraph 23 for a party's right to attorneys' fees incurred in collecting the Earnest Money Deposit or Due Diligence Fee.

NOTE: If the parties agree that Buyer will pay any fee or deposit described above by electronic or wire transfer, Seller agrees to cooperate in effecting such transfer, including the establishment of any necessary account and providing any necessary information to Buyer, provided, however, Buyer shall be responsible for additional costs, if any, associated with such transfer.

(e) **"Earnest Money Deposit":** The Initial Earnest Money Deposit, the Additional Earnest Money Deposit and any other earnest monies paid or required to be paid in connection with this transaction, collectively the "Earnest Money Deposit," shall be deposited promptly and held in escrow by Escrow Agent. The Earnest Money Deposit will be credited to Buyer at Closing or disbursed as required by this Contract.

(f) **"Escrow Agent"** (insert name): n/a
Buyer and Seller consent to disclosure by the Escrow Agent of any material facts pertaining to the Earnest Money Deposit to the parties to this transaction, their real estate agent(s) and Buyer's lender(s).

NOTE: In the event of a dispute between Seller and Buyer over the disposition of the Earnest Money Deposit held in escrow, a licensed real estate broker ("Broker") is required by state law (and Escrow Agent, if not a Broker, hereby agrees) to retain the Earnest Money Deposit in the Escrow Agent's trust or escrow account until Escrow Agent has obtained a written release from the parties consenting to its disposition or until disbursement is ordered by a court of competent jurisdiction. Alternatively, if a Broker or an attorney licensed to practice law in North Carolina ("Attorney") is holding the Earnest Money Deposit, the Broker or Attorney may deposit the disputed monies with the appropriate clerk of court in accordance with the provisions of N.C.G.S. §93A-12.

THE PARTIES AGREE THAT A REAL ESTATE BROKERAGE FIRM ACTING AS ESCROW AGENT MAY PLACE THE EARNEST MONEY DEPOSIT IN AN INTEREST BEARING TRUST ACCOUNT AND THAT ANY INTEREST EARNED THEREON SHALL BE DISBURSED TO THE ESCROW AGENT MONTHLY IN CONSIDERATION OF THE EXPENSES INCURRED BY MAINTAINING SUCH ACCOUNT AND RECORDS ASSOCIATED THEREWITH.

(g) **"Effective Date":** The date that: (1) the last one of Buyer and Seller has signed or initialed this offer or the final counteroffer, if any, and (2) such signing or initialing is communicated to the party making the offer or counteroffer, as the case may be. The parties acknowledge and agree that the initials lines at the bottom of each page of this Contract are merely evidence of their having reviewed the terms of each page, and that the complete execution of such initials lines shall not be a condition of the effectiveness of this Agreement. The parties further acknowledge that the effectiveness of this Contract is not contingent on Buyer's payment of any Earnest Money Deposit or Due Diligence Fee. See paragraph 1(d) for Seller's remedy for any untimely delivered or dishonored funds.

(h) **"Due Diligence":** Buyer's opportunity to investigate the Property and the transaction contemplated by this Contract, including but not necessarily limited to the matters described in Paragraph 4 below, to decide whether Buyer, in Buyer's sole discretion, will proceed with or terminate the transaction.

(i) **"Due Diligence Fee":** A negotiated amount, if any, paid by Buyer to Seller with this Contract for Buyer's right to terminate the Contract for any reason or no reason during the Due Diligence Period. It shall be the property of Seller upon the Effective Date and shall be a credit to Buyer at Closing. The Due Diligence Fee shall be non-refundable except in the event of a material breach of this Contract by Seller, or if this Contract is terminated under Paragraph 23(b) or as otherwise provided in any addendum hereto. Buyer and Seller each expressly waive any right that they may have to deny the right to conduct Due Diligence or to assert any defense as to the enforceability of this Contract based on the absence or alleged insufficiency of any Due Diligence Fee, it being the intent of the parties to create a legally binding contract for the purchase and sale of the Property without regard to the existence or amount of any Due Diligence Fee. See paragraph 23 for a party's right to attorneys' fees incurred in collecting the Due Diligence Fee.

(j) **"Due Diligence Period":** The period beginning on the Effective Date and extending through 5:00 p.m. on _____
the Settlement Date *TIME BEING OF THE ESSENCE.*

(k) **"Settlement":** The proper execution and delivery to the closing attorney of all documents necessary to complete the transaction contemplated by this Contract, including the deed, settlement statement, deed of trust and other loan or conveyance documents, and the closing attorney's receipt of all funds necessary to complete such transaction.

(l) **“Settlement Date”**: The parties agree that Settlement will take place on See Exhibit A (the “Settlement Date”), unless otherwise agreed in writing, at a time and place designated by Buyer.

NOTE: See paragraph 12, **DELAY IN SETTLEMENT/CLOSING** for conditions under which Settlement may be delayed.

(m) **“Closing”**: The completion of the legal process which results in the transfer of title to the Property from Seller to Buyer, which includes the following steps: (1) the Settlement (defined above); (2) the completion of a satisfactory title update to the Property following the Settlement; (3) the closing attorney’s receipt of authorization to disburse all necessary funds; and (4) recordation in the appropriate county registry of the deed(s) and deed(s) of trust, if any, which shall take place as soon as reasonably possible for the closing attorney after Settlement. Upon Closing, the proceeds of sale shall be disbursed by the closing attorney in accordance with the settlement statement and the provisions of Chapter 45A of the North Carolina General Statutes. If the title update should reveal unexpected liens, encumbrances or other title defects, or if the closing attorney is not authorized to disburse all necessary funds, then the Closing shall be suspended and the Settlement deemed delayed under Paragraph 12 (Delay in Settlement/Closing).

WARNING: The North Carolina State Bar has determined that the performance of most acts and services required for a closing constitutes the practice of law and must be performed only by an attorney licensed to practice law in North Carolina. State law prohibits unlicensed individuals or firms from rendering legal services or advice. Although non-attorney settlement agents may perform limited services in connection with a closing, they may not perform all the acts and services required to complete a closing. A closing involves significant legal issues that should be handled by an attorney. Accordingly, it is the position of the North Carolina Bar Association and the North Carolina Association of REALTORS® that all buyers should hire an attorney licensed in North Carolina to perform a closing.

(n) **“Special Assessments”**: A charge against the Property by a governmental authority in addition to ad valorem taxes and recurring governmental service fees levied with such taxes, or by an owners’ association in addition to any regular assessment (dues), either of which may be a lien against the Property.

NOTE: Buyer’s and Seller’s respective responsibilities for the payment of Special Assessments are addressed in paragraphs 6(a) and 8(l).

2. FIXTURES AND EXCLUSIONS:

WARNING: THE PARTIES SHOULD NOT ASSUME THAT AN ITEM WILL OR WILL NOT BE INCLUDED IN THE SALE BASED ON AN ORAL OR WRITTEN STATEMENT OR UNDERSTANDING THAT IS NOT A PART OF THIS CONTRACT. BUYER AND SELLER SHOULD BE SPECIFIC WHEN NEGOTIATING WHAT ITEMS WILL BE INCLUDED OR EXCLUDED FROM THE SALE.

(a) **Fixtures Are Included in Purchase Price:** ALL EXISTING FIXTURES ARE INCLUDED IN THE SALE AS PART OF THE PURCHASE PRICE, FREE OF LIENS, UNLESS EXCLUDED IN SUBPARAGRAPHS (d) OR (e).

[THIS SPACE INTENTIONALLY LEFT BLANK]

(b) **Specified Items:** Buyer and Seller agree that the following items, if present on the Property on the date of the offer, shall be included in the sale as part of the Purchase Price free of liens, unless excluded in subparagraphs (d) or (e) below. ALL ITEMS LISTED BELOW INCLUDE BOTH TRADITIONAL AND "SMART" VERSIONS AND ANY EXCLUSIVELY DEDICATED, RELATED EQUIPMENT AND/OR REMOTE CONTROL DEVICES.

- Alarm and security systems (attached) for security, fire, smoke, carbon monoxide or other toxins with all related access codes, sensors, cameras, dedicated monitors, hard drives, video recorders, power supplies and cables; doorbells/chimes
- All stoves/ranges/ovens; built-in appliances; attached microwave oven; vent hood
- Antennas; satellite dishes and receivers
- Basketball goals and play equipment (permanently attached or in-ground)
- Ceiling and wall-attached fans; light fixtures (including existing bulbs)
- Exercise equipment/devices that are attached
- Fireplace insert; gas logs or starters; attached fireplace screens; wood or coal stoves
- Floor coverings (attached)
- Garage door openers
- Generators that are permanently wired
- Invisible fencing with power supply
- Landscape and outdoor trees and plants (except in moveable containers); raised garden; landscape and foundation lighting; outdoor sound systems; permanent irrigation systems; rain barrels; landscape water features;
- Mailboxes; mounted package and newspaper receptacles
- Mirrors attached to walls, ceilings, cabinets or doors; all bathroom wall mirrors
- Storage shed; utility building
- Swimming pools; spas; hot tubs (excluding inflatable pools, spas, and hot tubs)
- Solar electric and solar water heating systems
- Sump-pumps, radon fans and crawlspace ventilators; de-humidifiers that are permanently wired
- Surface-mounting brackets for television and speakers; recess-mounted speakers; mounted intercom system
- Thermostats
- Water supply equipment, including filters, conditioning and softener systems; re-circulating pumps; well pumps and tanks
- Window/Door blinds and shades, curtain/drapery rods and brackets, door and window screens and combination doors, awnings and storm windows

(c) **Unpairing/deleting data from devices:** Prior to Closing, Seller shall "unpair" any devices that will convey from any personal property devices (hubs, intelligent virtual assistants, mobile devices, vehicles, etc.) with which they are paired, delete personal data from any devices that will convey, and restore all devices to factory default settings unless otherwise agreed. Seller's obligations under this paragraph 2(c) shall survive Closing.

NOTE: ANY FIXTURE OR OTHER ITEM DESCRIBED IN SUBPARAGRAPHS (a) AND (b) THAT WILL NOT BE A PART OF THE SALE SHOULD BE IDENTIFIED IN SUBPARAGRAPHS (d) OR (e), AS APPLICABLE.

(d) **Items Leased or Not Owned:** Any item which is leased or not owned by Seller, such as antennas, satellite dishes and receivers, appliances, and alarm and security systems must be identified here and shall not convey:

In addition, any leased fuel tank identified in paragraph 7(d) shall not convey.

(e) **Other Items That Do Not Convey:** The following items shall not convey (*identify those items to be excluded under subparagraphs (a) and (b)*): _____

Seller must repair any damage caused by removal of any items excluded above in a good and workmanlike manner. Seller will notify Buyer upon completion of such repair(s) and provide Buyer with documentation thereof, if any.

NOTE: Buyer is advised to consider attaching the Additional Provisions Addendum (Form 2A11-T) if Buyer has a specific request as to how the repairs should be completed.

3. **PERSONAL PROPERTY:** The following personal property present on the Property on the date of the offer shall be transferred to Buyer at closing at no value: refrigerator, all appliances

NOTE: ANY PERSONAL PROPERTY THAT WILL BE A PART OF THE SALE SHOULD BE IDENTIFIED IN THIS PARAGRAPH. Buyer is advised to consult with Buyer's lender to assure that the Personal Property items listed above can be included in this Contract.

4. **BUYER'S DUE DILIGENCE PROCESS:**

WARNING: BUYER IS STRONGLY ENCOURAGED TO CONDUCT DUE DILIGENCE DURING THE DUE DILIGENCE PERIOD. If Buyer is not satisfied with the results or progress of Buyer's Due Diligence, Buyer should terminate this Contract, PRIOR TO THE EXPIRATION OF THE DUE DILIGENCE PERIOD, unless Buyer can obtain a written extension from Seller. SELLER IS NOT OBLIGATED TO GRANT AN EXTENSION. Although Buyer may continue to investigate the Property following the expiration of the Due Diligence Period, Buyer's failure to deliver a Termination Notice to Seller prior to the expiration of the Due Diligence Period will constitute a waiver by Buyer of any right to terminate this Contract based on any matter relating to Buyer's Due Diligence. Provided however, following the Due Diligence Period, Buyer may still exercise a right to terminate if Seller fails to materially comply with any of Seller's obligations under Paragraph 8 of this Contract or for any other reason permitted under the terms of this Contract or North Carolina law.

(a) **Loan:** Buyer, at Buyer's expense, shall be entitled to pursue qualification for and approval of the Loan if any.

NOTE: There is no loan or appraisal contingency in this Offer To Purchase and Contract. Therefore, Buyer is advised to consult with Buyer's lender prior to signing this offer to assure that the Due Diligence Period allows sufficient time for the loan process and for Buyer's lender to provide Buyer sufficient information to decide whether to proceed with or terminate the transaction.

(b) **Property Investigation:** Buyer or Buyer's agents or representatives, at Buyer's expense, shall be entitled to conduct all desired tests, surveys, appraisals, investigations, examinations and inspections of the Property as Buyer deems appropriate, including but NOT limited to the following:

- (i) **Inspections:** Inspections to determine the condition of any improvements on the Property, the presence of unusual drainage conditions or evidence of excessive moisture adversely affecting any improvements on the Property, the presence of asbestos or existing environmental contamination, evidence of wood-destroying insects or damage therefrom, and the presence and level of radon gas on the Property.
- (ii) **Review of Documents:** Review of the Declaration of Restrictive Covenants, Bylaws, Articles of Incorporation, Rules and Regulations, and other governing documents of any applicable owners' association and/or subdivision. If the Property is subject to regulation by an owners' association, it is recommended that Buyer review the completed Residential Property and Owners' Association Disclosure Statement provided by Seller prior to signing this offer. It is also recommended that the Buyer determine if the owners' association or its management company charges fees for providing information required by Buyer's lender or confirming restrictive covenant compliance.
- (iii) **Insurance:** Investigation of the availability and cost of insurance for the Property.
- (iv) **Appraisals:** An appraisal of the Property.
- (v) **Survey:** A survey to determine whether the property is suitable for Buyer's intended use and the location of easements, setbacks, property boundaries and other issues which may or may not constitute title defects.
- (vi) **Zoning, Governmental Regulation, and Governmental Compliance:** Investigation of current or proposed zoning or other governmental regulation that may affect Buyer's intended use of the Property, adjacent land uses, planned or proposed road construction, and school attendance zones; and investigation of whether the Property is in violation of any law, ordinance, permit, or government regulation as outlined in paragraph 8(h).
- (vii) **Flood Hazard:** Investigation of potential flood hazards on the Property, and/or any requirement to purchase flood insurance in order to obtain the Loan
- (viii) **Utilities and Access:** Availability, quality, and obligations for maintenance of utilities including water, sewer, electric, gas, communication services, stormwater management, and means of access to the Property and amenities.
- (ix) **Streets/Roads:** Investigation of the status of the street/road upon which the Property fronts as well as any other street/road used to access the Property, including: (1) whether any street(s)/road(s) are public or private, (2) whether any street(s)/road(s) designated as public are accepted for maintenance by the State of NC or any municipality, or (3) if private or not accepted for public maintenance, the consequences and responsibility for maintenance and the existence, terms and funding of any maintenance agreements.

(x) **Special Assessments:** Investigation of the existence of Special Assessments that may be under consideration by a governmental authority or an owners' association.

(c) **Sale/Lease of Existing Property:** As noted in paragraph 5(b), unless otherwise provided in an addendum, this Contract is not conditioned upon the sale/lease or closing of other property owned by Buyer. Therefore, if Buyer must sell or lease other real property in order to qualify for a new loan or to otherwise complete the purchase of the Property, Buyer should seek to close on Buyer's other property prior to the end of the Due Diligence Period or be reasonably satisfied that closing on Buyer's other property will take place prior to the Settlement Date of this Contract.

(d) **Repair/Improvement Negotiations/Agreement:** Buyer acknowledges and understands the following:

- Unless the parties agree otherwise, THE PROPERTY IS BEING SOLD IN ITS CURRENT CONDITION.
- Seller may, but is not required to, engage in negotiations for repairs/improvements to the Property.

Buyer is advised to make any repair/improvement requests in sufficient time to allow negotiations to be concluded prior to the expiration of the Due Diligence Period. Any agreement that the parties may reach with respect to repairs/improvements is an addition to this Contract that must be in writing and signed by the parties in accordance with Paragraph 19.

NOTE: See Paragraph 8(c), Access to Property and Paragraph 8(n), Negotiated Repairs/Improvements.

(e) **Buyer's Obligation to Repair Damage:** Buyer shall, at Buyer's expense, promptly repair any damage to the Property resulting from any activities of Buyer and Buyer's agents and contractors, but Buyer shall not be responsible for any damage caused by accepted practices either approved by the N.C. Home Inspector Licensure Board or applicable to any other N.C. licensed professional performing reasonable appraisals, tests, surveys, examinations and inspections of the Property. This repair obligation shall survive any termination of this Contract.

(f) **Indemnity:** Buyer will indemnify and hold Seller harmless from all loss, damage, claims, suits or costs, which shall arise out of any contract, agreement, or injury to any person or property as a result of any activities of Buyer and Buyer's agents and contractors relating to the Property except for any loss, damage, claim, suit or cost arising out of pre-existing conditions of the Property and/or out of Seller's negligence or willful acts or omissions. This indemnity shall survive this Contract and any termination hereof.

(g) **Buyer's Right to Terminate:** Provided that Buyer has delivered any agreed-upon Due Diligence Fee, Buyer shall have the right to terminate this Contract for any reason or no reason, by delivering to Seller written notice of termination (the "Termination Notice") during the Due Diligence Period (or any agreed-upon written extension of the Due Diligence Period), **TIME BEING OF THE ESSENCE**. If Buyer timely delivers the Termination Notice, this Contract shall be terminated and the Earnest Money Deposit shall be refunded to Buyer.

(h) **CLOSING SHALL CONSTITUTE ACCEPTANCE OF THE PROPERTY IN ITS THEN EXISTING CONDITION UNLESS PROVISION IS OTHERWISE MADE IN WRITING.**

5. BUYER REPRESENTATIONS:

(a) **Funds to complete purchase:**

(Check if applicable) Cash. Buyer intends to pay cash in order to purchase the Property and does not intend to obtain a loan or funds from sources other than Buyer's own assets. Verification of cash available for Settlement is is not attached.

NOTE: If Buyer does not intend to obtain a new loan(s) and/or funds from sources other than Buyer's own assets, Seller is advised, prior to signing this offer, to obtain documentation from Buyer which demonstrates that Buyer will be able to close on the Property without the necessity of obtaining a loan or funds from sources other than Buyer's own assets.

OR:

(Check if applicable) Loan(s)/Other Funds: Buyer intends to obtain a loan(s) and/or other funds to purchase the Property from the following sources (check all applicable sources):

First Mortgage Loan:

Buyer intends to obtain a first mortgage loan of the following type in order to purchase the Property: FHA VA (attach FHA/VA Financing Addendum) Conventional USDA Other type: _____

in the principal amount of _____ plus any financed VA Funding Fee or FHA MIP. _____

Second Mortgage Loan:

Buyer intends to obtain a second mortgage loan of the following type in order to purchase the Property:

Other funds:

Buyer intends to obtain funds from the following other source(s) in order to purchase the Property: _____

NOTE: Buyer's obligations under this Contract are not conditioned upon obtaining any loan(s) or other funds from sources other than Buyer's own assets. Some mortgage loan programs and other programs providing funds for the purchase of property selected by Buyer may impose repair obligations and/or additional conditions or costs upon Seller or Buyer, and more information may be needed.

Material changes with respect to funding the purchase of the Property that affect the terms of the contract are material facts that must be disclosed.

(b) **Other Property:** Buyer DOES DOES NOT have to sell or lease other real property in order to qualify for a new loan or to complete the purchase. (Complete the following only if Buyer DOES have to sell or lease other real property:)

Other Property Address: _____

(Check if applicable) Buyer's other property IS under contract as of the date of this offer, and a copy of the contract has either been previously provided to Seller or accompanies this offer. (Buyer may mark out any confidential information, such as the purchase price and the buyer's identity, prior to providing a copy of the contract to Seller.) Failure to provide a copy of the contract shall not prevent this offer from becoming a binding contract; however, SELLER IS STRONGLY ENCOURAGED TO OBTAIN AND REVIEW THE CONTRACT ON BUYER'S PROPERTY PRIOR TO ACCEPTING THIS OFFER.

(Check if applicable) Buyer's other property IS NOT under contract as of the date of this offer. Buyer's property (check only ONE of the following options):

is listed with and actively marketed by a licensed real estate broker.

will be listed with and actively marketed by a licensed real estate broker.

Buyer is attempting to sell/lease the Buyer's Property without the assistance of a licensed real estate broker.

NOTE: This Contract is NOT conditioned upon the sale/lease or closing of Buyer's other property. If the parties agree to make this Contract conditioned on a sale/lease or closing of Buyer's other property, an appropriate contingency addendum should be drafted by a North Carolina real estate attorney and added to this Contract.

(c) **Performance of Buyer's Financial Obligations:** To the best of Buyer's knowledge, there are no other circumstances or conditions existing as of the date of this offer that would prohibit Buyer from performing Buyer's financial obligations in accordance with this Contract, except as may be specifically set forth herein.

(d) **Residential Property and Owners' Association Disclosure Statement (check only one):**

Buyer has received a signed copy of the N.C. Residential Property and Owners' Association Disclosure Statement prior to making this offer and acknowledges compliance with N.C.G.S. 47E-5 (Residential Property Disclosure Act).

Buyer has NOT received a signed copy of the N.C. Residential Property and Owners' Association Disclosure Statement prior to making this offer and shall have the right to terminate or withdraw this Contract without penalty (including a refund of any Due Diligence Fee) prior to WHICHEVER OF THE FOLLOWING EVENTS OCCURS FIRST: (1) the end of the third calendar day following receipt of the Disclosure Statement; (2) the end of the third calendar day following the Effective Date; or (3) Settlement or occupancy by Buyer in the case of a sale or exchange.

Exempt from N.C. Residential Property and Owners' Association Disclosure Statement because (SEE GUIDELINES): N.C.G.S. 47E-2(a)(8)

(e) **Mineral and Oil and Gas Rights Mandatory Disclosure Statement (check only one):**

Buyer has received a signed copy of the N.C. Mineral and Oil and Gas Rights Mandatory Disclosure Statement prior to making this offer and acknowledges compliance with N.C.G.S. 47E-5 (Residential Property Disclosure Act).

Buyer has NOT received a signed copy of the N.C. Mineral and Oil and Gas Rights Mandatory Disclosure Statement prior to making this offer and shall have the right to terminate or withdraw this Contract without penalty (including a refund of any Due Diligence Fee) prior to WHICHEVER OF THE FOLLOWING EVENTS OCCURS FIRST: (1) the end of the third calendar day following receipt of the Disclosure Statement; (2) the end of the third calendar day following the Effective Date; or (3) Settlement or occupancy by Buyer in the case of a sale or exchange.

Exempt from N.C. Mineral and Oil and Gas Rights Mandatory Disclosure Statement because (SEE GUIDELINES): N.C.G.S. 47E-2(a)(8)

Owners' association website address, if any: _____

(specify name of association): n/a - not subject to an owners' association _____ whose regular assessments ("dues") are \$ _____ per _____. The name, address and telephone number of the president of the owners' association or the association manager is: _____

Owners' association website address, if any _____

(d) **Fuel Tank(s)/Fuel:** To the best of Seller's knowledge, there is is not a fuel tank(s) located on the Property. If "yes" complete the following:

(i) **Description:**

Tank 1:

- Use: currently in use currently NOT in use
- Ownership: owned leased. If leased, name and contact information of tank lessor: _____

• Location: above ground below ground

• Type of fuel: oil propane gasoline and/or diesel other: _____

• Name and contact information of fuel vendor: _____

Tank 2:

- Use: currently in use currently NOT in use
- Ownership: owned leased. If leased, name and contact information of tank lessor: _____

• Location: above ground below ground

• Type of fuel: oil propane gasoline and/or diesel other: _____

• Name and contact information of fuel vendor: _____

(ii) **Tank(s) included in sale:** Buyer and Seller agree that any tank described above that is owned by Seller shall be included in the sale as part of the Purchase Price free of liens, unless excluded in paragraph 2(e) above.

(iii) **Fuel:** Seller may use fuel in the tank(s) described above through Settlement, but may not otherwise remove the fuel or resell it. Any fuel remaining in the tank(s) as of Settlement shall be included in the sale as part of the Purchase Price, free of liens.

- Seller's use of fuel in any fuel tank is subject to Seller's obligation under Paragraph 8(c) to provide working, existing utilities through the earlier of Closing or possession by Buyer.

NOTE: Buyer shall be entitled to conduct inspections to confirm the existence, type and ownership of any fuel tank located on the Property. Buyer is advised to consult with the owner of any leased fuel tank regarding the terms under which Buyer may lease the tank and obtain fuel.

NOTE: State law provides that it is unlawful for any person, other than the supplier or the owner of a fuel supply tank, to disconnect, interrupt or fill the supply tank with liquefied petroleum gas (LP gas or propane) without the consent of the supplier.

(e) **Leases.** The Property is is not subject to any lease(s). If the Property is subject to a lease, Buyer and Seller should include either the Rental/Income/Investment Property provision in the Additional Provisions Addendum (Standard Form 2A11-T) or the Vacation Rental Addendum (Form 2A13-T) with this offer.

8. SELLER OBLIGATIONS:

(a) **Evidence of Title, Payoff Statement(s) and Non Foreign Status:**

(i) Seller agrees to use best efforts to provide to the closing attorney as soon as reasonably possible after the Effective Date, copies of all title information in possession of or available to Seller, including but not limited to: title insurance policies, attorney's opinions on title, surveys, covenants, deeds, notes and deeds of trust, leases, and easements relating to the Property.

(ii) Seller shall provide to the closing attorney all information needed to obtain a written payoff statement from any lender(s) regarding any security interest in the Property as soon as reasonably possible after the Effective Date, and Seller designates the closing attorney as Seller's agent with express authority to request and obtain on Seller's behalf payoff statements and/or short-pay statements from any such lender(s).

(iii) If Seller is not a foreign person as defined by the Foreign Investment in Real Property Tax Act, Seller shall also provide to the closing attorney a non-foreign status certification (pursuant to the Foreign Investment in Real Property Tax Act). In the event Seller does not provide a non-foreign status certification, Seller acknowledges that there may be withholding as provided

by the Internal Revenue Code.

(b) **Authorization to Disclose Information:** Seller authorizes: (i) any attorney presently or previously representing Seller to release and disclose any title insurance policy in such attorney's file to Buyer and both Buyer's and Seller's agents and attorneys; (ii) the Property's title insurer or its agent to release and disclose all materials in the Property's title insurer's (or title insurer's agent's) file to Buyer and both Buyer's and Seller's agents and attorneys and (iii) the closing attorney to release and disclose any seller's closing disclosure, settlement statement and/or disbursement summary, or any information therein, to the parties to this transaction, their real estate agent(s) and Buyer's lender(s).

(c) **Access to Property:** Seller shall provide reasonable access to the Property through the earlier of Closing or possession by Buyer, including, but not limited to, allowing Buyer and/or Buyer's agents or representatives, an opportunity to (i) conduct Due Diligence, (ii) verify the satisfactory completion of negotiated repairs/improvements, and (iii) conduct a final walk-through inspection of the Property. Seller's obligation includes providing existing utilities operating at Seller's cost, including any connections and de-winterizing.

NOTE: See WARNING in paragraph 4 above for limitation on Buyer's right to terminate this Contract as a result of Buyer's continued investigation of the Property following the expiration of the Due Diligence Period.

(d) **Removal of Seller's Property:** Seller shall remove, by the date possession is made available to Buyer, all personal property which is not a part of the purchase and all garbage and debris from the Property.

(e) **Affidavit and Indemnification Agreement:** Seller shall furnish at Settlement an affidavit(s) and indemnification agreement(s) in form satisfactory to Buyer and Buyer's title insurer, if any, executed by Seller and any person or entity who has performed or furnished labor, services, materials or rental equipment to the Property within 120 days prior to the date of Settlement and who may be entitled to claim a lien against the Property as described in N.C.G.S. §44A-8 verifying that each such person or entity has been paid in full and agreeing to indemnify Buyer, Buyer's lender(s) and Buyer's title insurer against all loss from any cause or claim arising therefrom.

(f) **Designation of Lien Agent, Payment and Satisfaction of Liens:** If required by N.C.G.S. §44A-11.1, Seller shall have designated a Lien Agent, and Seller shall deliver to Buyer as soon as reasonably possible a copy of the appointment of Lien Agent. All deeds of trust, deferred ad valorem taxes, liens and other charges against the Property, not assumed by Buyer, must be paid and satisfied by Seller prior to or at Settlement such that cancellation may be promptly obtained following Closing. Seller shall remain obligated to obtain any such cancellations following Closing.

(g) **Good Title, Legal Access:** Seller shall execute and deliver a GENERAL WARRANTY DEED for the Property in recordable form no later than Settlement, which shall convey fee simple marketable and insurable title, without exception for mechanics' liens, lis pendens, monetary liens and judgments, and free of other encumbrances or defects that would materially affect the value of the Property, including those which would be revealed by a current and accurate survey of the Property, except: (1) ad valorem taxes for the current year; (2) utility easements and unviolated covenants, conditions or restrictions; and (3) such other liens, encumbrances or defects as may be specifically approved by Buyer in writing. The Property must have legal access to a public right of way.

NOTE: Buyer's failure to conduct a survey or examine title of the Property, prior to the expiration of the Due Diligence Period does not relieve the Seller of their obligation to deliver good title under this paragraph.

NOTE: If any sale of the Property may be a "short sale," consideration should be given to attaching a Short Sale Addendum (Standard Form 2A14-T) as an addendum to this Contract.

(h) **Governmental Compliance:** It is a condition of this Contract that the Property be conveyed free of any material violation of law, ordinance, permit, or government regulation (including, but not limited to, those relating to building, stormwater, impervious surface, environmental protection, and zoning), unless Seller has specifically disclosed such violation(s) prior to the Effective Date. If a violation is discovered and identified after the Effective Date and prior to Closing, then Seller may cure the violation(s). Unless otherwise agreed, if Seller does not cure the violation(s) prior to Closing, then Buyer may choose to accept the violation(s) and proceed to Settlement/Closing or terminate this Contract and receive a refund of the Earnest Money Deposit and the Due Diligence Fee.

(i) **Deed, Taxes and Fees:** Seller shall pay for preparation of a deed and all other documents necessary to perform Seller's obligations under this Contract, and for state and county excise taxes, and any deferred, discounted or rollback taxes, and local conveyance fees required by law. The deed is to be made to: (i) Buyer; (ii) a corporation, limited liability company, or other business entity of which Buyer is the sole owner or shareholder; (iii) a trust for which Buyer is the beneficiary; (iv) any relative of Buyer; and/or (v) Other: (Insert Name(s) Only) _____ Buyer or as Buyer otherwise directs in writing _____.

(j) **Agreement to Pay Buyer Expenses:** Seller shall pay at Settlement \$ n/a _____ toward any of Buyer's expenses associated with the purchase of the Property, at the discretion of Buyer and/or lender, if any, including any FHA/VA lender and inspection costs that Buyer is not permitted to pay.

NOTE: Parties should review the FHA/VA Addendum prior to entering an amount in Paragraph 8(j). Certain FHA/VA lender and inspection costs CANNOT be paid by Buyer at Settlement and the amount of these should be included in the blank above.

(k) **Owners' Association Fees/Charges:** Seller shall pay any charges by an owners' association or a management company/vendor as agent of the association under paragraph 9(a) of this Contract.

(l) **Payment of Special Assessments:** Seller shall pay, in full at Settlement, all Special Assessments that are approved prior to Settlement, whether payable in a lump sum or future installments, provided that the amount thereof can be reasonably determined or estimated. The payment of such estimated amount shall be the final payment between the Parties.

(m) **Late Listing Penalties:** All property tax late listing penalties, if any, shall be paid by Seller.

(n) **Negotiated Repairs/Improvements:** Negotiated repairs/improvements shall be made in a good and workmanlike manner and Buyer shall have the right to verify same prior to Settlement.

(o) **Home Warranty (Select one of the following):**

No home warranty is to be provided by Seller.

Buyer may obtain a one-year home warranty at a cost not to exceed \$ _____ which includes sales tax and Seller agrees to pay for it at Settlement.

Seller has obtained and will provide a one-year home warranty from _____ at a cost of \$ _____ which includes sales tax and will pay for it at Settlement.

NOTE: Home warranties typically have limitations on and conditions to coverage. Refer specific questions to the home warranty company.

(p) **Seller's Breach of Contract:** See paragraph 23 for Buyer's remedies in the event of breach of this Contract.

9. CHARGES BY OWNERS' ASSOCIATION: Responsibility for payment of charges by an owners' association or a management company/vendor as agent of the association shall be allocated between Buyer and Seller as follows:

(a) **Seller shall pay:**

(i) fees incurred by Seller in completing the Residential Property and Owners' Association Disclosure Statement, and resale or other certificates related to a proposed sale of the Property;

(ii) fees required for confirming Seller's account payment information on owners' association dues or assessments for payment or proration, including any expedite fee permitted under N.C. Gen. Stat. § 47F-3-102 that is charged in connection with providing such information;

(iii) any fees charged for transferring or updating ownership records of the association; and

(iv) any fees other than those fees specifically required to be paid by Buyer under paragraph 9(b) below.

(b) **Buyer shall pay:**

(i) charges for providing information required by Buyer's lender;

(ii) charges for working capital contributions, membership fees, or charges imposed for Buyer's use of the common elements and/or services provided to Buyer in connection with Buyer taking possession of the Property, such as "move-in fees"; and

(iii) charges for determining restrictive covenant compliance.

10. PRORATIONS AND ADJUSTMENTS: Unless otherwise agreed, the following items shall be prorated, with Seller responsible for the prorated amounts of any taxes and dues through the date of Settlement, and Seller entitled to the amount of prorated rents through the date of Settlement, and either adjusted between the parties or paid at Settlement:

(a) **Taxes on Real Property:** Ad valorem taxes and recurring governmental service fees levied with such taxes on real property shall be prorated on a calendar year basis;

(b) **Taxes on Personal Property:** Ad valorem taxes on personal property for the entire year shall be paid by Seller unless the personal property is conveyed to Buyer, in which case, the personal property taxes shall be prorated on a calendar year basis;

(c) **Rents:** Rents, if any, for the Property;

(d) **Dues:** Owners' association regular assessments (dues) and other like charges.

11. CONDITION OF PROPERTY/RISK OF LOSS:

(a) **Condition of Property at Settlement:** If the Property is not in substantially the same or better condition at Closing as on the date of this offer, reasonable wear and tear excepted, Buyer may terminate this Contract by written notice delivered to Seller and the Due Diligence Fee and Earnest Money Deposit shall be refunded to Buyer. If the Property is not in such condition and Buyer does NOT elect to terminate this Contract, Buyer shall be entitled to receive, in addition to the Property, the proceeds of any insurance claim filed by Seller on account of any damage or destruction to the Property.

(b) **Risk of Loss:** The risk of loss or damage by fire or other casualty prior to Closing shall be upon Seller. Seller is advised not to cancel existing insurance on the Property until after confirming recordation of the deed.

12. DELAY IN SETTLEMENT/CLOSING: This paragraph shall apply if one party is ready, willing and able to complete Settlement on the Settlement Date ("Non-Delaying Party") but it is not possible for the other party to complete Settlement by the Settlement Date ("Delaying Party"). In such event, the Delaying Party shall be entitled to a delay in Settlement and shall give as much notice as possible to the Non-Delaying Party and closing attorney. If the Delaying Party fails to complete Settlement and Closing within seven (7) days of the Settlement Date (including any amended Settlement Date agreed to in writing by the parties), then the Delaying Party shall be in breach and the Non-Delaying Party may terminate this Contract and shall be entitled to enforce any remedies available to such party under this Contract for the breach.

13. POSSESSION: Possession, including all means of access to the Property and transferable amenities and services (keys including mailbox keys, codes including security codes, garage door openers, electronic devices, etc.), shall be delivered upon Closing as defined in Paragraph 1(m) unless otherwise provided below:

- A Buyer Possession Before Closing Agreement is attached (Standard Form 2A7-T)
- A Seller Possession After Closing Agreement is attached (Standard Form 2A8-T)
- Possession is subject to rights of tenant(s) (Parties should attach either Additional Provisions Addendum (Form 2A11-T) or Vacation Rental Addendum (Form 2A13-T))

14. ADDENDA: CHECK ALL STANDARD ADDENDA THAT MAY BE A PART OF THIS CONTRACT, IF ANY, AND ATTACH HERETO. ITEMIZE ALL OTHER ADDENDA TO THIS CONTRACT, IF ANY, AND ATTACH HERETO.

- | | |
|--|--|
| <input type="checkbox"/> Additional Provisions Addendum (Form 2A11-T) | <input type="checkbox"/> New Construction Addendum (Form 2A3-T) |
| <input type="checkbox"/> Additional Signatures Addendum (Form 3-T) | <input type="checkbox"/> Owners' Association Disclosure Addendum (Form 2A12-T) |
| <input type="checkbox"/> Back-Up Contract Addendum (Form 2A1-T) | <input type="checkbox"/> Seller Financing Addendum (Form 2A5-T) |
| <input type="checkbox"/> FHA/VA Financing Addendum (Form 2A4-T) | <input type="checkbox"/> Short Sale Addendum (Form 2A14-T) |
| <input type="checkbox"/> Lead-Based Paint Or Lead-Based Paint Hazard Addendum (Form 2A9-T) | <input type="checkbox"/> Vacation Rental Addendum (Form 2A13-T) |
| <input type="checkbox"/> Loan Assumption Addendum (Form 2A6-T) | |
- Identify other attorney or party drafted addenda: See Exhibit A Additional Provisions

NOTE: UNDER NORTH CAROLINA LAW, REAL ESTATE BROKERS ARE NOT PERMITTED TO DRAFT ADDENDA TO THIS CONTRACT.

15. ASSIGNMENTS: This Contract may not be assigned without the written consent of all parties except in connection with a tax-deferred exchange, but if assigned by agreement, then this Contract shall be binding on the assignee and assignee's heirs and successors.

16. TAX-DEFERRED EXCHANGE: In the event Buyer or Seller desires to effect a tax-deferred exchange in connection with the conveyance of the Property, Buyer and Seller agree to cooperate in effecting such exchange; provided, however, that the exchanging party shall be responsible for all additional costs associated with such exchange, and provided further, that a non-exchanging party shall not assume any additional liability with respect to such tax-deferred exchange. Buyer and Seller shall execute such additional documents,

including assignment of this Contract in connection therewith, at no cost to the non-exchanging party, as shall be required to give effect to this provision.

17. **PARTIES:** This Contract shall be binding upon and shall inure to the benefit of Buyer and Seller and their respective heirs, successors and assigns. As used herein, words in the singular include the plural and the masculine includes the feminine and neuter genders, as appropriate.

18. **SURVIVAL:** If any provision herein contained which by its nature and effect is required to be observed, kept or performed after the Closing, it shall survive the Closing and remain binding upon and for the benefit of the parties hereto until fully observed, kept or performed.

19. **ENTIRE AGREEMENT/RECORDATION:** This Contract contains the entire agreement of the parties and there are no representations, inducements or other provisions other than those expressed herein. All changes, additions or deletions hereto must be in writing and signed by all parties. Nothing contained herein shall alter any agreement between a REALTOR[®] or broker and Seller or Buyer as contained in any listing agreement, buyer agency agreement, or any other agency agreement between them. This Agreement or any memorandum thereof shall not be recorded without the express written consent of Buyer and Seller.

20. **CONDUCT OF TRANSACTION:** The parties agree that any action between them relating to the transaction contemplated by this Contract may be conducted by electronic means, including the signing of this Contract by one or more of them and any notice or communication given in connection with this Contract. Any written notice or communication may be transmitted to any mailing address, e-mail address or fax number set forth in the "Notice Information" section below. Any notice or communication to be given to a party herein, and any fee, deposit or other payment to be delivered to a party herein, may be given to the party or to such party's agent. Delivery of any notice to a party via means of electronic transmission shall be deemed complete at such time as the sender performs the final act to send such transmission, in a form capable of being processed by the receiving party's system, to any electronic address provided for such party in the "Notice Information" section below. Seller and Buyer agree that the "Notice Information" and "Acknowledgment of Receipt of Monies" sections below shall not constitute a material part of this Contract, and that the addition or modification of any information therein shall not constitute a rejection of an offer or the creation of a counteroffer.

21. **EXECUTION:** This Contract may be signed in multiple originals or counterparts, all of which together constitute one and the same instrument.

22. **COMPUTATION OF DAYS/TIME OF DAY:** Unless otherwise provided, for purposes of this Contract, the term "days" shall mean consecutive calendar days, including Saturdays, Sundays, and holidays, whether federal, state, local or religious. For the purposes of calculating days, the count of "days" shall begin on the day following the day upon which any act or notice as provided in this Contract was required to be performed or made. Any reference to a date or time of day shall refer to the date and/or time of day in the State of North Carolina.

23. **REMEDIES:**

(a) **Breach by Buyer:** In the event of material breach of this Contract by Buyer, Seller shall be entitled to any Earnest Money Deposit. The payment of any Earnest Money Deposit and any Due Diligence Fee to Seller (without regard to their respective amounts, including zero) together shall serve as liquidated damages ("Liquidated Damages") and as Seller's sole and exclusive remedy for such breach, provided that such Liquidated Damages shall not limit Seller's rights under Paragraphs 4(e) and 4(f) for damage to the Property as well as Seller's rights under paragraph 1(d) for dishonored funds. It is acknowledged by the parties that the amount of the Liquidated Damages is compensatory and not punitive, such amount being a reasonable estimation of the actual loss that Seller would incur as a result of a breach of this Contract by Buyer. The payment to Seller of the Liquidated Damages shall not constitute a penalty or forfeiture but actual compensation for Seller's anticipated loss, both parties acknowledging the difficulty of determining Seller's actual damages for such breach

(b) **Breach by Seller:** In the event of material breach of this Contract by Seller, Buyer may (i) elect to terminate this Contract as a result of such breach, and shall be entitled to return of both the Earnest Money Deposit and the Due Diligence Fee, together with the reasonable costs actually incurred by Buyer in connection with Buyer's Due Diligence ("Due Diligence Costs"), or (ii) elect not to terminate and instead treat this Contract as remaining in full force and effect and seek the remedy of specific performance.

(c) **Attorneys' Fees:** If legal proceedings are brought by Buyer or Seller against the other to collect the Earnest Money Deposit, Due Diligence Fee, or Due Diligence Costs, the parties agree that a party shall be entitled to recover reasonable attorneys' fees to the extent permitted under N.C. Gen. Stat. § 6-21.2, and if applicable, N.C. Gen. Stat. § 6-21.3 for dishonored funds. The parties acknowledge and agree that the terms of this Contract with respect to entitlement to the Earnest Money Deposit, Due Diligence Fee, or Due Diligence Costs each constitute an "evidence of indebtedness" pursuant to N.C. Gen. Stat. § 6-21.2.

NOTE: A party seeking recovery of attorneys' fees under N.C. Gen. Stat. § 6-21.2 must first give written notice to the other party that they have five (5) days from the mailing of the notice to pay the outstanding amount(s) without the attorneys' fees.

THE NORTH CAROLINA ASSOCIATION OF REALTORS®, INC. AND THE NORTH CAROLINA BAR ASSOCIATION MAKE NO REPRESENTATION AS TO THE LEGAL VALIDITY OR ADEQUACY OF ANY PROVISION OF THIS FORM IN ANY SPECIFIC TRANSACTION. IF YOU DO NOT UNDERSTAND THIS FORM OR FEEL THAT IT DOES NOT PROVIDE FOR YOUR LEGAL NEEDS, YOU SHOULD CONSULT A NORTH CAROLINA REAL ESTATE ATTORNEY BEFORE YOU SIGN IT.

This offer shall become a binding contract on the Effective Date. Unless specifically provided otherwise, Buyer's failure to timely deliver any fee, deposit or other payment provided for herein shall not prevent this offer from becoming a binding contract, provided that any such failure shall give Seller certain rights to terminate the contract as described herein or as otherwise permitted by law.

Date: _____

Date: _____

Buyer: _____

Seller: _____

Date: _____

Date: _____

Buyer: _____

Seller: _____

Entity Buyer:
Housing Authority of the City of New Bern, N.C.
(Name of LLC/Corporation/Partnership/Trust/etc.)

Entity Seller:
Redevelopment Commission of the City of New Bern
(Name of LLC/Corporation/Partnership/Trust/etc.)

By _____

By: *Beth B. Walker*

Name: Reginal Barner

Name: **BETH B. WALKER**

Print Name

Print Name

Title: Interim Executive Director

Title: **CHAIR**

Date: June ____, 2024

Date: June ____, 2024

WIRE FRAUD WARNING

TO BUYERS: BEFORE SENDING ANY WIRE, YOU SHOULD CALL THE CLOSING ATTORNEY'S OFFICE TO VERIFY THE INSTRUCTIONS. IF YOU RECEIVE WIRING INSTRUCTIONS FOR A DIFFERENT BANK, BRANCH LOCATION, ACCOUNT NAME OR ACCOUNT NUMBER, THEY SHOULD BE PRESUMED FRAUDULENT. DO NOT SEND ANY FUNDS AND CONTACT THE CLOSING ATTORNEY'S OFFICE IMMEDIATELY.

TO SELLERS: IF YOUR PROCEEDS WILL BE WIRED, IT IS RECOMMENDED THAT YOU PROVIDE WIRING INSTRUCTIONS AT CLOSING IN WRITING IN THE PRESENCE OF THE ATTORNEY. IF YOU ARE UNABLE TO ATTEND CLOSING, YOU MAY BE REQUIRED TO SEND AN ORIGINAL NOTARIZED DIRECTIVE TO THE CLOSING ATTORNEY'S OFFICE CONTAINING THE WIRING INSTRUCTIONS. THIS MAY BE SENT WITH THE DEED, LIEN WAIVER AND TAX FORMS IF THOSE DOCUMENTS ARE BEING PREPARED FOR YOU BY THE CLOSING ATTORNEY. AT A MINIMUM, YOU SHOULD CALL THE CLOSING ATTORNEY'S OFFICE TO PROVIDE THE WIRE INSTRUCTIONS. THE WIRE INSTRUCTIONS SHOULD BE VERIFIED OVER THE TELEPHONE VIA A CALL TO YOU INITIATED BY THE CLOSING ATTORNEY'S OFFICE TO ENSURE THAT THEY ARE NOT FROM A FRAUDULENT SOURCE.

WHETHER YOU ARE A BUYER OR A SELLER, YOU SHOULD CALL THE CLOSING ATTORNEY'S OFFICE AT A NUMBER THAT IS INDEPENDENTLY OBTAINED. TO ENSURE THAT YOUR CONTACT IS LEGITIMATE, YOU SHOULD NOT RELY ON A PHONE NUMBER IN AN EMAIL FROM THE CLOSING ATTORNEY'S OFFICE, YOUR REAL ESTATE AGENT OR ANYONE ELSE.

NOTICE INFORMATION

NOTE: INSERT AT LEAST ONE ADDRESS AND/OR ELECTRONIC DELIVERY ADDRESS EACH PARTY AND AGENT APPROVES FOR THE RECEIPT OF ANY NOTICE CONTEMPLATED BY THIS CONTRACT. INSERT "N/A" FOR ANY WHICH ARE NOT APPROVED.

BUYER NOTICE ADDRESS:

Mailing Address: P.O. Box 1486
New Bern, NC 28563

Buyer Fax#: _____

Buyer E-mail: _____

SELLER NOTICE ADDRESS:

Mailing Address: P.O. Box 1129
New Bern, NC 28563

Seller Fax#: _____

Seller E-mail: _____

CONFIRMATION OF AGENCY/NOTICE ADDRESSES

Selling Firm Name: n/a - no broker
Acting as Buyer's Agent Seller's (sub)Agent Dual Agent
Firm License #:
Mailing Address:

Listing Firm Name: n/a - no broker
Acting as Seller's Agent Dual Agent
Firm License #:
Mailing Address:

Individual Selling Agent:
Acting as a Designated Dual Agent (check only if applicable)

Individual Listing Agent:
Acting as a Designated Dual Agent (check only if applicable)

Selling Agent License #: _____

Listing Agent License #: _____

Selling Agent Phone #: _____

Listing Agent Phone #: _____

Selling Agent Fax #: _____

Listing Agent Fax #: _____

Selling Agent E-mail: _____

Listing Agent E-mail: _____

[THIS SPACE INTENTIONALLY LEFT BLANK]

ACKNOWLEDGMENT OF RECEIPT OF MONIES

Seller: _____ (“Seller”)

Buyer: _____ (“Buyer”)

Property Address: _____ (“Property”)

LISTING AGENT ACKNOWLEDGMENT OF RECEIPT OF DUE DILIGENCE FEE

Paragraph 1(d) of the Offer to Purchase and Contract between Buyer and Seller for the sale of the Property provides for the payment to Seller of a Due Diligence Fee in the amount of \$ _____, receipt of which Listing Agent hereby acknowledges.

Date _____ Firm: _____

By: _____
(Signature)

(Print name)

SELLER ACKNOWLEDGMENT OF RECEIPT OF DUE DILIGENCE FEE

Paragraph 1(d) of the Offer to Purchase and Contract between Buyer and Seller for the sale of the Property provides for the payment to Seller of a Due Diligence Fee in the amount of \$ _____, receipt of which Seller hereby acknowledges.

Date _____ Seller: _____
(Signature)

Date _____ Seller: _____
(Signature)

ESCROW AGENT ACKNOWLEDGMENT OF RECEIPT OF INITIAL EARNEST MONEY DEPOSIT

Paragraph 1(d) of the Offer to Purchase and Contract between Buyer and Seller for the sale of the Property provides for the payment to Escrow Agent of an Initial Earnest Money Deposit in the amount of \$ _____. Escrow Agent as identified in Paragraph 1(f) of the Offer to Purchase and Contract hereby acknowledges receipt of the Initial Earnest Money Deposit and agrees to hold and disburse the same in accordance with the terms of the Offer to Purchase and Contract.

Date _____ Firm : _____

By: _____
(Signature)

(Print name)

ESCROW AGENT ACKNOWLEDGMENT OF RECEIPT OF (ADDITIONAL) EARNEST MONEY DEPOSIT

Paragraph 1(d) of the Offer to Purchase and Contract between Buyer and Seller for the sale of the Property provides for the payment to Escrow Agent of an (Additional) Earnest Money Deposit in the amount of \$ _____. Escrow Agent as identified in Paragraph 1(f) of the Offer to Purchase and Contract hereby acknowledges receipt of the (Additional) Earnest Money Deposit and agrees to hold and disburse the same in accordance with the terms of the Offer to Purchase and Contract.

Date: _____ Firm: _____

Time: _____ AM PM

By: _____
(Signature)

(Print name)



**RESOLUTION OF THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE CITY OF NEW BERN, NC**

**August 19, 2024
Resolution No. 08.24.03
Purchase of 1004 Walt Bellamy Drive**

WHEREAS, the Redevelopment Commission of the City of New Bern ("Commission") owns certain real property located at 1004 Walt Bellamy Drive consisting of approximately 0.1 acres, and more specifically identified by Craven County tax parcel identification number 8 009 00B ("Property 2"); and,

WHEREAS, pursuant to a resolution adopted by the Commission on August 14, 2024, a copy of which is attached hereto as Attachment 1 and incorporated herein by reference, the Commission desires to sell Property 2 to the Housing Authority of the City of New Bern, N.C. ("NBHA") for \$164,000.00 to be used for affordable housing for persons of low to moderate income; and,

WHEREAS, NBHA desires to purchase Property 2 pursuant to the terms of the Offer to Purchase and Contract as set forth in Attachment 1.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of NBHA hereby authorize the purchase of Property 2 from the Commission for \$164,000.00 pursuant to the terms of the Offer to Purchase and Contract as set forth in Attachment 1; and,

RESOLVED FURTHER, that the Chair, Vice Chair and/or Executive Director of NBHA be, and hereby are, authorized and directed to take all actions necessary and to execute all documents required to purchase Property 2.

RECORDING OFFICER'S CERTIFICATION

I, Ronald Scott, the duly appointed Chair of the Housing Authority of the City of New Bern, N.C., do hereby certify that Resolution No. 08.24.03 was adopted at a regular meeting of the Board of Commissioners held on August 19, 2024.

Ronald Scott, Chair



ATTACHMENT 1
COMMISSION RESOLUTION – 1004 WALT BELLAMY DRIVE

Next page.

RESOLUTION

THAT WHEREAS, the Redevelopment Commission of the City of New Bern owns certain real property located at 1004 Walt Bellamy Drive consisting of approximately 0.1 acres, and more specifically identified by Craven County tax parcel identification number 8-009-00B, the same having been acquired by the Commission in July 2021; and

WHEREAS, the Commission previously declared the real property at 1004 Walt Bellamy Drive, as shown on Exhibit A, to be surplus property; and

WHEREAS, North Carolina General Statute §160A-279 provides in part, “Whenever a city or county is authorized to appropriate funds to any public or private entity which carries out a public purpose, the city or county may, in lieu of or in addition to the appropriation of funds, convey by private sale to such an entity any real or personal property which it owns...The city or county shall attach to any such conveyance covenants or conditions which assure that the property will be put to a public use by the recipient entity.”

WHEREAS, N.C.G.S. §160A-279 is applicable to redevelopment commissions pursuant to the provisions of N.C.G.S. §160A-514.

WHEREAS, the Redevelopment Commission of the City of New Bern hereby declares that the real property at 1004 Walt Bellamy Drive constitutes surplus property, and deems it advisable, in the public interest and consistent with the adopted redevelopment plan to sell the same by private sale to the Housing Authority of the City of New Bern, N.C. for the sum of 164,000.00, provided that the same is to provide affordable housing for persons of low to moderate income.

NOW, THEREFORE, BE IT RESOLVED BY THE REDEVELOPMENT COMMISSION OF THE CITY OF NEW BERN:

Section 1: That the Redevelopment Commission of the City of New Bern hereby declares that the real property owned by the Commission located at 1004 Walt Bellamy Drive as shown on Exhibit A (“Subject Property”) to be surplus property.

Section 2: That the Redevelopment Commission of the City of New Bern authorizes the sale of the Subject Property to the Housing Authority of the City of New Bern, N.C. pursuant to the provisions of N.C.G.S. §160A-279, for the sum of 164,000.00, provided that the same is used to provide affordable housing for persons of low to moderate income.

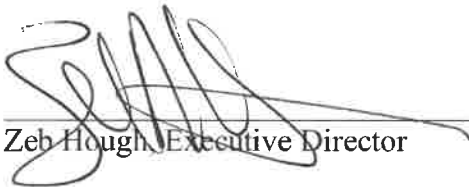
Section 3: That the Executive Director is hereby authorized to seek approval of this sale from the Board of Aldermen of the City of New Bern.

Section 4: That the Chairman and Vice Chairman are hereby authorized to execute the Offer to Purchase and Contract with the Housing Authority of the City of New Bern, N.C., a copy of which is attached hereto and incorporated herein by reference, upon receipt of approval of the sale from Board of Aldermen of the City of New Bern.

ADOPTED THIS 14th DAY OF AUGUST, 2024.



Beth Walker, Chairman



Zeb Hough, Executive Director

EXHIBIT A

ADDITIONAL PROVISIONS TO OFFER TO PURCHASE AND CONTRACT BETWEEN
REDEVELOPMENT COMMISSION OF THE CITY OF NEW BERN ("SELLER")
AND
HOUSING AUTHORITY OF THE CITY OF NEW BERN, N.C. ("BUYER")
1004 Walt Bellamy Drive, New Bern, NC

The parties agree to the following additional conditions and provisions of the Offer to Purchase and Contract (the "Contract") to which this Addendum is attached:

1. Notwithstanding Section 8(g) of the Contract, the conveyance by Seller to Buyer shall be by Special Warranty Deed.

2. This Contract is subject to the provisions of N.C. Gen. Stat. §160A-514. Buyer acknowledges and understands that this Contract is subject to approval by the Board of Aldermen of the City of New Bern pursuant to N.C. Gen. Stat. §160A-514. All parties agree to execute any and all documents necessary in connection with Closing and transfer of title within thirty (30) days after the granting of final approval of the sale by the Board of Aldermen.

3. Seller acknowledges and understands that Buyer's obligations under this Contract are contingent upon: (a) formal approval by Buyer's Board of Commissioners; (b) the receipt of financing by Buyer upon such terms as may be acceptable to Buyer in its sole discretion; and (c) the receipt by Buyer of Project Based Rental Assistance from Twin Rivers Opportunities.

SELLER:

REDEVELOPMENT COMMISSION OF THE CITY OF
NEW BERN

By: _____

Name: _____

Title: _____

Beth B Walker
BETH B WALKER
CHAIR

BUYER:

HOUSING AUTHORITY OF THE CITY OF NEW
BERN, N.C.

By: _____

Name: Reginal Barner

Title: Interim Executive Director

OFFER TO PURCHASE AND CONTRACT
 [Consult "Guidelines" (Form 2G) for guidance in completing this form]

For valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, Buyer offers to purchase and Seller upon acceptance agrees to sell and convey the Property on the terms and conditions of this Offer To Purchase and Contract and any addendum or modification made in accordance with its terms (together the "Contract").

1. TERMS AND DEFINITIONS: The terms listed below shall have the respective meaning given them as set forth adjacent to each term.

- (a) "Seller": REDEVELOPMENT COMMISSION OF THE CITY OF NEW BERN _____
- (b) "Buyer": HOUSING AUTHORITY OF THE CITY OF NEW BERN, N.C. _____

(c) "Property": The Property shall include all that real estate described below together with all appurtenances thereto including the improvements located thereon and the fixtures and personal property listed in Paragraphs 2 and 3 below.

The Property will will not include a manufactured (mobile) home(s).
 The Property will will not include an off-site and/or separate septic lot, boat slip, garage, parking space, or storage unit.

NOTE: If a manufactured home(s) or a septic lot, boat slip, garage, parking space, or storage unit is included, Buyer and Seller are strongly encouraged to include further details in the Additional Provisions Addendum (Form 2A11-T) and attach it to this offer.

Street Address: 1004 Walt Bellamy Drive _____
 City: New Bern _____ Zip: 28560 _____
 County: Craven _____, North Carolina

NOTE: Governmental authority over taxes, zoning, school districts, utilities and mail delivery may differ from address shown.

Legal Description: (Complete ALL applicable)
 Plat Reference: Lot/Unit B, Block/Section _____, Subdivision/Condominium _____
 _____, as shown on Plat Book/Slide J at Page(s) 52F
 The PIN/PID or other identification number of the Property is: 8-009-00B
 Other description: _____
 Some or all of the Property may be described in Deed Book 3679 at Page 1464

- (d) "Purchase Price":
- \$ 164,000.00 _____
 - \$ n/a _____
 - \$ n/a _____
 - \$ n/a _____
 - \$ n/a _____
 - \$ n/a _____
 - \$ n/a _____
 - \$ 164,000.00 _____

paid in U.S. Dollars upon the following terms:
 BY DUE DILIGENCE FEE made payable and delivered to Seller on the Effective Date by cash personal check official bank check wire transfer electronic transfer (specify payment service: _____)
 BY INITIAL EARNEST MONEY DEPOSIT made payable and delivered to Escrow Agent named in Paragraph 1(f) within five (5) days of the Effective Date of this Contract by cash personal check official bank check wire transfer electronic transfer.
 BY (ADDITIONAL) EARNEST MONEY DEPOSIT made payable and delivered to Escrow Agent named in Paragraph 1(f) no later than 5 p.m. on _____, **TIME BEING OF THE ESSENCE** by cash official bank check wire transfer electronic transfer
 BY ASSUMPTION of the unpaid principal balance and all obligations of Seller on the existing loan(s) secured by a deed of trust on the Property in accordance with the attached Loan Assumption Addendum (Standard Form 2A6-T).
 BY SELLER FINANCING in accordance with the attached Seller Financing Addendum (Standard Form 2A5-T).
 BY BUILDING DEPOSIT in accordance with the attached New Construction Addendum (Standard Form 2A3-T).
 BALANCE of the Purchase Price in cash at Settlement (some or all of which may be paid with the proceeds of a new loan)



This form jointly approved by:
 North Carolina Bar Association's Real Property Section
 North Carolina Association of REALTORS®, Inc.



STANDARD FORM 2-T
 Revised 7/2023
 © 7/2023

Buyer's initials _____ Seller's initials _____

Should Buyer fail to deliver either the Due Diligence Fee or any Initial Earnest Money Deposit by their due dates, or should any check or other funds paid by Buyer be dishonored, for any reason, by the institution upon which the payment is drawn, Buyer shall have one (1) banking day after written notice to deliver cash, official bank check, wire transfer or electronic transfer to the payee. In the event Buyer does not timely deliver the required funds, Seller shall have the right to terminate this Contract upon written notice to Buyer, and Seller shall be entitled to recover the Due Diligence Fee together with all Earnest Money Deposit paid or to be paid in the future. In addition, Seller may seek any remedies allowed for dishonored funds. See paragraph 23 for a party's right to attorneys' fees incurred in collecting the Earnest Money Deposit or Due Diligence Fee.

NOTE: If the parties agree that Buyer will pay any fee or deposit described above by electronic or wire transfer, Seller agrees to cooperate in effecting such transfer, including the establishment of any necessary account and providing any necessary information to Buyer, provided, however, Buyer shall be responsible for additional costs, if any, associated with such transfer.

(e) **"Earnest Money Deposit":** The Initial Earnest Money Deposit, the Additional Earnest Money Deposit and any other earnest monies paid or required to be paid in connection with this transaction, collectively the "Earnest Money Deposit," shall be deposited promptly and held in escrow by Escrow Agent. The Earnest Money Deposit will be credited to Buyer at Closing or disbursed as required by this Contract.

(f) **"Escrow Agent"** (insert name): n/a
Buyer and Seller consent to disclosure by the Escrow Agent of any material facts pertaining to the Earnest Money Deposit to the parties to this transaction, their real estate agent(s) and Buyer's lender(s).

NOTE: In the event of a dispute between Seller and Buyer over the disposition of the Earnest Money Deposit held in escrow, a licensed real estate broker ("Broker") is required by state law (and Escrow Agent, if not a Broker, hereby agrees) to retain the Earnest Money Deposit in the Escrow Agent's trust or escrow account until Escrow Agent has obtained a written release from the parties consenting to its disposition or until disbursement is ordered by a court of competent jurisdiction. Alternatively, if a Broker or an attorney licensed to practice law in North Carolina ("Attorney") is holding the Earnest Money Deposit, the Broker or Attorney may deposit the disputed monies with the appropriate clerk of court in accordance with the provisions of N.C.G.S. §93A-12.

THE PARTIES AGREE THAT A REAL ESTATE BROKERAGE FIRM ACTING AS ESCROW AGENT MAY PLACE THE EARNEST MONEY DEPOSIT IN AN INTEREST BEARING TRUST ACCOUNT AND THAT ANY INTEREST EARNED THEREON SHALL BE DISBURSED TO THE ESCROW AGENT MONTHLY IN CONSIDERATION OF THE EXPENSES INCURRED BY MAINTAINING SUCH ACCOUNT AND RECORDS ASSOCIATED THEREWITH.

(g) **"Effective Date":** The date that: (1) the last one of Buyer and Seller has signed or initialed this offer or the final counteroffer, if any, and (2) such signing or initialing is communicated to the party making the offer or counteroffer, as the case may be. The parties acknowledge and agree that the initials lines at the bottom of each page of this Contract are merely evidence of their having reviewed the terms of each page, and that the complete execution of such initials lines shall not be a condition of the effectiveness of this Agreement. The parties further acknowledge that the effectiveness of this Contract is not contingent on Buyer's payment of any Earnest Money Deposit or Due Diligence Fee. See paragraph 1(d) for Seller's remedy for any untimely delivered or dishonored funds.

(h) **"Due Diligence":** Buyer's opportunity to investigate the Property and the transaction contemplated by this Contract, including but not necessarily limited to the matters described in Paragraph 4 below, to decide whether Buyer, in Buyer's sole discretion, will proceed with or terminate the transaction.

(i) **"Due Diligence Fee":** A negotiated amount, if any, paid by Buyer to Seller with this Contract for Buyer's right to terminate the Contract for any reason or no reason during the Due Diligence Period. It shall be the property of Seller upon the Effective Date and shall be a credit to Buyer at Closing. The Due Diligence Fee shall be non-refundable except in the event of a material breach of this Contract by Seller, or if this Contract is terminated under Paragraph 23(b) or as otherwise provided in any addendum hereto. Buyer and Seller each expressly waive any right that they may have to deny the right to conduct Due Diligence or to assert any defense as to the enforceability of this Contract based on the absence or alleged insufficiency of any Due Diligence Fee, it being the intent of the parties to create a legally binding contract for the purchase and sale of the Property without regard to the existence or amount of any Due Diligence Fee. See paragraph 23 for a party's right to attorneys' fees incurred in collecting the Due Diligence Fee.

(j) **"Due Diligence Period":** The period beginning on the Effective Date and extending through 5:00 p.m. on _____
the Settlement Date *TIME BEING OF THE ESSENCE.*

(k) **"Settlement":** The proper execution and delivery to the closing attorney of all documents necessary to complete the transaction contemplated by this Contract, including the deed, settlement statement, deed of trust and other loan or conveyance documents, and the closing attorney's receipt of all funds necessary to complete such transaction.

(l) **“Settlement Date”**: The parties agree that Settlement will take place on See Exhibit A (the “Settlement Date”), unless otherwise agreed in writing, at a time and place designated by Buyer.

NOTE: See paragraph 12, **DELAY IN SETTLEMENT/CLOSING** for conditions under which Settlement may be delayed.

(m) **“Closing”**: The completion of the legal process which results in the transfer of title to the Property from Seller to Buyer, which includes the following steps: (1) the Settlement (defined above); (2) the completion of a satisfactory title update to the Property following the Settlement; (3) the closing attorney’s receipt of authorization to disburse all necessary funds; and (4) recordation in the appropriate county registry of the deed(s) and deed(s) of trust, if any, which shall take place as soon as reasonably possible for the closing attorney after Settlement. Upon Closing, the proceeds of sale shall be disbursed by the closing attorney in accordance with the settlement statement and the provisions of Chapter 45A of the North Carolina General Statutes. If the title update should reveal unexpected liens, encumbrances or other title defects, or if the closing attorney is not authorized to disburse all necessary funds, then the Closing shall be suspended and the Settlement deemed delayed under Paragraph 12 (Delay in Settlement/Closing).

WARNING: The North Carolina State Bar has determined that the performance of most acts and services required for a closing constitutes the practice of law and must be performed only by an attorney licensed to practice law in North Carolina. State law prohibits unlicensed individuals or firms from rendering legal services or advice. Although non-attorney settlement agents may perform limited services in connection with a closing, they may not perform all the acts and services required to complete a closing. A closing involves significant legal issues that should be handled by an attorney. Accordingly, it is the position of the North Carolina Bar Association and the North Carolina Association of REALTORS® that all buyers should hire an attorney licensed in North Carolina to perform a closing.

(n) **“Special Assessments”**: A charge against the Property by a governmental authority in addition to ad valorem taxes and recurring governmental service fees levied with such taxes, or by an owners’ association in addition to any regular assessment (dues), either of which may be a lien against the Property.

NOTE: Buyer’s and Seller’s respective responsibilities for the payment of Special Assessments are addressed in paragraphs 6(a) and 8(l).

2. FIXTURES AND EXCLUSIONS:

WARNING: THE PARTIES SHOULD NOT ASSUME THAT AN ITEM WILL OR WILL NOT BE INCLUDED IN THE SALE BASED ON AN ORAL OR WRITTEN STATEMENT OR UNDERSTANDING THAT IS NOT A PART OF THIS CONTRACT. BUYER AND SELLER SHOULD BE SPECIFIC WHEN NEGOTIATING WHAT ITEMS WILL BE INCLUDED OR EXCLUDED FROM THE SALE.

(a) **Fixtures Are Included in Purchase Price:** ALL EXISTING FIXTURES ARE INCLUDED IN THE SALE AS PART OF THE PURCHASE PRICE, FREE OF LIENS, UNLESS EXCLUDED IN SUBPARAGRAPHS (d) OR (e).

[THIS SPACE INTENTIONALLY LEFT BLANK]

(b) **Specified Items:** Buyer and Seller agree that the following items, if present on the Property on the date of the offer, shall be included in the sale as part of the Purchase Price free of liens, unless excluded in subparagraphs (d) or (e) below. ALL ITEMS LISTED BELOW INCLUDE BOTH TRADITIONAL AND “SMART” VERSIONS AND ANY EXCLUSIVELY DEDICATED, RELATED EQUIPMENT AND/OR REMOTE CONTROL DEVICES.

- Alarm and security systems (attached) for security, fire, smoke, carbon monoxide or other toxins with all related access codes, sensors, cameras, dedicated monitors, hard drives, video recorders, power supplies and cables; doorbells/chimes
- All stoves/ranges/ovens; built-in appliances; attached microwave oven; vent hood
- Antennas; satellite dishes and receivers
- Basketball goals and play equipment (permanently attached or in-ground)
- Ceiling and wall-attached fans; light fixtures (including existing bulbs)
- Exercise equipment/devices that are attached
- Fireplace insert; gas logs or starters; attached fireplace screens; wood or coal stoves
- Floor coverings (attached)
- Garage door openers
- Generators that are permanently wired
- Invisible fencing with power supply
- Landscape and outdoor trees and plants (except in moveable containers); raised garden; landscape and foundation lighting; outdoor sound systems; permanent irrigation systems; rain barrels; landscape water features;
- Mailboxes; mounted package and newspaper receptacles
- Mirrors attached to walls, ceilings, cabinets or doors; all bathroom wall mirrors
- Storage shed; utility building
- Swimming pools; spas; hot tubs (excluding inflatable pools, spas, and hot tubs)
- Solar electric and solar water heating systems
- Sump-pumps, radon fans and crawlspace ventilators; de-humidifiers that are permanently wired
- Surface-mounting brackets for television and speakers; recess-mounted speakers; mounted intercom system
- Thermostats
- Water supply equipment, including filters, conditioning and softener systems; re-circulating pumps; well pumps and tanks
- Window/Door blinds and shades, curtain/drapery rods and brackets, door and window screens and combination doors, awnings and storm windows

(c) **Unpairing/deleting data from devices:** Prior to Closing, Seller shall “unpair” any devices that will convey from any personal property devices (hubs, intelligent virtual assistants, mobile devices, vehicles, etc.) with which they are paired, delete personal data from any devices that will convey, and restore all devices to factory default settings unless otherwise agreed. Seller’s obligations under this paragraph 2(c) shall survive Closing.

NOTE: ANY FIXTURE OR OTHER ITEM DESCRIBED IN SUBPARAGRAPHS (a) AND (b) THAT WILL NOT BE A PART OF THE SALE SHOULD BE IDENTIFIED IN SUBPARAGRAPHS (d) OR (e), AS APPLICABLE.

(d) **Items Leased or Not Owned:** Any item which is leased or not owned by Seller, such as antennas, satellite dishes and receivers, appliances, and alarm and security systems must be identified here and shall not convey:

In addition, any leased fuel tank identified in paragraph 7(d) shall not convey.

(e) **Other Items That Do Not Convey:** The following items shall not convey (*identify those items to be excluded under subparagraphs (a) and (b)*):

Seller must repair any damage caused by removal of any items excluded above in a good and workmanlike manner. Seller will notify Buyer upon completion of such repair(s) and provide Buyer with documentation thereof, if any.

NOTE: Buyer is advised to consider attaching the Additional Provisions Addendum (Form 2A 11-T) if Buyer has a specific request as to how the repairs should be completed.

3. **PERSONAL PROPERTY:** The following personal property present on the Property on the date of the offer shall be transferred to Buyer at closing at no value: refrigerator, all appliances

NOTE: ANY PERSONAL PROPERTY THAT WILL BE A PART OF THE SALE SHOULD BE IDENTIFIED IN THIS PARAGRAPH. Buyer is advised to consult with Buyer's lender to assure that the Personal Property items listed above can be included in this Contract.

4. **BUYER'S DUE DILIGENCE PROCESS:**

WARNING: BUYER IS STRONGLY ENCOURAGED TO CONDUCT DUE DILIGENCE DURING THE DUE DILIGENCE PERIOD. If Buyer is not satisfied with the results or progress of Buyer's Due Diligence, Buyer should terminate this Contract, PRIOR TO THE EXPIRATION OF THE DUE DILIGENCE PERIOD, unless Buyer can obtain a written extension from Seller. SELLER IS NOT OBLIGATED TO GRANT AN EXTENSION. Although Buyer may continue to investigate the Property following the expiration of the Due Diligence Period, Buyer's failure to deliver a Termination Notice to Seller prior to the expiration of the Due Diligence Period will constitute a waiver by Buyer of any right to terminate this Contract based on any matter relating to Buyer's Due Diligence. Provided however, following the Due Diligence Period, Buyer may still exercise a right to terminate if Seller fails to materially comply with any of Seller's obligations under Paragraph 8 of this Contract or for any other reason permitted under the terms of this Contract or North Carolina law.

(a) **Loan:** Buyer, at Buyer's expense, shall be entitled to pursue qualification for and approval of the Loan if any.

NOTE: There is no loan or appraisal contingency in this Offer To Purchase and Contract. Therefore, Buyer is advised to consult with Buyer's lender prior to signing this offer to assure that the Due Diligence Period allows sufficient time for the loan process and for Buyer's lender to provide Buyer sufficient information to decide whether to proceed with or terminate the transaction.

(b) **Property Investigation:** Buyer or Buyer's agents or representatives, at Buyer's expense, shall be entitled to conduct all desired tests, surveys, appraisals, investigations, examinations and inspections of the Property as Buyer deems appropriate, including but NOT limited to the following:

- (i) **Inspections:** Inspections to determine the condition of any improvements on the Property, the presence of unusual drainage conditions or evidence of excessive moisture adversely affecting any improvements on the Property, the presence of asbestos or existing environmental contamination, evidence of wood-destroying insects or damage therefrom, and the presence and level of radon gas on the Property.
- (ii) **Review of Documents:** Review of the Declaration of Restrictive Covenants, Bylaws, Articles of Incorporation, Rules and Regulations, and other governing documents of any applicable owners' association and/or subdivision. If the Property is subject to regulation by an owners' association, it is recommended that Buyer review the completed Residential Property and Owners' Association Disclosure Statement provided by Seller prior to signing this offer. It is also recommended that the Buyer determine if the owners' association or its management company charges fees for providing information required by Buyer's lender or confirming restrictive covenant compliance.
- (iii) **Insurance:** Investigation of the availability and cost of insurance for the Property.
- (iv) **Appraisals:** An appraisal of the Property.
- (v) **Survey:** A survey to determine whether the property is suitable for Buyer's intended use and the location of easements, setbacks, property boundaries and other issues which may or may not constitute title defects.
- (vi) **Zoning, Governmental Regulation, and Governmental Compliance:** Investigation of current or proposed zoning or other governmental regulation that may affect Buyer's intended use of the Property, adjacent land uses, planned or proposed road construction, and school attendance zones; and investigation of whether the Property is in violation of any law, ordinance, permit, or government regulation as outlined in paragraph 8(h).
- (vii) **Flood Hazard:** Investigation of potential flood hazards on the Property, and/or any requirement to purchase flood insurance in order to obtain the Loan
- (viii) **Utilities and Access:** Availability, quality, and obligations for maintenance of utilities including water, sewer, electric, gas, communication services, stormwater management, and means of access to the Property and amenities.
- (ix) **Streets/Roads:** Investigation of the status of the street/road upon which the Property fronts as well as any other street/road used to access the Property, including: (1) whether any street(s)/road(s) are public or private, (2) whether any street(s)/road(s) designated as public are accepted for maintenance by the State of NC or any municipality, or (3) if private or not accepted for public maintenance, the consequences and responsibility for maintenance and the existence, terms and funding of any maintenance agreements.

(x) **Special Assessments:** Investigation of the existence of Special Assessments that may be under consideration by a governmental authority or an owners' association.

(c) **Sale/Lease of Existing Property:** As noted in paragraph 5(b), unless otherwise provided in an addendum, this Contract is not conditioned upon the sale/lease or closing of other property owned by Buyer. Therefore, if Buyer must sell or lease other real property in order to qualify for a new loan or to otherwise complete the purchase of the Property, Buyer should seek to close on Buyer's other property prior to the end of the Due Diligence Period or be reasonably satisfied that closing on Buyer's other property will take place prior to the Settlement Date of this Contract.

(d) **Repair/Improvement Negotiations/Agreement:** Buyer acknowledges and understands the following:

- Unless the parties agree otherwise, THE PROPERTY IS BEING SOLD IN ITS CURRENT CONDITION.
- Seller may, but is not required to, engage in negotiations for repairs/improvements to the Property.

Buyer is advised to make any repair/improvement requests in sufficient time to allow negotiations to be concluded prior to the expiration of the Due Diligence Period. Any agreement that the parties may reach with respect to repairs/improvements is an addition to this Contract that must be in writing and signed by the parties in accordance with Paragraph 19.

NOTE: See Paragraph 8(c), Access to Property and Paragraph 8(n), Negotiated Repairs/Improvements.

(e) **Buyer's Obligation to Repair Damage:** Buyer shall, at Buyer's expense, promptly repair any damage to the Property resulting from any activities of Buyer and Buyer's agents and contractors, but Buyer shall not be responsible for any damage caused by accepted practices either approved by the N.C. Home Inspector Licensure Board or applicable to any other N.C. licensed professional performing reasonable appraisals, tests, surveys, examinations and inspections of the Property. This repair obligation shall survive any termination of this Contract.

(f) **Indemnity:** Buyer will indemnify and hold Seller harmless from all loss, damage, claims, suits or costs, which shall arise out of any contract, agreement, or injury to any person or property as a result of any activities of Buyer and Buyer's agents and contractors relating to the Property except for any loss, damage, claim, suit or cost arising out of pre-existing conditions of the Property and/or out of Seller's negligence or willful acts or omissions. This indemnity shall survive this Contract and any termination hereof.

(g) **Buyer's Right to Terminate:** Provided that Buyer has delivered any agreed-upon Due Diligence Fee, Buyer shall have the right to terminate this Contract for any reason or no reason, by delivering to Seller written notice of termination (the "Termination Notice") during the Due Diligence Period (or any agreed-upon written extension of the Due Diligence Period), **TIME BEING OF THE ESSENCE**. If Buyer timely delivers the Termination Notice, this Contract shall be terminated and the Earnest Money Deposit shall be refunded to Buyer.

(h) **CLOSING SHALL CONSTITUTE ACCEPTANCE OF THE PROPERTY IN ITS THEN EXISTING CONDITION UNLESS PROVISION IS OTHERWISE MADE IN WRITING.**

5. BUYER REPRESENTATIONS:

(a) **Funds to complete purchase:**
 (Check if applicable) Cash. Buyer intends to pay cash in order to purchase the Property and does not intend to obtain a loan or funds from sources other than Buyer's own assets. Verification of cash available for Settlement is is not attached.

NOTE: If Buyer does not intend to obtain a new loan(s) and/or funds from sources other than Buyer's own assets, Seller is advised, prior to signing this offer, to obtain documentation from Buyer which demonstrates that Buyer will be able to close on the Property without the necessity of obtaining a loan or funds from sources other than Buyer's own assets.

OR:

(Check if applicable) Loan(s)/Other Funds: Buyer intends to obtain a loan(s) and/or other funds to purchase the Property from the following sources (check all applicable sources):
 First Mortgage Loan:
Buyer intends to obtain a first mortgage loan of the following type in order to purchase the Property: FHA VA (attach FHA/VA Financing Addendum) Conventional USDA Other type: _____

in the principal amount of _____ plus any financed VA Funding Fee or FHA MIP.

Second Mortgage Loan:
Buyer intends to obtain a second mortgage loan of the following type in order to purchase the Property:

Other funds:

Buyer intends to obtain funds from the following other source(s) in order to purchase the Property: _____

NOTE: Buyer's obligations under this Contract are not conditioned upon obtaining any loan(s) or other funds from sources other than Buyer's own assets. Some mortgage loan programs and other programs providing funds for the purchase of property selected by Buyer may impose repair obligations and/or additional conditions or costs upon Seller or Buyer, and more information may be needed.

Material changes with respect to funding the purchase of the Property that affect the terms of the contract are material facts that must be disclosed.

(b) **Other Property:** Buyer DOES DOES NOT have to sell or lease other real property in order to qualify for a new loan or to complete the purchase. (Complete the following only if Buyer DOES have to sell or lease other real property:)

Other Property Address: _____

(Check if applicable) Buyer's other property IS under contract as of the date of this offer, and a copy of the contract has either been previously provided to Seller or accompanies this offer. (Buyer may mark out any confidential information, such as the purchase price and the buyer's identity, prior to providing a copy of the contract to Seller.) Failure to provide a copy of the contract shall not prevent this offer from becoming a binding contract; however, SELLER IS STRONGLY ENCOURAGED TO OBTAIN AND REVIEW THE CONTRACT ON BUYER'S PROPERTY PRIOR TO ACCEPTING THIS OFFER.

(Check if applicable) Buyer's other property IS NOT under contract as of the date of this offer. Buyer's property (check only ONE of the following options):

is listed with and actively marketed by a licensed real estate broker.

will be listed with and actively marketed by a licensed real estate broker.

Buyer is attempting to sell/lease the Buyer's Property without the assistance of a licensed real estate broker.

NOTE: This Contract is NOT conditioned upon the sale/lease or closing of Buyer's other property. If the parties agree to make this Contract conditioned on a sale/lease or closing of Buyer's other property, an appropriate contingency addendum should be drafted by a North Carolina real estate attorney and added to this Contract.

(c) **Performance of Buyer's Financial Obligations:** To the best of Buyer's knowledge, there are no other circumstances or conditions existing as of the date of this offer that would prohibit Buyer from performing Buyer's financial obligations in accordance with this Contract, except as may be specifically set forth herein.

(d) **Residential Property and Owners' Association Disclosure Statement (check only one):**

Buyer has received a signed copy of the N.C. Residential Property and Owners' Association Disclosure Statement prior to making this offer and acknowledges compliance with N.C.G.S. 47E-5 (Residential Property Disclosure Act).

Buyer has NOT received a signed copy of the N.C. Residential Property and Owners' Association Disclosure Statement prior to making this offer and shall have the right to terminate or withdraw this Contract without penalty (including a refund of any Due Diligence Fee) prior to WHICHEVER OF THE FOLLOWING EVENTS OCCURS FIRST: (1) the end of the third calendar day following receipt of the Disclosure Statement; (2) the end of the third calendar day following the Effective Date; or (3) Settlement or occupancy by Buyer in the case of a sale or exchange.

Exempt from N.C. Residential Property and Owners' Association Disclosure Statement because (SEE GUIDELINES): N.C.G.S. 47E-2(a)(8)

(e) **Mineral and Oil and Gas Rights Mandatory Disclosure Statement (check only one):**

Buyer has received a signed copy of the N.C. Mineral and Oil and Gas Rights Mandatory Disclosure Statement prior to making this offer and acknowledges compliance with N.C.G.S. 47E-5 (Residential Property Disclosure Act).

Buyer has NOT received a signed copy of the N.C. Mineral and Oil and Gas Rights Mandatory Disclosure Statement prior to making this offer and shall have the right to terminate or withdraw this Contract without penalty (including a refund of any Due Diligence Fee) prior to WHICHEVER OF THE FOLLOWING EVENTS OCCURS FIRST: (1) the end of the third calendar day following receipt of the Disclosure Statement; (2) the end of the third calendar day following the Effective Date; or (3) Settlement or occupancy by Buyer in the case of a sale or exchange.

Exempt from N.C. Mineral and Oil and Gas Rights Mandatory Disclosure Statement because (SEE GUIDELINES): _____
N.C.G.S. 47E-2(a)(8)

Owners' association website address, if any: _____

(specify name of association): _____ n/a - not subject to an owners' association _____ whose regular assessments ("dues") are \$ _____ per _____. The name, address and telephone number of the president of the owners' association or the association manager is: _____

Owners' association website address, if any: _____

(d) **Fuel Tank(s)/Fuel:** To the best of Seller's knowledge, there is is not a fuel tank(s) located on the Property. If "yes" complete the following:

(i) **Description:**

Tank 1:

- Use: currently in use currently NOT in use
- Ownership: owned leased. If leased, name and contact information of tank lessor: _____

• Location: above ground below ground

• Type of fuel: oil propane gasoline and/or diesel other: _____

• Name and contact information of fuel vendor: _____

Tank 2:

- Use: currently in use currently NOT in use
- Ownership: owned leased. If leased, name and contact information of tank lessor: _____

• Location: above ground below ground

• Type of fuel: oil propane gasoline and/or diesel other: _____

• Name and contact information of fuel vendor: _____

(ii) **Tank(s) included in sale:** Buyer and Seller agree that any tank described above that is owned by Seller shall be included in the sale as part of the Purchase Price free of liens, unless excluded in paragraph 2(e) above.

(iii) **Fuel:** Seller may use fuel in the tank(s) described above through Settlement, but may not otherwise remove the fuel or resell it. Any fuel remaining in the tank(s) as of Settlement shall be included in the sale as part of the Purchase Price, free of liens.

- Seller's use of fuel in any fuel tank is subject to Seller's obligation under Paragraph 8(c) to provide working, existing utilities through the earlier of Closing or possession by Buyer.

NOTE: Buyer shall be entitled to conduct inspections to confirm the existence, type and ownership of any fuel tank located on the Property. Buyer is advised to consult with the owner of any leased fuel tank regarding the terms under which Buyer may lease the tank and obtain fuel.

NOTE: State law provides that it is unlawful for any person, other than the supplier or the owner of a fuel supply tank, to disconnect, interrupt or fill the supply tank with liquefied petroleum gas (LP gas or propane) without the consent of the supplier.

(e) **Leases.** The Property is is not subject to any lease(s). If the Property is subject to a lease, Buyer and Seller should include either the Rental/Income/Investment Property provision in the Additional Provisions Addendum (Standard Form 2A11-T) or the Vacation Rental Addendum (Form 2A13-T) with this offer.

8. SELLER OBLIGATIONS:

(a) **Evidence of Title, Payoff Statement(s) and Non Foreign Status:**

(i) Seller agrees to use best efforts to provide to the closing attorney as soon as reasonably possible after the Effective Date, copies of all title information in possession of or available to Seller, including but not limited to: title insurance policies, attorney's opinions on title, surveys, covenants, deeds, notes and deeds of trust, leases, and easements relating to the Property.

(ii) Seller shall provide to the closing attorney all information needed to obtain a written payoff statement from any lender(s) regarding any security interest in the Property as soon as reasonably possible after the Effective Date, and Seller designates the closing attorney as Seller's agent with express authority to request and obtain on Seller's behalf payoff statements and/or short-pay statements from any such lender(s).

(iii) If Seller is not a foreign person as defined by the Foreign Investment in Real Property Tax Act, Seller shall also provide to the closing attorney a non-foreign status certification (pursuant to the Foreign Investment in Real Property Tax Act). In the event Seller does not provide a non-foreign status certification, Seller acknowledges that there may be withholding as provided

by the Internal Revenue Code.

(b) **Authorization to Disclose Information:** Seller authorizes: (i) any attorney presently or previously representing Seller to release and disclose any title insurance policy in such attorney's file to Buyer and both Buyer's and Seller's agents and attorneys; (ii) the Property's title insurer or its agent to release and disclose all materials in the Property's title insurer's (or title insurer's agent's) file to Buyer and both Buyer's and Seller's agents and attorneys and (iii) the closing attorney to release and disclose any seller's closing disclosure, settlement statement and/or disbursement summary, or any information therein, to the parties to this transaction, their real estate agent(s) and Buyer's lender(s).

(c) **Access to Property:** Seller shall provide reasonable access to the Property through the earlier of Closing or possession by Buyer, including, but not limited to, allowing Buyer and/or Buyer's agents or representatives, an opportunity to (i) conduct Due Diligence, (ii) verify the satisfactory completion of negotiated repairs/improvements, and (iii) conduct a final walk-through inspection of the Property. Seller's obligation includes providing existing utilities operating at Seller's cost, including any connections and de-winterizing.

NOTE: See WARNING in paragraph 4 above for limitation on Buyer's right to terminate this Contract as a result of Buyer's continued investigation of the Property following the expiration of the Due Diligence Period.

(d) **Removal of Seller's Property:** Seller shall remove, by the date possession is made available to Buyer, all personal property which is not a part of the purchase and all garbage and debris from the Property.

(e) **Affidavit and Indemnification Agreement:** Seller shall furnish at Settlement an affidavit(s) and indemnification agreement(s) in form satisfactory to Buyer and Buyer's title insurer, if any, executed by Seller and any person or entity who has performed or furnished labor, services, materials or rental equipment to the Property within 120 days prior to the date of Settlement and who may be entitled to claim a lien against the Property as described in N.C.G.S. §44A-8 verifying that each such person or entity has been paid in full and agreeing to indemnify Buyer, Buyer's lender(s) and Buyer's title insurer against all loss from any cause or claim arising therefrom.

(f) **Designation of Lien Agent, Payment and Satisfaction of Liens:** If required by N.C.G.S. §44A-11.1, Seller shall have designated a Lien Agent, and Seller shall deliver to Buyer as soon as reasonably possible a copy of the appointment of Lien Agent. All deeds of trust, deferred ad valorem taxes, liens and other charges against the Property, not assumed by Buyer, must be paid and satisfied by Seller prior to or at Settlement such that cancellation may be promptly obtained following Closing. Seller shall remain obligated to obtain any such cancellations following Closing.

(g) **Good Title, Legal Access:** Seller shall execute and deliver a GENERAL WARRANTY DEED for the Property in recordable form no later than Settlement, which shall convey fee simple marketable and insurable title, without exception for mechanics' liens, lis pendens, monetary liens and judgments, and free of other encumbrances or defects that would materially affect the value of the Property, including those which would be revealed by a current and accurate survey of the Property, except: (1) ad valorem taxes for the current year; (2) utility easements and unviolated covenants, conditions or restrictions; and (3) such other liens, encumbrances or defects as may be specifically approved by Buyer in writing. The Property must have legal access to a public right of way.

NOTE: Buyer's failure to conduct a survey or examine title of the Property, prior to the expiration of the Due Diligence Period does not relieve the Seller of their obligation to deliver good title under this paragraph.

NOTE: If any sale of the Property may be a "short sale," consideration should be given to attaching a Short Sale Addendum (Standard Form 2A14-T) as an addendum to this Contract.

(h) **Governmental Compliance:** It is a condition of this Contract that the Property be conveyed free of any material violation of law, ordinance, permit, or government regulation (including, but not limited to, those relating to building, stormwater, impervious surface, environmental protection, and zoning), unless Seller has specifically disclosed such violation(s) prior to the Effective Date. If a violation is discovered and identified after the Effective Date and prior to Closing, then Seller may cure the violation(s). Unless otherwise agreed, if Seller does not cure the violation(s) prior to Closing, then Buyer may choose to accept the violation(s) and proceed to Settlement/Closing or terminate this Contract and receive a refund of the Earnest Money Deposit and the Due Diligence Fee.

(i) **Deed, Taxes and Fees:** Seller shall pay for preparation of a deed and all other documents necessary to perform Seller's obligations under this Contract, and for state and county excise taxes, and any deferred, discounted or rollback taxes, and local conveyance fees required by law. The deed is to be made to: (i) Buyer; (ii) a corporation, limited liability company, or other business entity of which Buyer is the sole owner or shareholder; (iii) a trust for which Buyer is the beneficiary; (iv) any relative of Buyer; and/or (v) Other: (Insert Name(s) Only) _____ Buyer or as Buyer otherwise directs in writing _____.

(j) **Agreement to Pay Buyer Expenses:** Seller shall pay at Settlement \$ n/a _____ toward any of Buyer's expenses associated with the purchase of the Property, at the discretion of Buyer and/or lender, if any, including any FHA/VA lender and inspection costs that Buyer is not permitted to pay.

NOTE: Parties should review the FHA/VA Addendum prior to entering an amount in Paragraph 8(j). Certain FHA/VA lender and inspection costs CANNOT be paid by Buyer at Settlement and the amount of these should be included in the blank above.

(k) **Owners' Association Fees/Charges:** Seller shall pay any charges by an owners' association or a management company/vendor as agent of the association under paragraph 9(a) of this Contract.

(l) **Payment of Special Assessments:** Seller shall pay, in full at Settlement, all Special Assessments that are approved prior to Settlement, whether payable in a lump sum or future installments, provided that the amount thereof can be reasonably determined or estimated. The payment of such estimated amount shall be the final payment between the Parties.

(m) **Late Listing Penalties:** All property tax late listing penalties, if any, shall be paid by Seller.

(n) **Negotiated Repairs/Improvements:** Negotiated repairs/improvements shall be made in a good and workmanlike manner and Buyer shall have the right to verify same prior to Settlement.

(o) **Home Warranty (Select one of the following):**

- No home warranty is to be provided by Seller.
- Buyer may obtain a one-year home warranty at a cost not to exceed \$ _____ which includes sales tax and Seller agrees to pay for it at Settlement.
- Seller has obtained and will provide a one-year home warranty from _____ at a cost of \$ _____ which includes sales tax and will pay for it at Settlement.

NOTE: Home warranties typically have limitations on and conditions to coverage. Refer specific questions to the home warranty company.

(p) **Seller's Breach of Contract:** See paragraph 23 for Buyer's remedies in the event of breach of this Contract.

9. CHARGES BY OWNERS' ASSOCIATION: Responsibility for payment of charges by an owners' association or a management company/vendor as agent of the association shall be allocated between Buyer and Seller as follows:

(a) **Seller shall pay:**

- (i) fees incurred by Seller in completing the Residential Property and Owners' Association Disclosure Statement, and resale or other certificates related to a proposed sale of the Property;
- (ii) fees required for confirming Seller's account payment information on owners' association dues or assessments for payment or proration, including any expedite fee permitted under N.C. Gen. Stat. § 47F-3-102 that is charged in connection with providing such information;
- (iii) any fees charged for transferring or updating ownership records of the association; and
- (iv) any fees other than those fees specifically required to be paid by Buyer under paragraph 9(b) below.

(b) **Buyer shall pay:**

- (i) charges for providing information required by Buyer's lender;
- (ii) charges for working capital contributions, membership fees, or charges imposed for Buyer's use of the common elements and/or services provided to Buyer in connection with Buyer taking possession of the Property, such as "move-in fees"; and
- (iii) charges for determining restrictive covenant compliance.

10. PRORATIONS AND ADJUSTMENTS: Unless otherwise agreed, the following items shall be prorated, with Seller responsible for the prorated amounts of any taxes and dues through the date of Settlement, and Seller entitled to the amount of prorated rents through the date of Settlement, and either adjusted between the parties or paid at Settlement:

(a) **Taxes on Real Property:** Ad valorem taxes and recurring governmental service fees levied with such taxes on real property shall be prorated on a calendar year basis;

(b) **Taxes on Personal Property:** Ad valorem taxes on personal property for the entire year shall be paid by Seller unless the personal property is conveyed to Buyer, in which case, the personal property taxes shall be prorated on a calendar year basis;

(c) **Rents:** Rents, if any, for the Property;

(d) **Dues:** Owners' association regular assessments (dues) and other like charges.

11. CONDITION OF PROPERTY/RISK OF LOSS:

(a) **Condition of Property at Settlement:** If the Property is not in substantially the same or better condition at Closing as on the date of this offer, reasonable wear and tear excepted, Buyer may terminate this Contract by written notice delivered to Seller and the Due Diligence Fee and Earnest Money Deposit shall be refunded to Buyer. If the Property is not in such condition and Buyer does NOT elect to terminate this Contract, Buyer shall be entitled to receive, in addition to the Property, the proceeds of any insurance claim filed by Seller on account of any damage or destruction to the Property.

(b) **Risk of Loss:** The risk of loss or damage by fire or other casualty prior to Closing shall be upon Seller. Seller is advised not to cancel existing insurance on the Property until after confirming recordation of the deed.

12. DELAY IN SETTLEMENT/CLOSING: This paragraph shall apply if one party is ready, willing and able to complete Settlement on the Settlement Date ("Non-Delaying Party") but it is not possible for the other party to complete Settlement by the Settlement Date ("Delaying Party"). In such event, the Delaying Party shall be entitled to a delay in Settlement and shall give as much notice as possible to the Non-Delaying Party and closing attorney. If the Delaying Party fails to complete Settlement and Closing within seven (7) days of the Settlement Date (including any amended Settlement Date agreed to in writing by the parties), then the Delaying Party shall be in breach and the Non-Delaying Party may terminate this Contract and shall be entitled to enforce any remedies available to such party under this Contract for the breach.

13. POSSESSION: Possession, including all means of access to the Property and transferable amenities and services (keys including mailbox keys, codes including security codes, garage door openers, electronic devices, etc.), shall be delivered upon Closing as defined in Paragraph 1(m) unless otherwise provided below:

- A Buyer Possession Before Closing Agreement is attached (Standard Form 2A7-T)
- A Seller Possession After Closing Agreement is attached (Standard Form 2A8-T)
- Possession is subject to rights of tenant(s) (Parties should attach either Additional Provisions Addendum (Form 2A11-T) or Vacation Rental Addendum (Form 2A13-T))

14. ADDENDA: CHECK ALL STANDARD ADDENDA THAT MAY BE A PART OF THIS CONTRACT, IF ANY, AND ATTACH HERETO. ITEMIZE ALL OTHER ADDENDA TO THIS CONTRACT, IF ANY, AND ATTACH HERETO.

- | | |
|--|--|
| <input type="checkbox"/> Additional Provisions Addendum (Form 2A11-T) | <input type="checkbox"/> New Construction Addendum (Form 2A3-T) |
| <input type="checkbox"/> Additional Signatures Addendum (Form 3-T) | <input type="checkbox"/> Owners' Association Disclosure Addendum (Form 2A12-T) |
| <input type="checkbox"/> Back-Up Contract Addendum (Form 2A1-T) | <input type="checkbox"/> Seller Financing Addendum (Form 2A5-T) |
| <input type="checkbox"/> FHA/VA Financing Addendum (Form 2A4-T) | <input type="checkbox"/> Short Sale Addendum (Form 2A14-T) |
| <input type="checkbox"/> Lead-Based Paint Or Lead-Based Paint Hazard Addendum (Form 2A9-T) | <input type="checkbox"/> Vacation Rental Addendum (Form 2A13-T) |
| <input type="checkbox"/> Loan Assumption Addendum (Form 2A6-T) | |
| <input checked="" type="checkbox"/> Identify other attorney or party drafted addenda: <u>See Exhibit A Additional Provisions</u> | |

NOTE: UNDER NORTH CAROLINA LAW, REAL ESTATE BROKERS ARE NOT PERMITTED TO DRAFT ADDENDA TO THIS CONTRACT.

15. ASSIGNMENTS: This Contract may not be assigned without the written consent of all parties except in connection with a tax-deferred exchange, but if assigned by agreement, then this Contract shall be binding on the assignee and assignee's heirs and successors.

16. TAX-DEFERRED EXCHANGE: In the event Buyer or Seller desires to effect a tax-deferred exchange in connection with the conveyance of the Property, Buyer and Seller agree to cooperate in effecting such exchange; provided, however, that the exchanging party shall be responsible for all additional costs associated with such exchange, and provided further, that a non-exchanging party shall not assume any additional liability with respect to such tax-deferred exchange. Buyer and Seller shall execute such additional documents,

including assignment of this Contract in connection therewith, at no cost to the non-exchanging party, as shall be required to give effect to this provision.

17. **PARTIES:** This Contract shall be binding upon and shall inure to the benefit of Buyer and Seller and their respective heirs, successors and assigns. As used herein, words in the singular include the plural and the masculine includes the feminine and neuter genders, as appropriate.

18. **SURVIVAL:** If any provision herein contained which by its nature and effect is required to be observed, kept or performed after the Closing, it shall survive the Closing and remain binding upon and for the benefit of the parties hereto until fully observed, kept or performed.

19. **ENTIRE AGREEMENT/RECORDATION:** This Contract contains the entire agreement of the parties and there are no representations, inducements or other provisions other than those expressed herein. All changes, additions or deletions hereto must be in writing and signed by all parties. Nothing contained herein shall alter any agreement between a REALTOR® or broker and Seller or Buyer as contained in any listing agreement, buyer agency agreement, or any other agency agreement between them. This Agreement or any memorandum thereof shall not be recorded without the express written consent of Buyer and Seller.

20. **CONDUCT OF TRANSACTION:** The parties agree that any action between them relating to the transaction contemplated by this Contract may be conducted by electronic means, including the signing of this Contract by one or more of them and any notice or communication given in connection with this Contract. Any written notice or communication may be transmitted to any mailing address, e-mail address or fax number set forth in the "Notice Information" section below. Any notice or communication to be given to a party herein, and any fee, deposit or other payment to be delivered to a party herein, may be given to the party or to such party's agent. Delivery of any notice to a party via means of electronic transmission shall be deemed complete at such time as the sender performs the final act to send such transmission, in a form capable of being processed by the receiving party's system, to any electronic address provided for such party in the "Notice Information" section below. Seller and Buyer agree that the "Notice Information" and "Acknowledgment of Receipt of Monies" sections below shall not constitute a material part of this Contract, and that the addition or modification of any information therein shall not constitute a rejection of an offer or the creation of a counteroffer.

21. **EXECUTION:** This Contract may be signed in multiple originals or counterparts, all of which together constitute one and the same instrument.

22. **COMPUTATION OF DAYS/TIME OF DAY:** Unless otherwise provided, for purposes of this Contract, the term "days" shall mean consecutive calendar days, including Saturdays, Sundays, and holidays, whether federal, state, local or religious. For the purposes of calculating days, the count of "days" shall begin on the day following the day upon which any act or notice as provided in this Contract was required to be performed or made. Any reference to a date or time of day shall refer to the date and/or time of day in the State of North Carolina.

23. **REMEDIES:**

(a) **Breach by Buyer:** In the event of material breach of this Contract by Buyer, Seller shall be entitled to any Earnest Money Deposit. The payment of any Earnest Money Deposit and any Due Diligence Fee to Seller (without regard to their respective amounts, including zero) together shall serve as liquidated damages ("Liquidated Damages") and as Seller's sole and exclusive remedy for such breach, provided that such Liquidated Damages shall not limit Seller's rights under Paragraphs 4(e) and 4(f) for damage to the Property as well as Seller's rights under paragraph 1(d) for dishonored funds. It is acknowledged by the parties that the amount of the Liquidated Damages is compensatory and not punitive, such amount being a reasonable estimation of the actual loss that Seller would incur as a result of a breach of this Contract by Buyer. The payment to Seller of the Liquidated Damages shall not constitute a penalty or forfeiture but actual compensation for Seller's anticipated loss, both parties acknowledging the difficulty of determining Seller's actual damages for such breach

(b) **Breach by Seller:** In the event of material breach of this Contract by Seller, Buyer may (i) elect to terminate this Contract as a result of such breach, and shall be entitled to return of both the Earnest Money Deposit and the Due Diligence Fee, together with the reasonable costs actually incurred by Buyer in connection with Buyer's Due Diligence ("Due Diligence Costs"), or (ii) elect not to terminate and instead treat this Contract as remaining in full force and effect and seek the remedy of specific performance.

(c) **Attorneys' Fees:** If legal proceedings are brought by Buyer or Seller against the other to collect the Earnest Money Deposit, Due Diligence Fee, or Due Diligence Costs, the parties agree that a party shall be entitled to recover reasonable attorneys' fees to the extent permitted under N.C. Gen. Stat. § 6-21.2, and if applicable, N.C. Gen. Stat. § 6-21.3 for dishonored funds. The parties acknowledge and agree that the terms of this Contract with respect to entitlement to the Earnest Money Deposit, Due Diligence Fee, or Due Diligence Costs each constitute an "evidence of indebtedness" pursuant to N.C. Gen. Stat. § 6-21.2.

NOTE: A party seeking recovery of attorneys' fees under N.C. Gen. Stat. § 6-21.2 must first give written notice to the other party that they have five (5) days from the mailing of the notice to pay the outstanding amount(s) without the attorneys' fees.

THE NORTH CAROLINA ASSOCIATION OF REALTORS®, INC. AND THE NORTH CAROLINA BAR ASSOCIATION MAKE NO REPRESENTATION AS TO THE LEGAL VALIDITY OR ADEQUACY OF ANY PROVISION OF THIS FORM IN ANY SPECIFIC TRANSACTION. IF YOU DO NOT UNDERSTAND THIS FORM OR FEEL THAT IT DOES NOT PROVIDE FOR YOUR LEGAL NEEDS, YOU SHOULD CONSULT A NORTH CAROLINA REAL ESTATE ATTORNEY BEFORE YOU SIGN IT.

This offer shall become a binding contract on the Effective Date. Unless specifically provided otherwise, Buyer's failure to timely deliver any fee, deposit or other payment provided for herein shall not prevent this offer from becoming a binding contract, provided that any such failure shall give Seller certain rights to terminate the contract as described herein or as otherwise permitted by law.

Date: _____

Date: _____

Buyer: _____

Seller: _____

Date: _____

Date: _____

Buyer: _____

Seller: _____

Entity Buyer:
Housing Authority of the City of New Bern, N.C.
(Name of LLC/Corporation/Partnership/Trust/etc.)

Entity Seller:
Redevelopment Commission of the City of New Bern
(Name of LLC/Corporation/Partnership/Trust/etc.)

By _____

By: 

Name: Reginal Barner

Name: **BETH B. WALKER**

Print Name

Print Name

Title: Interim Executive Director

Title: **CHAIR**

Date: June ____, 2024

Date: June ____, 2024

WIRE FRAUD WARNING

TO BUYERS: BEFORE SENDING ANY WIRE, YOU SHOULD CALL THE CLOSING ATTORNEY'S OFFICE TO VERIFY THE INSTRUCTIONS. IF YOU RECEIVE WIRING INSTRUCTIONS FOR A DIFFERENT BANK, BRANCH LOCATION, ACCOUNT NAME OR ACCOUNT NUMBER, THEY SHOULD BE PRESUMED FRAUDULENT. DO NOT SEND ANY FUNDS AND CONTACT THE CLOSING ATTORNEY'S OFFICE IMMEDIATELY.

TO SELLERS: IF YOUR PROCEEDS WILL BE WIRED, IT IS RECOMMENDED THAT YOU PROVIDE WIRING INSTRUCTIONS AT CLOSING IN WRITING IN THE PRESENCE OF THE ATTORNEY. IF YOU ARE UNABLE TO ATTEND CLOSING, YOU MAY BE REQUIRED TO SEND AN ORIGINAL NOTARIZED DIRECTIVE TO THE CLOSING ATTORNEY'S OFFICE CONTAINING THE WIRING INSTRUCTIONS. THIS MAY BE SENT WITH THE DEED, LIEN WAIVER AND TAX FORMS IF THOSE DOCUMENTS ARE BEING PREPARED FOR YOU BY THE CLOSING ATTORNEY. AT A MINIMUM, YOU SHOULD CALL THE CLOSING ATTORNEY'S OFFICE TO PROVIDE THE WIRE INSTRUCTIONS. THE WIRE INSTRUCTIONS SHOULD BE VERIFIED OVER THE TELEPHONE VIA A CALL TO YOU INITIATED BY THE CLOSING ATTORNEY'S OFFICE TO ENSURE THAT THEY ARE NOT FROM A FRAUDULENT SOURCE.

WHETHER YOU ARE A BUYER OR A SELLER, YOU SHOULD CALL THE CLOSING ATTORNEY'S OFFICE AT A NUMBER THAT IS INDEPENDENTLY OBTAINED. TO ENSURE THAT YOUR CONTACT IS LEGITIMATE, YOU SHOULD NOT RELY ON A PHONE NUMBER IN AN EMAIL FROM THE CLOSING ATTORNEY'S OFFICE, YOUR REAL ESTATE AGENT OR ANYONE ELSE.

NOTICE INFORMATION

NOTE: INSERT AT LEAST ONE ADDRESS AND/OR ELECTRONIC DELIVERY ADDRESS EACH PARTY AND AGENT APPROVES FOR THE RECEIPT OF ANY NOTICE CONTEMPLATED BY THIS CONTRACT. INSERT "N/A" FOR ANY WHICH ARE NOT APPROVED.

BUYER NOTICE ADDRESS:

Mailing Address: P.O. Box 1486
New Bern, NC 28563

Buyer Fax#: _____

Buyer E-mail: _____

SELLER NOTICE ADDRESS:

Mailing Address: P.O. Box 1129
New Bern, NC 28563

Seller Fax#: _____

Seller E-mail: _____

CONFIRMATION OF AGENCY/NOTICE ADDRESSES

Selling Firm Name: n/a - no broker

Acting as Buyer's Agent Seller's (sub)Agent Dual Agent

Firm License #: _____

Mailing Address: _____

Listing Firm Name: n/a - no broker

Acting as Seller's Agent Dual Agent

Firm License #: _____

Mailing Address: _____

Individual Selling Agent: _____

Acting as a Designated Dual Agent (check only if applicable)

Selling Agent License #: _____

Selling Agent Phone #: _____

Selling Agent Fax #: _____

Selling Agent E-mail: _____

Individual Listing Agent: _____

Acting as a Designated Dual Agent (check only if applicable)

Listing Agent License #: _____

Listing Agent Phone #: _____

Listing Agent Fax #: _____

Listing Agent E-mail: _____

[THIS SPACE INTENTIONALLY LEFT BLANK]

ACKNOWLEDGMENT OF RECEIPT OF MONIES

Seller: _____ (“Seller”)

Buyer: _____ (“Buyer”)

Property Address: _____ (“Property”)

LISTING AGENT ACKNOWLEDGMENT OF RECEIPT OF DUE DILIGENCE FEE

Paragraph 1(d) of the Offer to Purchase and Contract between Buyer and Seller for the sale of the Property provides for the payment to Seller of a Due Diligence Fee in the amount of \$ _____, receipt of which Listing Agent hereby acknowledges.

Date _____ Firm: _____

By: _____
(Signature)

(Print name)

SELLER ACKNOWLEDGMENT OF RECEIPT OF DUE DILIGENCE FEE

Paragraph 1(d) of the Offer to Purchase and Contract between Buyer and Seller for the sale of the Property provides for the payment to Seller of a Due Diligence Fee in the amount of \$ _____, receipt of which Seller hereby acknowledges.

Date _____ Seller: _____

(Signature)

Date _____ Seller: _____

(Signature)

ESCROW AGENT ACKNOWLEDGMENT OF RECEIPT OF INITIAL EARNEST MONEY DEPOSIT

Paragraph 1(d) of the Offer to Purchase and Contract between Buyer and Seller for the sale of the Property provides for the payment to Escrow Agent of an Initial Earnest Money Deposit in the amount of \$ _____. Escrow Agent as identified in Paragraph 1(f) of the Offer to Purchase and Contract hereby acknowledges receipt of the Initial Earnest Money Deposit and agrees to hold and disburse the same in accordance with the terms of the Offer to Purchase and Contract.

Date _____ Firm: _____

By: _____
(Signature)

(Print name)

ESCROW AGENT ACKNOWLEDGMENT OF RECEIPT OF (ADDITIONAL) EARNEST MONEY DEPOSIT

Paragraph 1(d) of the Offer to Purchase and Contract between Buyer and Seller for the sale of the Property provides for the payment to Escrow Agent of an (Additional) Earnest Money Deposit in the amount of \$ _____. Escrow Agent as identified in Paragraph 1(f) of the Offer to Purchase and Contract hereby acknowledges receipt of the (Additional) Earnest Money Deposit and agrees to hold and disburse the same in accordance with the terms of the Offer to Purchase and Contract.

Date: _____ Firm: _____

Time: _____ AM PM

By: _____
(Signature)

(Print name)



**RESOLUTION OF THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE CITY OF NEW BERN, NC**

**August 19, 2024
Resolution No. 08.24.04
Purchase of 1006 Walt Bellamy Drive**

WHEREAS, the Redevelopment Commission of the City of New Bern ("Commission") owns certain real property located at 1006 Walt Bellamy Drive consisting of approximately 0.11 acres, and more specifically identified by Craven County tax parcel identification number 8 009 00C ("Property 3"); and,

WHEREAS, pursuant to a resolution adopted by the Commission on August 14, 2024, a copy of which is attached hereto as Attachment 1 and incorporated herein by reference, the Commission desires to sell Property 3 to the Housing Authority of the City of New Bern, N.C. ("NBHA") for \$164,000.00 to be used for affordable housing for persons of low to moderate income; and,

WHEREAS, NBHA desires to purchase Property 3 pursuant to the terms of the Offer to Purchase and Contract as set forth in Attachment 1.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of NBHA hereby authorize the purchase of Property 3 from the Commission for \$164,000.00 pursuant to the terms of the Offer to Purchase and Contract as set forth in Attachment 1; and,

RESOLVED FURTHER, that the Chair, Vice Chair and/or Executive Director of NBHA be, and hereby are, authorized and directed to take all actions necessary and to execute all documents required to purchase Property 3.

RECORDING OFFICER'S CERTIFICATION

I, Ronald Scott, the duly appointed Chair of the Housing Authority of the City of New Bern, N.C., do hereby certify that Resolution No. 08.24.04 was adopted at a regular meeting of the Board of Commissioners held on August 19, 2024.

Ronald Scott, Chair



ATTACHMENT 1
COMMISSION RESOLUTION – 1006 WALT BELLAMY DRIVE

See attached.

RESOLUTION

THAT WHEREAS, the Redevelopment Commission of the City of New Bern owns certain real property located at 1006 Walt Bellamy Drive consisting of approximately 0.11 acres, and more specifically identified by Craven County tax parcel identification number 8-009-00C, the same having been acquired by the Commission in July 2021; and

WHEREAS, the Commission previously declared the real property at 1006 Walt Bellamy Drive, as shown on Exhibit A, to be surplus property; and

WHEREAS, North Carolina General Statute §160A-279 provides in part, “Whenever a city or county is authorized to appropriate funds to any public or private entity which carries out a public purpose, the city or county may, in lieu of or in addition to the appropriation of funds, convey by private sale to such an entity any real or personal property which it owns...The city or county shall attach to any such conveyance covenants or conditions which assure that the property will be put to a public use by the recipient entity.”

WHEREAS, N.C.G.S. §160A-279 is applicable to redevelopment commissions pursuant to the provisions of N.C.G.S. §160A-514.

WHEREAS, the Redevelopment Commission of the City of New Bern hereby declares that the real property at 1006 Walt Bellamy Drive constitutes surplus property, and deems it advisable, in the public interest and consistent with the adopted redevelopment plan to sell the same by private sale to the Housing Authority of the City of New Bern, N.C. for the sum of 164,000.00, provided that the same is to provide affordable housing for persons of low to moderate income.

NOW, THEREFORE, BE IT RESOLVED BY THE REDEVELOPMENT COMMISSION OF THE CITY OF NEW BERN:

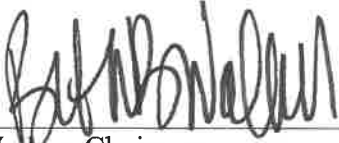
Section 1: That the Redevelopment Commission of the City of New Bern hereby declares that the real property owned by the Commission located at 1006 Walt Bellamy Drive as shown on Exhibit A (“Subject Property”) to be surplus property.

Section 2: That the Redevelopment Commission of the City of New Bern authorizes the sale of the Subject Property to the Housing Authority of the City of New Bern, N.C. pursuant to the provisions of N.C.G.S. §160A-279, for the sum of 164,000.00, provided that the same is used to provide affordable housing for persons of low to moderate income.

Section 3: That the Executive Director is hereby authorized to seek approval of this sale from the Board of Aldermen of the City of New Bern.

Section 4: That the Chairman and Vice Chairman are hereby authorized to execute the Offer to Purchase and Contract with the Housing Authority of the City of New Bern, N.C., a copy of which is attached hereto and incorporated herein by reference, upon receipt of approval of the sale from Board of Aldermen of the City of New Bern.

ADOPTED THIS 14th DAY OF AUGUST, 2024.



Beth Walker, Chairman



Zeb Hough, Executive Director

EXHIBIT A

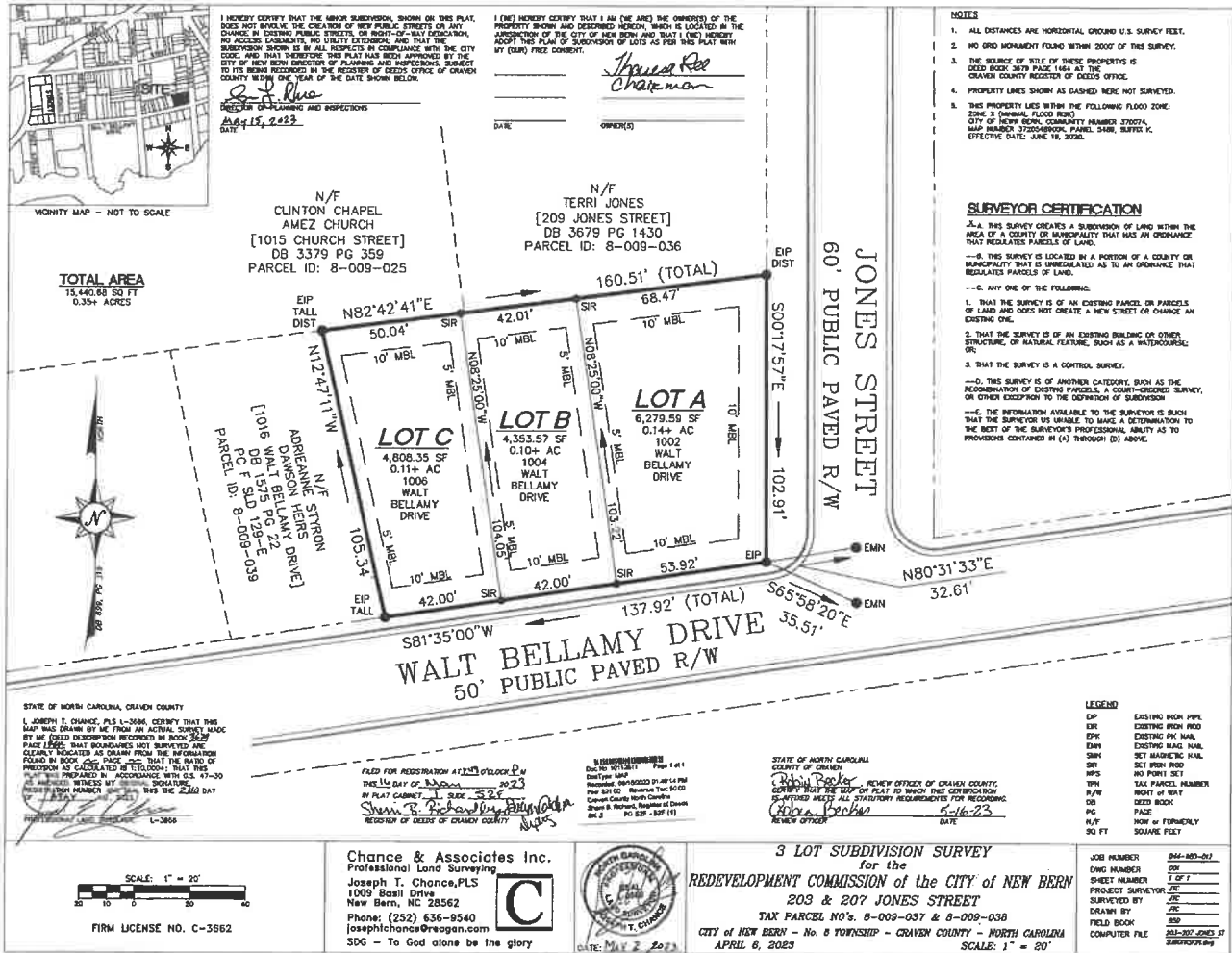


EXHIBIT A

ADDITIONAL PROVISIONS TO OFFER TO PURCHASE AND CONTRACT BETWEEN
REDEVELOPMENT COMMISSION OF THE CITY OF NEW BERN ("SELLER")
AND
HOUSING AUTHORITY OF THE CITY OF NEW BERN, N.C. ("BUYER")
1006 Walt Bellamy Drive, New Bern, NC

The parties agree to the following additional conditions and provisions of the Offer to Purchase and Contract (the "Contract") to which this Addendum is attached:

1. Notwithstanding Section 8(g) of the Contract, the conveyance by Seller to Buyer shall be by Special Warranty Deed.
2. This Contract is subject to the provisions of N.C. Gen. Stat. §160A-514. Buyer acknowledges and understands that this Contract is subject to approval by the Board of Aldermen of the City of New Bern pursuant to N.C. Gen. Stat. §160A-514. All parties agree to execute any and all documents necessary in connection with Closing and transfer of title within thirty (30) days after the granting of final approval of the sale by the Board of Aldermen.
3. Seller acknowledges and understands that Buyer's obligations under this Contract are contingent upon: (a) formal approval by Buyer's Board of Commissioners; (b) the receipt of financing by Buyer upon such terms as may be acceptable to Buyer in its sole discretion; and (c) the receipt by Buyer of Project Based Rental Assistance from Twin Rivers Opportunities.

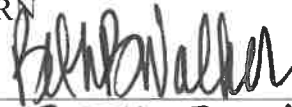
SELLER:

REDEVELOPMENT COMMISSION OF THE CITY OF
NEW BERN

By: _____

Name: _____

Title: _____



BETH B. WALKER

CHAIR

BUYER:

HOUSING AUTHORITY OF THE CITY OF NEW
BERN, N.C.

By: _____

Name: Reginal Barner

Title: Interim Executive Director

OFFER TO PURCHASE AND CONTRACT
 [Consult "Guidelines" (Form 2G) for guidance in completing this form]

For valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, Buyer offers to purchase and Seller upon acceptance agrees to sell and convey the Property on the terms and conditions of this Offer To Purchase and Contract and any addendum or modification made in accordance with its terms (together the "Contract").

1. **TERMS AND DEFINITIONS:** The terms listed below shall have the respective meaning given them as set forth adjacent to each term.

(a) "Seller": REDEVELOPMENT COMMISSION OF THE CITY OF NEW BERN

(b) "Buyer": HOUSING AUTHORITY OF THE CITY OF NEW BERN, N.C.

(c) "Property": The Property shall include all that real estate described below together with all appurtenances thereto including the improvements located thereon and the fixtures and personal property listed in Paragraphs 2 and 3 below.

The Property will will not include a manufactured (mobile) home(s).

The Property will will not include an off-site and/or separate septic lot, boat slip, garage, parking space, or storage unit.

NOTE: If a manufactured home(s) or a septic lot, boat slip, garage, parking space, or storage unit is included, Buyer and Seller are strongly encouraged to include further details in the Additional Provisions Addendum (Form 2A11-T) and attach it to this offer.

Street Address: 1006 Walt Bellamy Drive
 City: New Bern Zip: 28560
 County: Craven, North Carolina

NOTE: Governmental authority over taxes, zoning, school districts, utilities and mail delivery may differ from address shown.

Legal Description: (Complete ALL applicable)
 Plat Reference: Lot/Unit C, Block/Section _____, Subdivision/Condominium _____
 _____, as shown on Plat Book/Slide J at Page(s) 52F

The PIN/PID or other identification number of the Property is: 8-009-00C

Other description:
 Some or all of the Property may be described in Deed Book 3679 at Page 1464

(d) "Purchase Price":

\$ 164,000.00
 \$ n/a
 \$ n/a
 \$ n/a
 \$ n/a
 \$ n/a
 \$ n/a
 \$ 164,000.00

paid in U.S. Dollars upon the following terms:
 BY DUE DILIGENCE FEE made payable and delivered to Seller on the Effective Date by cash personal check official bank check wire transfer electronic transfer (specify payment service: _____)
 BY INITIAL EARNEST MONEY DEPOSIT made payable and delivered to Escrow Agent named in Paragraph 1(f) within five (5) days of the Effective Date of this Contract by cash personal check official bank check wire transfer electronic transfer.
 BY (ADDITIONAL) EARNEST MONEY DEPOSIT made payable and delivered to Escrow Agent named in Paragraph 1(f) no later than 5 p.m. on _____, **TIME BEING OF THE ESSENCE** by cash official bank check wire transfer electronic transfer
 BY ASSUMPTION of the unpaid principal balance and all obligations of Seller on the existing loan(s) secured by a deed of trust on the Property in accordance with the attached Loan Assumption Addendum (Standard Form 2A6-T).
 BY SELLER FINANCING in accordance with the attached Seller Financing Addendum (Standard Form 2A5-T).
 BY BUILDING DEPOSIT in accordance with the attached New Construction Addendum (Standard Form 2A3-T).
 BALANCE of the Purchase Price in cash at Settlement (some or all of which may be paid with the proceeds of a new loan)



This form jointly approved by:
 North Carolina Bar Association's Real Property Section
 North Carolina Association of REALTORS®, Inc.



STANDARD FORM 2-T
 Revised 7/2023
 © 7/2023

Buyer's initials _____ Seller's initials _____

Should Buyer fail to deliver either the Due Diligence Fee or any Initial Earnest Money Deposit by their due dates, or should any check or other funds paid by Buyer be dishonored, for any reason, by the institution upon which the payment is drawn, Buyer shall have one (1) banking day after written notice to deliver cash, official bank check, wire transfer or electronic transfer to the payee. In the event Buyer does not timely deliver the required funds, Seller shall have the right to terminate this Contract upon written notice to Buyer, and Seller shall be entitled to recover the Due Diligence Fee together with all Earnest Money Deposit paid or to be paid in the future. In addition, Seller may seek any remedies allowed for dishonored funds. See paragraph 23 for a party's right to attorneys' fees incurred in collecting the Earnest Money Deposit or Due Diligence Fee.

NOTE: If the parties agree that Buyer will pay any fee or deposit described above by electronic or wire transfer, Seller agrees to cooperate in effecting such transfer, including the establishment of any necessary account and providing any necessary information to Buyer, provided, however, Buyer shall be responsible for additional costs, if any, associated with such transfer.

(e) **"Earnest Money Deposit":** The Initial Earnest Money Deposit, the Additional Earnest Money Deposit and any other earnest monies paid or required to be paid in connection with this transaction, collectively the "Earnest Money Deposit," shall be deposited promptly and held in escrow by Escrow Agent. The Earnest Money Deposit will be credited to Buyer at Closing or disbursed as required by this Contract.

(f) **"Escrow Agent"** (insert name): n/a
Buyer and Seller consent to disclosure by the Escrow Agent of any material facts pertaining to the Earnest Money Deposit to the parties to this transaction, their real estate agent(s) and Buyer's lender(s).

NOTE: In the event of a dispute between Seller and Buyer over the disposition of the Earnest Money Deposit held in escrow, a licensed real estate broker ("Broker") is required by state law (and Escrow Agent, if not a Broker, hereby agrees) to retain the Earnest Money Deposit in the Escrow Agent's trust or escrow account until Escrow Agent has obtained a written release from the parties consenting to its disposition or until disbursement is ordered by a court of competent jurisdiction. Alternatively, if a Broker or an attorney licensed to practice law in North Carolina ("Attorney") is holding the Earnest Money Deposit, the Broker or Attorney may deposit the disputed monies with the appropriate clerk of court in accordance with the provisions of N.C.G.S. §93A-12.

THE PARTIES AGREE THAT A REAL ESTATE BROKERAGE FIRM ACTING AS ESCROW AGENT MAY PLACE THE EARNEST MONEY DEPOSIT IN AN INTEREST BEARING TRUST ACCOUNT AND THAT ANY INTEREST EARNED THEREON SHALL BE DISBURSED TO THE ESCROW AGENT MONTHLY IN CONSIDERATION OF THE EXPENSES INCURRED BY MAINTAINING SUCH ACCOUNT AND RECORDS ASSOCIATED THEREWITH.

(g) **"Effective Date":** The date that: (1) the last one of Buyer and Seller has signed or initialed this offer or the final counteroffer, if any, and (2) such signing or initialing is communicated to the party making the offer or counteroffer, as the case may be. The parties acknowledge and agree that the initials lines at the bottom of each page of this Contract are merely evidence of their having reviewed the terms of each page, and that the complete execution of such initials lines shall not be a condition of the effectiveness of this Agreement. The parties further acknowledge that the effectiveness of this Contract is not contingent on Buyer's payment of any Earnest Money Deposit or Due Diligence Fee. See paragraph 1(d) for Seller's remedy for any untimely delivered or dishonored funds.

(h) **"Due Diligence":** Buyer's opportunity to investigate the Property and the transaction contemplated by this Contract, including but not necessarily limited to the matters described in Paragraph 4 below, to decide whether Buyer, in Buyer's sole discretion, will proceed with or terminate the transaction.

(i) **"Due Diligence Fee":** A negotiated amount, if any, paid by Buyer to Seller with this Contract for Buyer's right to terminate the Contract for any reason or no reason during the Due Diligence Period. It shall be the property of Seller upon the Effective Date and shall be a credit to Buyer at Closing. The Due Diligence Fee shall be non-refundable except in the event of a material breach of this Contract by Seller, or if this Contract is terminated under Paragraph 23(b) or as otherwise provided in any addendum hereto. Buyer and Seller each expressly waive any right that they may have to deny the right to conduct Due Diligence or to assert any defense as to the enforceability of this Contract based on the absence or alleged insufficiency of any Due Diligence Fee, it being the intent of the parties to create a legally binding contract for the purchase and sale of the Property without regard to the existence or amount of any Due Diligence Fee. See paragraph 23 for a party's right to attorneys' fees incurred in collecting the Due Diligence Fee.

(j) **"Due Diligence Period":** The period beginning on the Effective Date and extending through 5:00 p.m. on _____
the Settlement Date ***TIME BEING OF THE ESSENCE.***

(k) **"Settlement":** The proper execution and delivery to the closing attorney of all documents necessary to complete the transaction contemplated by this Contract, including the deed, settlement statement, deed of trust and other loan or conveyance documents, and the closing attorney's receipt of all funds necessary to complete such transaction.

(l) **“Settlement Date”**: The parties agree that Settlement will take place on See Exhibit A (the “Settlement Date”), unless otherwise agreed in writing, at a time and place designated by Buyer.

NOTE: See paragraph 12, **DELAY IN SETTLEMENT/CLOSING** for conditions under which Settlement may be delayed.

(m) **“Closing”**: The completion of the legal process which results in the transfer of title to the Property from Seller to Buyer, which includes the following steps: (1) the Settlement (defined above); (2) the completion of a satisfactory title update to the Property following the Settlement; (3) the closing attorney’s receipt of authorization to disburse all necessary funds; and (4) recordation in the appropriate county registry of the deed(s) and deed(s) of trust, if any, which shall take place as soon as reasonably possible for the closing attorney after Settlement. Upon Closing, the proceeds of sale shall be disbursed by the closing attorney in accordance with the settlement statement and the provisions of Chapter 45A of the North Carolina General Statutes. If the title update should reveal unexpected liens, encumbrances or other title defects, or if the closing attorney is not authorized to disburse all necessary funds, then the Closing shall be suspended and the Settlement deemed delayed under Paragraph 12 (Delay in Settlement/Closing).

WARNING: The North Carolina State Bar has determined that the performance of most acts and services required for a closing constitutes the practice of law and must be performed only by an attorney licensed to practice law in North Carolina. State law prohibits unlicensed individuals or firms from rendering legal services or advice. Although non-attorney settlement agents may perform limited services in connection with a closing, they may not perform all the acts and services required to complete a closing. A closing involves significant legal issues that should be handled by an attorney. Accordingly, it is the position of the North Carolina Bar Association and the North Carolina Association of REALTORS® that all buyers should hire an attorney licensed in North Carolina to perform a closing.

(n) **“Special Assessments”**: A charge against the Property by a governmental authority in addition to ad valorem taxes and recurring governmental service fees levied with such taxes, or by an owners’ association in addition to any regular assessment (dues), either of which may be a lien against the Property.

NOTE: Buyer’s and Seller’s respective responsibilities for the payment of Special Assessments are addressed in paragraphs 6(a) and 8(l).

2. FIXTURES AND EXCLUSIONS:

WARNING: THE PARTIES SHOULD NOT ASSUME THAT AN ITEM WILL OR WILL NOT BE INCLUDED IN THE SALE BASED ON AN ORAL OR WRITTEN STATEMENT OR UNDERSTANDING THAT IS NOT A PART OF THIS CONTRACT. BUYER AND SELLER SHOULD BE SPECIFIC WHEN NEGOTIATING WHAT ITEMS WILL BE INCLUDED OR EXCLUDED FROM THE SALE.

(a) **Fixtures Are Included in Purchase Price:** ALL EXISTING FIXTURES ARE INCLUDED IN THE SALE AS PART OF THE PURCHASE PRICE, FREE OF LIENS, UNLESS EXCLUDED IN SUBPARAGRAPHS (d) OR (e).

[THIS SPACE INTENTIONALLY LEFT BLANK]

(b) **Specified Items:** Buyer and Seller agree that the following items, if present on the Property on the date of the offer, shall be included in the sale as part of the Purchase Price free of liens, unless excluded in subparagraphs (d) or (e) below. ALL ITEMS LISTED BELOW INCLUDE BOTH TRADITIONAL AND "SMART" VERSIONS AND ANY EXCLUSIVELY DEDICATED, RELATED EQUIPMENT AND/OR REMOTE CONTROL DEVICES.

- Alarm and security systems (attached) for security, fire, smoke, carbon monoxide or other toxins with all related access codes, sensors, cameras, dedicated monitors, hard drives, video recorders, power supplies and cables; doorbells/chimes
- All stoves/ranges/ovens; built-in appliances; attached microwave oven; vent hood
- Antennas; satellite dishes and receivers
- Basketball goals and play equipment (permanently attached or in-ground)
- Ceiling and wall-attached fans; light fixtures (including existing bulbs)
- Exercise equipment/devices that are attached
- Fireplace insert; gas logs or starters; attached fireplace screens; wood or coal stoves
- Floor coverings (attached)
- Garage door openers
- Generators that are permanently wired
- Invisible fencing with power supply
- Landscape and outdoor trees and plants (except in moveable containers); raised garden; landscape and foundation lighting; outdoor sound systems; permanent irrigation systems; rain barrels; landscape water features;
- Mailboxes; mounted package and newspaper receptacles
- Mirrors attached to walls, ceilings, cabinets or doors; all bathroom wall mirrors
- Storage shed; utility building
- Swimming pools; spas; hot tubs (excluding inflatable pools, spas, and hot tubs)
- Solar electric and solar water heating systems
- Sump-pumps, radon fans and crawlspace ventilators; de-humidifiers that are permanently wired
- Surface-mounting brackets for television and speakers; recess-mounted speakers; mounted intercom system
- Thermostats
- Water supply equipment, including filters, conditioning and softener systems; re-circulating pumps; well pumps and tanks
- Window/Door blinds and shades, curtain/drapery rods and brackets, door and window screens and combination doors, awnings and storm windows

(c) **Unpairing/deleting data from devices:** Prior to Closing, Seller shall "unpair" any devices that will convey from any personal property devices (hubs, intelligent virtual assistants, mobile devices, vehicles, etc.) with which they are paired, delete personal data from any devices that will convey, and restore all devices to factory default settings unless otherwise agreed. Seller's obligations under this paragraph 2(c) shall survive Closing.

NOTE: ANY FIXTURE OR OTHER ITEM DESCRIBED IN SUBPARAGRAPHS (a) AND (b) THAT WILL NOT BE A PART OF THE SALE SHOULD BE IDENTIFIED IN SUBPARAGRAPHS (d) OR (e), AS APPLICABLE.

(d) **Items Leased or Not Owned:** Any item which is leased or not owned by Seller, such as antennas, satellite dishes and receivers, appliances, and alarm and security systems must be identified here and shall not convey:

In addition, any leased fuel tank identified in paragraph 7(d) shall not convey.

(e) **Other Items That Do Not Convey:** The following items shall not convey (*identify those items to be excluded under subparagraphs (a) and (b)*):

Seller must repair any damage caused by removal of any items excluded above in a good and workmanlike manner. Seller will notify Buyer upon completion of such repair(s) and provide Buyer with documentation thereof, if any.

NOTE: Buyer is advised to consider attaching the Additional Provisions Addendum (Form 2A11-T) if Buyer has a specific request as to how the repairs should be completed.

3. **PERSONAL PROPERTY:** The following personal property present on the Property on the date of the offer shall be transferred to Buyer at closing at no value: refrigerator, all appliances

NOTE: ANY PERSONAL PROPERTY THAT WILL BE A PART OF THE SALE SHOULD BE IDENTIFIED IN THIS PARAGRAPH. Buyer is advised to consult with Buyer’s lender to assure that the Personal Property items listed above can be included in this Contract.

4. **BUYER’S DUE DILIGENCE PROCESS:**

WARNING: BUYER IS STRONGLY ENCOURAGED TO CONDUCT DUE DILIGENCE DURING THE DUE DILIGENCE PERIOD. If Buyer is not satisfied with the results or progress of Buyer’s Due Diligence, Buyer should terminate this Contract, PRIOR TO THE EXPIRATION OF THE DUE DILIGENCE PERIOD, unless Buyer can obtain a written extension from Seller. SELLER IS NOT OBLIGATED TO GRANT AN EXTENSION. Although Buyer may continue to investigate the Property following the expiration of the Due Diligence Period, Buyer’s failure to deliver a Termination Notice to Seller prior to the expiration of the Due Diligence Period will constitute a waiver by Buyer of any right to terminate this Contract based on any matter relating to Buyer’s Due Diligence. Provided however, following the Due Diligence Period, Buyer may still exercise a right to terminate if Seller fails to materially comply with any of Seller’s obligations under Paragraph 8 of this Contract or for any other reason permitted under the terms of this Contract or North Carolina law.

(a) **Loan:** Buyer, at Buyer’s expense, shall be entitled to pursue qualification for and approval of the Loan if any.

NOTE: There is no loan or appraisal contingency in this Offer To Purchase and Contract. Therefore, Buyer is advised to consult with Buyer’s lender prior to signing this offer to assure that the Due Diligence Period allows sufficient time for the loan process and for Buyer’s lender to provide Buyer sufficient information to decide whether to proceed with or terminate the transaction.

(b) **Property Investigation:** Buyer or Buyer’s agents or representatives, at Buyer’s expense, shall be entitled to conduct all desired tests, surveys, appraisals, investigations, examinations and inspections of the Property as Buyer deems appropriate, including but NOT limited to the following:

- (i) **Inspections:** Inspections to determine the condition of any improvements on the Property, the presence of unusual drainage conditions or evidence of excessive moisture adversely affecting any improvements on the Property, the presence of asbestos or existing environmental contamination, evidence of wood-destroying insects or damage therefrom, and the presence and level of radon gas on the Property.
- (ii) **Review of Documents:** Review of the Declaration of Restrictive Covenants, Bylaws, Articles of Incorporation, Rules and Regulations, and other governing documents of any applicable owners’ association and/or subdivision. If the Property is subject to regulation by an owners’ association, it is recommended that Buyer review the completed Residential Property and Owners’ Association Disclosure Statement provided by Seller prior to signing this offer. It is also recommended that the Buyer determine if the owners’ association or its management company charges fees for providing information required by Buyer’s lender or confirming restrictive covenant compliance.
- (iii) **Insurance:** Investigation of the availability and cost of insurance for the Property.
- (iv) **Appraisals:** An appraisal of the Property.
- (v) **Survey:** A survey to determine whether the property is suitable for Buyer’s intended use and the location of easements, setbacks, property boundaries and other issues which may or may not constitute title defects.
- (vi) **Zoning, Governmental Regulation, and Governmental Compliance:** Investigation of current or proposed zoning or other governmental regulation that may affect Buyer’s intended use of the Property, adjacent land uses, planned or proposed road construction, and school attendance zones; and investigation of whether the Property is in violation of any law, ordinance, permit, or government regulation as outlined in paragraph 8(h).
- (vii) **Flood Hazard:** Investigation of potential flood hazards on the Property, and/or any requirement to purchase flood insurance in order to obtain the Loan
- (viii) **Utilities and Access:** Availability, quality, and obligations for maintenance of utilities including water, sewer, electric, gas, communication services, stormwater management, and means of access to the Property and amenities.
- (ix) **Streets/Roads:** Investigation of the status of the street/road upon which the Property fronts as well as any other street/road used to access the Property, including: (1) whether any street(s)/road(s) are public or private, (2) whether any street(s)/road(s) designated as public are accepted for maintenance by the State of NC or any municipality, or (3) if private or not accepted for public maintenance, the consequences and responsibility for maintenance and the existence, terms and funding of any maintenance agreements.

(x) **Special Assessments:** Investigation of the existence of Special Assessments that may be under consideration by a governmental authority or an owners' association.

(c) **Sale/Lease of Existing Property:** As noted in paragraph 5(b), unless otherwise provided in an addendum, this Contract is not conditioned upon the sale/lease or closing of other property owned by Buyer. Therefore, if Buyer must sell or lease other real property in order to qualify for a new loan or to otherwise complete the purchase of the Property, Buyer should seek to close on Buyer's other property prior to the end of the Due Diligence Period or be reasonably satisfied that closing on Buyer's other property will take place prior to the Settlement Date of this Contract.

(d) **Repair/Improvement Negotiations/Agreement:** Buyer acknowledges and understands the following:

- Unless the parties agree otherwise, THE PROPERTY IS BEING SOLD IN ITS CURRENT CONDITION.
- Seller may, but is not required to, engage in negotiations for repairs/improvements to the Property.

Buyer is advised to make any repair/improvement requests in sufficient time to allow negotiations to be concluded prior to the expiration of the Due Diligence Period. Any agreement that the parties may reach with respect to repairs/improvements is an addition to this Contract that must be in writing and signed by the parties in accordance with Paragraph 19.

NOTE: See Paragraph 8(c), Access to Property and Paragraph 8(n), Negotiated Repairs/Improvements.

(e) **Buyer's Obligation to Repair Damage:** Buyer shall, at Buyer's expense, promptly repair any damage to the Property resulting from any activities of Buyer and Buyer's agents and contractors, but Buyer shall not be responsible for any damage caused by accepted practices either approved by the N.C. Home Inspector Licensure Board or applicable to any other N.C. licensed professional performing reasonable appraisals, tests, surveys, examinations and inspections of the Property. This repair obligation shall survive any termination of this Contract.

(f) **Indemnity:** Buyer will indemnify and hold Seller harmless from all loss, damage, claims, suits or costs, which shall arise out of any contract, agreement, or injury to any person or property as a result of any activities of Buyer and Buyer's agents and contractors relating to the Property except for any loss, damage, claim, suit or cost arising out of pre-existing conditions of the Property and/or out of Seller's negligence or willful acts or omissions. This indemnity shall survive this Contract and any termination hereof.

(g) **Buyer's Right to Terminate:** Provided that Buyer has delivered any agreed-upon Due Diligence Fee, Buyer shall have the right to terminate this Contract for any reason or no reason, by delivering to Seller written notice of termination (the "Termination Notice") during the Due Diligence Period (or any agreed-upon written extension of the Due Diligence Period), **TIME BEING OF THE ESSENCE**. If Buyer timely delivers the Termination Notice, this Contract shall be terminated and the Earnest Money Deposit shall be refunded to Buyer.

(h) **CLOSING SHALL CONSTITUTE ACCEPTANCE OF THE PROPERTY IN ITS THEN EXISTING CONDITION UNLESS PROVISION IS OTHERWISE MADE IN WRITING.**

5. BUYER REPRESENTATIONS:

(a) **Funds to complete purchase:**

(Check if applicable) Cash. Buyer intends to pay cash in order to purchase the Property and does not intend to obtain a loan or funds from sources other than Buyer's own assets. Verification of cash available for Settlement is is not attached.

NOTE: If Buyer does not intend to obtain a new loan(s) and/or funds from sources other than Buyer's own assets, Seller is advised, prior to signing this offer, to obtain documentation from Buyer which demonstrates that Buyer will be able to close on the Property without the necessity of obtaining a loan or funds from sources other than Buyer's own assets.

OR:

(Check if applicable) Loan(s)/Other Funds: Buyer intends to obtain a loan(s) and/or other funds to purchase the Property from the following sources (check all applicable sources):

First Mortgage Loan:

Buyer intends to obtain a first mortgage loan of the following type in order to purchase the Property: FHA VA (attach FHA/VA Financing Addendum) Conventional USDA Other type: _____

in the principal amount of _____ plus any financed VA Funding Fee or FHA MIP.

Second Mortgage Loan:

Buyer intends to obtain a second mortgage loan of the following type in order to purchase the Property:

Other funds:

Buyer intends to obtain funds from the following other source(s) in order to purchase the Property: _____

NOTE: Buyer's obligations under this Contract are not conditioned upon obtaining any loan(s) or other funds from sources other than Buyer's own assets. Some mortgage loan programs and other programs providing funds for the purchase of property selected by Buyer may impose repair obligations and/or additional conditions or costs upon Seller or Buyer, and more information may be needed.

Material changes with respect to funding the purchase of the Property that affect the terms of the contract are material facts that must be disclosed.

(b) **Other Property:** Buyer DOES DOES NOT have to sell or lease other real property in order to qualify for a new loan or to complete the purchase. *(Complete the following only if Buyer DOES have to sell or lease other real property:)*

Other Property Address: _____

(Check if applicable) Buyer's other property IS under contract as of the date of this offer, and a copy of the contract has either been previously provided to Seller or accompanies this offer. *(Buyer may mark out any confidential information, such as the purchase price and the buyer's identity, prior to providing a copy of the contract to Seller.)* Failure to provide a copy of the contract shall not prevent this offer from becoming a binding contract; however, SELLER IS STRONGLY ENCOURAGED TO OBTAIN AND REVIEW THE CONTRACT ON BUYER'S PROPERTY PRIOR TO ACCEPTING THIS OFFER.

(Check if applicable) Buyer's other property IS NOT under contract as of the date of this offer. Buyer's property *(check only ONE of the following options):*

is listed with and actively marketed by a licensed real estate broker.

will be listed with and actively marketed by a licensed real estate broker.

Buyer is attempting to sell/lease the Buyer's Property without the assistance of a licensed real estate broker.

NOTE: This Contract is NOT conditioned upon the sale/lease or closing of Buyer's other property. If the parties agree to make this Contract conditioned on a sale/lease or closing of Buyer's other property, an appropriate contingency addendum should be drafted by a North Carolina real estate attorney and added to this Contract.

(c) **Performance of Buyer's Financial Obligations:** To the best of Buyer's knowledge, there are no other circumstances or conditions existing as of the date of this offer that would prohibit Buyer from performing Buyer's financial obligations in accordance with this Contract, except as may be specifically set forth herein.

(d) **Residential Property and Owners' Association Disclosure Statement** *(check only one):*

Buyer has received a signed copy of the N.C. Residential Property and Owners' Association Disclosure Statement prior to making this offer and acknowledges compliance with N.C.G.S. 47E-5 (Residential Property Disclosure Act).

Buyer has NOT received a signed copy of the N.C. Residential Property and Owners' Association Disclosure Statement prior to making this offer and shall have the right to terminate or withdraw this Contract without penalty (including a refund of any Due Diligence Fee) prior to WHICHEVER OF THE FOLLOWING EVENTS OCCURS FIRST: (1) the end of the third calendar day following receipt of the Disclosure Statement; (2) the end of the third calendar day following the Effective Date; or (3) Settlement or occupancy by Buyer in the case of a sale or exchange.

Exempt from N.C. Residential Property and Owners' Association Disclosure Statement because (SEE GUIDELINES): N.C.G.S. 47E-2(a)(8)

(e) **Mineral and Oil and Gas Rights Mandatory Disclosure Statement** *(check only one):*

Buyer has received a signed copy of the N.C. Mineral and Oil and Gas Rights Mandatory Disclosure Statement prior to making this offer and acknowledges compliance with N.C.G.S. 47E-5 (Residential Property Disclosure Act).

Buyer has NOT received a signed copy of the N.C. Mineral and Oil and Gas Rights Mandatory Disclosure Statement prior to making this offer and shall have the right to terminate or withdraw this Contract without penalty (including a refund of any Due Diligence Fee) prior to WHICHEVER OF THE FOLLOWING EVENTS OCCURS FIRST: (1) the end of the third calendar day following receipt of the Disclosure Statement; (2) the end of the third calendar day following the Effective Date; or (3) Settlement or occupancy by Buyer in the case of a sale or exchange.

Exempt from N.C. Mineral and Oil and Gas Rights Mandatory Disclosure Statement because (SEE GUIDELINES): _____
N.C.G.S. 47E-2(a)(8)

Owners' association website address, if any: _____

(specify name of association): n/a - not subject to an owners' association whose regular assessments ("dues") are \$ _____ per _____. The name, address and telephone number of the president of the owners' association or the association manager is: _____

Owners' association website address, if any _____

(d) **Fuel Tank(s)/Fuel:** To the best of Seller's knowledge, there is is not a fuel tank(s) located on the Property. If "yes" complete the following:

(i) **Description:**

Tank 1:

- Use: currently in use currently NOT in use
- Ownership: owned leased. If leased, name and contact information of tank lessor: _____

• Location: above ground below ground

• Type of fuel: oil propane gasoline and/or diesel other: _____

• Name and contact information of fuel vendor: _____

Tank 2:

- Use: currently in use currently NOT in use
- Ownership: owned leased. If leased, name and contact information of tank lessor: _____

• Location: above ground below ground

• Type of fuel: oil propane gasoline and/or diesel other: _____

• Name and contact information of fuel vendor: _____

(ii) **Tank(s) included in sale:** Buyer and Seller agree that any tank described above that is owned by Seller shall be included in the sale as part of the Purchase Price free of liens, unless excluded in paragraph 2(e) above.

(iii) **Fuel:** Seller may use fuel in the tank(s) described above through Settlement, but may not otherwise remove the fuel or resell it. Any fuel remaining in the tank(s) as of Settlement shall be included in the sale as part of the Purchase Price, free of liens.

- Seller's use of fuel in any fuel tank is subject to Seller's obligation under Paragraph 8(c) to provide working, existing utilities through the earlier of Closing or possession by Buyer.

NOTE: Buyer shall be entitled to conduct inspections to confirm the existence, type and ownership of any fuel tank located on the Property. Buyer is advised to consult with the owner of any leased fuel tank regarding the terms under which Buyer may lease the tank and obtain fuel.

NOTE: State law provides that it is unlawful for any person, other than the supplier or the owner of a fuel supply tank, to disconnect, interrupt or fill the supply tank with liquefied petroleum gas (LP gas or propane) without the consent of the supplier.

(e) **Leases.** The Property is is not subject to any lease(s). If the Property is subject to a lease, Buyer and Seller should include either the Rental/Income/Investment Property provision in the Additional Provisions Addendum (Standard Form 2A11-T) or the Vacation Rental Addendum (Form 2A13-T) with this offer.

8. SELLER OBLIGATIONS:

(a) **Evidence of Title, Payoff Statement(s) and Non Foreign Status:**

(i) Seller agrees to use best efforts to provide to the closing attorney as soon as reasonably possible after the Effective Date, copies of all title information in possession of or available to Seller, including but not limited to: title insurance policies, attorney's opinions on title, surveys, covenants, deeds, notes and deeds of trust, leases, and easements relating to the Property.

(ii) Seller shall provide to the closing attorney all information needed to obtain a written payoff statement from any lender(s) regarding any security interest in the Property as soon as reasonably possible after the Effective Date, and Seller designates the closing attorney as Seller's agent with express authority to request and obtain on Seller's behalf payoff statements and/or short-pay statements from any such lender(s).

(iii) If Seller is not a foreign person as defined by the Foreign Investment in Real Property Tax Act, Seller shall also provide to the closing attorney a non-foreign status certification (pursuant to the Foreign Investment in Real Property Tax Act). In the event Seller does not provide a non-foreign status certification, Seller acknowledges that there may be withholding as provided

by the Internal Revenue Code.

(b) **Authorization to Disclose Information:** Seller authorizes: (i) any attorney presently or previously representing Seller to release and disclose any title insurance policy in such attorney's file to Buyer and both Buyer's and Seller's agents and attorneys; (ii) the Property's title insurer or its agent to release and disclose all materials in the Property's title insurer's (or title insurer's agent's) file to Buyer and both Buyer's and Seller's agents and attorneys and (iii) the closing attorney to release and disclose any seller's closing disclosure, settlement statement and/or disbursement summary, or any information therein, to the parties to this transaction, their real estate agent(s) and Buyer's lender(s).

(c) **Access to Property:** Seller shall provide reasonable access to the Property through the earlier of Closing or possession by Buyer, including, but not limited to, allowing Buyer and/or Buyer's agents or representatives, an opportunity to (i) conduct Due Diligence, (ii) verify the satisfactory completion of negotiated repairs/improvements, and (iii) conduct a final walk-through inspection of the Property. Seller's obligation includes providing existing utilities operating at Seller's cost, including any connections and de-winterizing.

NOTE: See WARNING in paragraph 4 above for limitation on Buyer's right to terminate this Contract as a result of Buyer's continued investigation of the Property following the expiration of the Due Diligence Period.

(d) **Removal of Seller's Property:** Seller shall remove, by the date possession is made available to Buyer, all personal property which is not a part of the purchase and all garbage and debris from the Property.

(e) **Affidavit and Indemnification Agreement:** Seller shall furnish at Settlement an affidavit(s) and indemnification agreement(s) in form satisfactory to Buyer and Buyer's title insurer, if any, executed by Seller and any person or entity who has performed or furnished labor, services, materials or rental equipment to the Property within 120 days prior to the date of Settlement and who may be entitled to claim a lien against the Property as described in N.C.G.S. §44A-8 verifying that each such person or entity has been paid in full and agreeing to indemnify Buyer, Buyer's lender(s) and Buyer's title insurer against all loss from any cause or claim arising therefrom.

(f) **Designation of Lien Agent, Payment and Satisfaction of Liens:** If required by N.C.G.S. §44A-11.1, Seller shall have designated a Lien Agent, and Seller shall deliver to Buyer as soon as reasonably possible a copy of the appointment of Lien Agent. All deeds of trust, deferred ad valorem taxes, liens and other charges against the Property, not assumed by Buyer, must be paid and satisfied by Seller prior to or at Settlement such that cancellation may be promptly obtained following Closing. Seller shall remain obligated to obtain any such cancellations following Closing.

(g) **Good Title, Legal Access:** Seller shall execute and deliver a GENERAL WARRANTY DEED for the Property in recordable form no later than Settlement, which shall convey fee simple marketable and insurable title, without exception for mechanics' liens, lis pendens, monetary liens and judgments, and free of other encumbrances or defects that would materially affect the value of the Property, including those which would be revealed by a current and accurate survey of the Property, except: (1) ad valorem taxes for the current year; (2) utility easements and unviolated covenants, conditions or restrictions; and (3) such other liens, encumbrances or defects as may be specifically approved by Buyer in writing. The Property must have legal access to a public right of way.

NOTE: Buyer's failure to conduct a survey or examine title of the Property, prior to the expiration of the Due Diligence Period does not relieve the Seller of their obligation to deliver good title under this paragraph.

NOTE: If any sale of the Property may be a "short sale," consideration should be given to attaching a Short Sale Addendum (Standard Form 2A14-T) as an addendum to this Contract.

(h) **Governmental Compliance:** It is a condition of this Contract that the Property be conveyed free of any material violation of law, ordinance, permit, or government regulation (including, but not limited to, those relating to building, stormwater, impervious surface, environmental protection, and zoning), unless Seller has specifically disclosed such violation(s) prior to the Effective Date. If a violation is discovered and identified after the Effective Date and prior to Closing, then Seller may cure the violation(s). Unless otherwise agreed, if Seller does not cure the violation(s) prior to Closing, then Buyer may choose to accept the violation(s) and proceed to Settlement/Closing or terminate this Contract and receive a refund of the Earnest Money Deposit and the Due Diligence Fee.

(i) **Deed, Taxes and Fees:** Seller shall pay for preparation of a deed and all other documents necessary to perform Seller's obligations under this Contract, and for state and county excise taxes, and any deferred, discounted or rollback taxes, and local conveyance fees required by law. The deed is to be made to: (i) Buyer; (ii) a corporation, limited liability company, or other business entity of which Buyer is the sole owner or shareholder; (iii) a trust for which Buyer is the beneficiary; (iv) any relative of Buyer; and/or (v) Other: (Insert Name(s) Only) _____ Buyer or as Buyer otherwise directs in writing _____.

(j) **Agreement to Pay Buyer Expenses:** Seller shall pay at Settlement \$ n/a _____ toward any of Buyer's expenses associated with the purchase of the Property, at the discretion of Buyer and/or lender, if any, including any FHA/VA lender and inspection costs that Buyer is not permitted to pay.

NOTE: Parties should review the FHA/VA Addendum prior to entering an amount in Paragraph 8(j). Certain FHA/VA lender and inspection costs CANNOT be paid by Buyer at Settlement and the amount of these should be included in the blank above.

(k) **Owners' Association Fees/Charges:** Seller shall pay any charges by an owners' association or a management company/vendor as agent of the association under paragraph 9(a) of this Contract.

(l) **Payment of Special Assessments:** Seller shall pay, in full at Settlement, all Special Assessments that are approved prior to Settlement, whether payable in a lump sum or future installments, provided that the amount thereof can be reasonably determined or estimated. The payment of such estimated amount shall be the final payment between the Parties.

(m) **Late Listing Penalties:** All property tax late listing penalties, if any, shall be paid by Seller.

(n) **Negotiated Repairs/Improvements:** Negotiated repairs/improvements shall be made in a good and workmanlike manner and Buyer shall have the right to verify same prior to Settlement.

(o) **Home Warranty (Select one of the following):**

No home warranty is to be provided by Seller.

Buyer may obtain a one-year home warranty at a cost not to exceed \$ _____ which includes sales tax and Seller agrees to pay for it at Settlement.

Seller has obtained and will provide a one-year home warranty from _____ at a cost of \$ _____ which includes sales tax and will pay for it at Settlement.

NOTE: Home warranties typically have limitations on and conditions to coverage. Refer specific questions to the home warranty company.

(p) **Seller's Breach of Contract:** See paragraph 23 for Buyer's remedies in the event of breach of this Contract.

9. CHARGES BY OWNERS' ASSOCIATION: Responsibility for payment of charges by an owners' association or a management company/vendor as agent of the association shall be allocated between Buyer and Seller as follows:

(a) **Seller shall pay:**

(i) fees incurred by Seller in completing the Residential Property and Owners' Association Disclosure Statement, and resale or other certificates related to a proposed sale of the Property;

(ii) fees required for confirming Seller's account payment information on owners' association dues or assessments for payment or proration, including any expedite fee permitted under N.C. Gen. Stat. § 47F-3-102 that is charged in connection with providing such information;

(iii) any fees charged for transferring or updating ownership records of the association; and

(iv) any fees other than those fees specifically required to be paid by Buyer under paragraph 9(b) below.

(b) **Buyer shall pay:**

(i) charges for providing information required by Buyer's lender;

(ii) charges for working capital contributions, membership fees, or charges imposed for Buyer's use of the common elements and/or services provided to Buyer in connection with Buyer taking possession of the Property, such as "move-in fees"; and

(iii) charges for determining restrictive covenant compliance.

10. PRORATIONS AND ADJUSTMENTS: Unless otherwise agreed, the following items shall be prorated, with Seller responsible for the prorated amounts of any taxes and dues through the date of Settlement, and Seller entitled to the amount of prorated rents through the date of Settlement, and either adjusted between the parties or paid at Settlement:

(a) **Taxes on Real Property:** Ad valorem taxes and recurring governmental service fees levied with such taxes on real property shall be prorated on a calendar year basis;

(b) **Taxes on Personal Property:** Ad valorem taxes on personal property for the entire year shall be paid by Seller unless the personal property is conveyed to Buyer, in which case, the personal property taxes shall be prorated on a calendar year basis;

(c) **Rents:** Rents, if any, for the Property;

(d) **Dues:** Owners' association regular assessments (dues) and other like charges.

11. CONDITION OF PROPERTY/RISK OF LOSS:

(a) **Condition of Property at Settlement:** If the Property is not in substantially the same or better condition at Closing as on the date of this offer, reasonable wear and tear excepted, Buyer may terminate this Contract by written notice delivered to Seller and the Due Diligence Fee and Earnest Money Deposit shall be refunded to Buyer. If the Property is not in such condition and Buyer does NOT elect to terminate this Contract, Buyer shall be entitled to receive, in addition to the Property, the proceeds of any insurance claim filed by Seller on account of any damage or destruction to the Property.

(b) **Risk of Loss:** The risk of loss or damage by fire or other casualty prior to Closing shall be upon Seller. Seller is advised not to cancel existing insurance on the Property until after confirming recordation of the deed.

12. DELAY IN SETTLEMENT/CLOSING: This paragraph shall apply if one party is ready, willing and able to complete Settlement on the Settlement Date ("Non-Delaying Party") but it is not possible for the other party to complete Settlement by the Settlement Date ("Delaying Party"). In such event, the Delaying Party shall be entitled to a delay in Settlement and shall give as much notice as possible to the Non-Delaying Party and closing attorney. If the Delaying Party fails to complete Settlement and Closing within seven (7) days of the Settlement Date (including any amended Settlement Date agreed to in writing by the parties), then the Delaying Party shall be in breach and the Non-Delaying Party may terminate this Contract and shall be entitled to enforce any remedies available to such party under this Contract for the breach.

13. POSSESSION: Possession, including all means of access to the Property and transferable amenities and services (keys including mailbox keys, codes including security codes, garage door openers, electronic devices, etc.), shall be delivered upon Closing as defined in Paragraph 1(m) unless otherwise provided below:

- A Buyer Possession Before Closing Agreement is attached (Standard Form 2A7-T)
- A Seller Possession After Closing Agreement is attached (Standard Form 2A8-T)
- Possession is subject to rights of tenant(s) (Parties should attach either Additional Provisions Addendum (Form 2A11-T) or Vacation Rental Addendum (Form 2A13-T))

14. ADDENDA: CHECK ALL STANDARD ADDENDA THAT MAY BE A PART OF THIS CONTRACT, IF ANY, AND ATTACH HERETO. ITEMIZE ALL OTHER ADDENDA TO THIS CONTRACT, IF ANY, AND ATTACH HERETO.

- | | |
|--|--|
| <input type="checkbox"/> Additional Provisions Addendum (Form 2A11-T) | <input type="checkbox"/> New Construction Addendum (Form 2A3-T) |
| <input type="checkbox"/> Additional Signatures Addendum (Form 3-T) | <input type="checkbox"/> Owners' Association Disclosure Addendum (Form 2A12-T) |
| <input type="checkbox"/> Back-Up Contract Addendum (Form 2A1-T) | <input type="checkbox"/> Seller Financing Addendum (Form 2A5-T) |
| <input type="checkbox"/> FHA/VA Financing Addendum (Form 2A4-T) | <input type="checkbox"/> Short Sale Addendum (Form 2A14-T) |
| <input type="checkbox"/> Lead-Based Paint Or Lead-Based Paint Hazard Addendum (Form 2A9-T) | <input type="checkbox"/> Vacation Rental Addendum (Form 2A13-T) |
| <input type="checkbox"/> Loan Assumption Addendum (Form 2A6-T) | |
| <input checked="" type="checkbox"/> Identify other attorney or party drafted addenda: <u>See Exhibit A Additional Provisions</u> | |

NOTE: UNDER NORTH CAROLINA LAW, REAL ESTATE BROKERS ARE NOT PERMITTED TO DRAFT ADDENDA TO THIS CONTRACT.

15. ASSIGNMENTS: This Contract may not be assigned without the written consent of all parties except in connection with a tax-deferred exchange, but if assigned by agreement, then this Contract shall be binding on the assignee and assignee's heirs and successors.

16. TAX-DEFERRED EXCHANGE: In the event Buyer or Seller desires to effect a tax-deferred exchange in connection with the conveyance of the Property, Buyer and Seller agree to cooperate in effecting such exchange; provided, however, that the exchanging party shall be responsible for all additional costs associated with such exchange, and provided further, that a non-exchanging party shall not assume any additional liability with respect to such tax-deferred exchange. Buyer and Seller shall execute such additional documents,

including assignment of this Contract in connection therewith, at no cost to the non-exchanging party, as shall be required to give effect to this provision.

17. **PARTIES:** This Contract shall be binding upon and shall inure to the benefit of Buyer and Seller and their respective heirs, successors and assigns. As used herein, words in the singular include the plural and the masculine includes the feminine and neuter genders, as appropriate.

18. **SURVIVAL:** If any provision herein contained which by its nature and effect is required to be observed, kept or performed after the Closing, it shall survive the Closing and remain binding upon and for the benefit of the parties hereto until fully observed, kept or performed.

19. **ENTIRE AGREEMENT/RECORDATION:** This Contract contains the entire agreement of the parties and there are no representations, inducements or other provisions other than those expressed herein. All changes, additions or deletions hereto must be in writing and signed by all parties. Nothing contained herein shall alter any agreement between a REALTOR[®] or broker and Seller or Buyer as contained in any listing agreement, buyer agency agreement, or any other agency agreement between them. This Agreement or any memorandum thereof shall not be recorded without the express written consent of Buyer and Seller.

20. **CONDUCT OF TRANSACTION:** The parties agree that any action between them relating to the transaction contemplated by this Contract may be conducted by electronic means, including the signing of this Contract by one or more of them and any notice or communication given in connection with this Contract. Any written notice or communication may be transmitted to any mailing address, e-mail address or fax number set forth in the "Notice Information" section below. Any notice or communication to be given to a party herein, and any fee, deposit or other payment to be delivered to a party herein, may be given to the party or to such party's agent. Delivery of any notice to a party via means of electronic transmission shall be deemed complete at such time as the sender performs the final act to send such transmission, in a form capable of being processed by the receiving party's system, to any electronic address provided for such party in the "Notice Information" section below. Seller and Buyer agree that the "Notice Information" and "Acknowledgment of Receipt of Monies" sections below shall not constitute a material part of this Contract, and that the addition or modification of any information therein shall not constitute a rejection of an offer or the creation of a counteroffer.

21. **EXECUTION:** This Contract may be signed in multiple originals or counterparts, all of which together constitute one and the same instrument.

22. **COMPUTATION OF DAYS/TIME OF DAY:** Unless otherwise provided, for purposes of this Contract, the term "days" shall mean consecutive calendar days, including Saturdays, Sundays, and holidays, whether federal, state, local or religious. For the purposes of calculating days, the count of "days" shall begin on the day following the day upon which any act or notice as provided in this Contract was required to be performed or made. Any reference to a date or time of day shall refer to the date and/or time of day in the State of North Carolina.

23. **REMEDIES:**

(a) **Breach by Buyer:** In the event of material breach of this Contract by Buyer, Seller shall be entitled to any Earnest Money Deposit. The payment of any Earnest Money Deposit and any Due Diligence Fee to Seller (without regard to their respective amounts, including zero) together shall serve as liquidated damages ("Liquidated Damages") and as Seller's sole and exclusive remedy for such breach, provided that such Liquidated Damages shall not limit Seller's rights under Paragraphs 4(e) and 4(f) for damage to the Property as well as Seller's rights under paragraph 1(d) for dishonored funds. It is acknowledged by the parties that the amount of the Liquidated Damages is compensatory and not punitive, such amount being a reasonable estimation of the actual loss that Seller would incur as a result of a breach of this Contract by Buyer. The payment to Seller of the Liquidated Damages shall not constitute a penalty or forfeiture but actual compensation for Seller's anticipated loss, both parties acknowledging the difficulty of determining Seller's actual damages for such breach

(b) **Breach by Seller:** In the event of material breach of this Contract by Seller, Buyer may (i) elect to terminate this Contract as a result of such breach, and shall be entitled to return of both the Earnest Money Deposit and the Due Diligence Fee, together with the reasonable costs actually incurred by Buyer in connection with Buyer's Due Diligence ("Due Diligence Costs"), or (ii) elect not to terminate and instead treat this Contract as remaining in full force and effect and seek the remedy of specific performance.

(c) **Attorneys' Fees:** If legal proceedings are brought by Buyer or Seller against the other to collect the Earnest Money Deposit, Due Diligence Fee, or Due Diligence Costs, the parties agree that a party shall be entitled to recover reasonable attorneys' fees to the extent permitted under N.C. Gen. Stat. § 6-21.2, and if applicable, N.C. Gen. Stat. § 6-21.3 for dishonored funds. The parties acknowledge and agree that the terms of this Contract with respect to entitlement to the Earnest Money Deposit, Due Diligence Fee, or Due Diligence Costs each constitute an "evidence of indebtedness" pursuant to N.C. Gen. Stat. § 6-21.2.

NOTE: A party seeking recovery of attorneys' fees under N.C. Gen. Stat. § 6-21.2 must first give written notice to the other party that they have five (5) days from the mailing of the notice to pay the outstanding amount(s) without the attorneys' fees.

THE NORTH CAROLINA ASSOCIATION OF REALTORS®, INC. AND THE NORTH CAROLINA BAR ASSOCIATION MAKE NO REPRESENTATION AS TO THE LEGAL VALIDITY OR ADEQUACY OF ANY PROVISION OF THIS FORM IN ANY SPECIFIC TRANSACTION. IF YOU DO NOT UNDERSTAND THIS FORM OR FEEL THAT IT DOES NOT PROVIDE FOR YOUR LEGAL NEEDS, YOU SHOULD CONSULT A NORTH CAROLINA REAL ESTATE ATTORNEY BEFORE YOU SIGN IT.

This offer shall become a binding contract on the Effective Date. Unless specifically provided otherwise, Buyer's failure to timely deliver any fee, deposit or other payment provided for herein shall not prevent this offer from becoming a binding contract, provided that any such failure shall give Seller certain rights to terminate the contract as described herein or as otherwise permitted by law.

Date: _____

Date: _____

Buyer: _____

Seller: _____

Date: _____

Date: _____

Buyer: _____

Seller: _____

Entity Buyer:
Housing Authority of the City of New Bern, N.C.
(Name of LLC/Corporation/Partnership/Trust/etc.)

Entity Seller:
Redevelopment Commission of the City of New Bern
(Name of LLC/Corporation/Partnership/Trust/etc.)

By _____

By: *[Signature]*

Name: Reginal Barner

Name: BETA B WALKER

Print Name

Print Name

Title: Interim Executive Director

Title: CHAIR

Date: June __, 2024

Date: June __, 2024

WIRE FRAUD WARNING

TO BUYERS: BEFORE SENDING ANY WIRE, YOU SHOULD CALL THE CLOSING ATTORNEY'S OFFICE TO VERIFY THE INSTRUCTIONS. IF YOU RECEIVE WIRING INSTRUCTIONS FOR A DIFFERENT BANK, BRANCH LOCATION, ACCOUNT NAME OR ACCOUNT NUMBER, THEY SHOULD BE PRESUMED FRAUDULENT. DO NOT SEND ANY FUNDS AND CONTACT THE CLOSING ATTORNEY'S OFFICE IMMEDIATELY.

TO SELLERS: IF YOUR PROCEEDS WILL BE WIRED, IT IS RECOMMENDED THAT YOU PROVIDE WIRING INSTRUCTIONS AT CLOSING IN WRITING IN THE PRESENCE OF THE ATTORNEY. IF YOU ARE UNABLE TO ATTEND CLOSING, YOU MAY BE REQUIRED TO SEND AN ORIGINAL NOTARIZED DIRECTIVE TO THE CLOSING ATTORNEY'S OFFICE CONTAINING THE WIRING INSTRUCTIONS. THIS MAY BE SENT WITH THE DEED, LIEN WAIVER AND TAX FORMS IF THOSE DOCUMENTS ARE BEING PREPARED FOR YOU BY THE CLOSING ATTORNEY. AT A MINIMUM, YOU SHOULD CALL THE CLOSING ATTORNEY'S OFFICE TO PROVIDE THE WIRE INSTRUCTIONS. THE WIRE INSTRUCTIONS SHOULD BE VERIFIED OVER THE TELEPHONE VIA A CALL TO YOU INITIATED BY THE CLOSING ATTORNEY'S OFFICE TO ENSURE THAT THEY ARE NOT FROM A FRAUDULENT SOURCE.

WHETHER YOU ARE A BUYER OR A SELLER, YOU SHOULD CALL THE CLOSING ATTORNEY'S OFFICE AT A NUMBER THAT IS INDEPENDENTLY OBTAINED. TO ENSURE THAT YOUR CONTACT IS LEGITIMATE, YOU SHOULD NOT RELY ON A PHONE NUMBER IN AN EMAIL FROM THE CLOSING ATTORNEY'S OFFICE, YOUR REAL ESTATE AGENT OR ANYONE ELSE.

NOTICE INFORMATION

NOTE: INSERT AT LEAST ONE ADDRESS AND/OR ELECTRONIC DELIVERY ADDRESS EACH PARTY AND AGENT APPROVES FOR THE RECEIPT OF ANY NOTICE CONTEMPLATED BY THIS CONTRACT. INSERT "N/A" FOR ANY WHICH ARE NOT APPROVED.

BUYER NOTICE ADDRESS:

Mailing Address: P.O. Box 1486
New Bern, NC 28563

Buyer Fax#: _____

Buyer E-mail: _____

SELLER NOTICE ADDRESS:

Mailing Address: P.O. Box 1129
New Bern, NC 28563

Seller Fax#: _____

Seller E-mail: _____

CONFIRMATION OF AGENCY/NOTICE ADDRESSES

Selling Firm Name: n/a - no broker

Acting as Buyer's Agent Seller's (sub)Agent Dual Agent

Firm License #: _____

Mailing Address: _____

Listing Firm Name: n/a - no broker

Acting as Seller's Agent Dual Agent

Firm License #: _____

Mailing Address: _____

Individual Selling Agent: _____

Acting as a Designated Dual Agent (check only if applicable)

Selling Agent License #: _____

Selling Agent Phone #: _____

Selling Agent Fax #: _____

Selling Agent E-mail: _____

Individual Listing Agent: _____

Acting as a Designated Dual Agent (check only if applicable)

Listing Agent License #: _____

Listing Agent Phone #: _____

Listing Agent Fax #: _____

Listing Agent E-mail: _____

[THIS SPACE INTENTIONALLY LEFT BLANK]

ACKNOWLEDGMENT OF RECEIPT OF MONIES

Seller: _____ (“Seller”)

Buyer: _____ (“Buyer”)

Property Address: _____ (“Property”)

LISTING AGENT ACKNOWLEDGMENT OF RECEIPT OF DUE DILIGENCE FEE

Paragraph 1(d) of the Offer to Purchase and Contract between Buyer and Seller for the sale of the Property provides for the payment to Seller of a Due Diligence Fee in the amount of \$ _____, receipt of which Listing Agent hereby acknowledges.

Date _____ Firm: _____

By: _____
(Signature)

(Print name)

SELLER ACKNOWLEDGMENT OF RECEIPT OF DUE DILIGENCE FEE

Paragraph 1(d) of the Offer to Purchase and Contract between Buyer and Seller for the sale of the Property provides for the payment to Seller of a Due Diligence Fee in the amount of \$ _____, receipt of which Seller hereby acknowledges.

Date _____ Seller: _____
(Signature)

Date _____ Seller: _____
(Signature)

ESCROW AGENT ACKNOWLEDGMENT OF RECEIPT OF INITIAL EARNEST MONEY DEPOSIT

Paragraph 1(d) of the Offer to Purchase and Contract between Buyer and Seller for the sale of the Property provides for the payment to Escrow Agent of an Initial Earnest Money Deposit in the amount of \$ _____. Escrow Agent as identified in Paragraph 1(f) of the Offer to Purchase and Contract hereby acknowledges receipt of the Initial Earnest Money Deposit and agrees to hold and disburse the same in accordance with the terms of the Offer to Purchase and Contract.

Date _____ Firm : _____

By: _____
(Signature)

(Print name)

ESCROW AGENT ACKNOWLEDGMENT OF RECEIPT OF (ADDITIONAL) EARNEST MONEY DEPOSIT

Paragraph 1(d) of the Offer to Purchase and Contract between Buyer and Seller for the sale of the Property provides for the payment to Escrow Agent of an (Additional) Earnest Money Deposit in the amount of \$ _____. Escrow Agent as identified in Paragraph 1(f) of the Offer to Purchase and Contract hereby acknowledges receipt of the (Additional) Earnest Money Deposit and agrees to hold and disburse the same in accordance with the terms of the Offer to Purchase and Contract.

Date: _____ Firm: _____

Time: _____ AM PM

By: _____
(Signature)

(Print name)