

PRESALE BUILDER’S ADDENDUM – FEE BUILDER
Sunset View

LOT#: _____

This addendum is to be made part of the certain Earnest Money Agreement and/or Purchase and Sale Agreement hereinafter called “the Agreement” dated _____ between Randy D. Holt as “Seller” and _____ as “Buyer”.

Should any conflict arise between this PRESALE BUILDER’S ADDENDUM and the original Purchase and Sale Agreement and/or any previous addendums, this addendum shall prevail.

Seller has contracted with _____ a licensed contractor, license number _____ to erect the home according to the provisions and specifications of this agreement. All other terms and conditions of the original Purchase and Sale Agreement shall remain in full force and effect.

***PRE-SALE (PLANS & SPECIFICATIONS):**

Seller to provide copies of the plans and specs to the Buyer within _____ days of mutual acceptance. Buyer is to review plans and specifications to Buyer’s satisfaction to be approved in writing no later than _____ days from receipt of same. No written approval will be deemed to be disapproval and this agreement shall then terminate, earnest money shall be refunded to the Buyer, and parties will have no further duties. Upon such time the Buyer approves plans and specifications, all earnest monies shall be released directly to the Seller and shall become non-refundable for any reason except for non-performance by the Seller and shall be credited to the Buyer at closing.

***SELLER’S REPLICATION OF PREVIOUS PROJECT:**

The completed house and the association grounds, landscaping, etc. shall be substantially similar or comparable to the house previously constructed for the Seller at _____ (address) and shall be of equal or greater quality in a manner, finish and appearance.

***NON-REFUNDABLE CONSTRUCTION DEPOSIT:**

Upon Buyer’s approval of plans and specifications and in any event no later than _____ (date), Buyer shall pay to Seller a non-refundable construction deposit in the amount of \$ _____. The construction deposit is paid in consideration of Seller instructing his contractor to proceed with the construction of the home and is in addition to any earnest monies referenced herein.

Buyer

Buyer

Seller

***LOCATION OF HOME:**

Seller has the sole discretion to determine the exact location of the home on the property being purchased. Many factors and considerations dictate that the Seller has the exclusive responsibility and authority to make such decisions

***PLAN VARIATIONS:**

No two homes are built exactly alike. It is not uncommon to have minor differences in the dimensions or style of concrete, landscaping, framing cabinets, etc. All homes are built with the same quality materials, but items such as the above-mentioned can and do vary from home to home. These variations are not considered defects and will not be changed.

***BUYER'S ACCESS DURING CONSTRUCTION:**

Buyer acknowledges that the property being purchased pursuant to the agreement is and shall continue to belong to the Seller until the closing date of the agreement. Buyer agrees that they shall not enter onto the property during construction unless accompanied by Seller or Contractor's representative or agent. Buyer further acknowledges notice that only Seller, Contractor or their employees and authorized subcontractors are authorized to enter and do work on the property, and Buyer is expressly denied permission to do any work on the property prior to closing for any reason whatsoever, without the prior written agreement and consent of Seller and Contractor.

***UPGRADES & CHANGES:**

Any changes made after the purchase and sale agreement must be mutually accepted by both the Buyer and the Seller (change orders) and shall be in writing. A **\$200.00** administration fee will be added to every change order and estimate request submitted, above the cost of changes. If upgrades or loan costs are added on to the listed price of the home, there will be an **8%** surcharge added to the base cost of any such upgrade or loan costs to compensate the Seller for additional transaction related costs related to the change order. Payment for custom changes and or upgrades is non-refundable for any reason and must be paid within 5 days of mutual acceptance of each change, and prior to starting work on the change order, regardless of whether or not they have been added to the listed price or sale price (whichever is greater). If Buyer chooses to pay in cash, then it is the Buyer's responsibility to make certain payment is made at least 2 weeks prior to scheduled installation of any upgrade. If the Seller does not have record of payment, then the original items specified, not the upgraded items will be installed.

***FLOORING, PLUMBING, AND ELECTRICAL UPGRADES:**

All floor covering, plumbing and electrical upgrades are to be paid in cash directly to the supplier at the time of selection unless otherwise noted in writing to Seller and mutually agreed upon by both Buyer and Seller. Because time is of the essence, if these items are not paid directly to supplier at the time of selection (unless otherwise noted and mutually accepted in

writing) then the original items specified shall be installed. This shall apply to any & all upgrades not mutually agreed upon in the original Purchase and Sales Agreement.

***INSULATION:**

In accordance with Washington State Energy code and requirements at the time of building permit and pursuant to Federal Trade Commission Regulations requirements. The Seller shall fill in the following information. (If insulation is not yet selected, FTC regulations require Seller to furnish to Buyer the information below in writing as soon as available).

Wall Insulation Type: Batt	Thickness: 5 ½"	R-Value: R-21
Ceiling Insulation Type: Batt/Blown	Thickness: 12"	R-Value: R-38

Other insulation data: insulation installation specifications meet or exceed Washington State requirements.

***LANDSCAPING:**

The base retail purchase price includes front yard landscaping ONLY. Any additional landscaping requested for side or rear yards or any upgrades to Seller's standard front yard landscaping package shall be at an additional charge to Buyer. No fencing is included in the base sale price. Buyer is hereby informed that should they elect to have Seller install fencing after the closing date of their purchase, they can only install fencing in the style and using the materials and in the color(s) approved by the Seller. Seller shall cause to be professionally installed all additional landscaping and fencing requested and paid by Buyer and approved by Seller within **ten days** after the closing date of the Agreement.

***COMPLETION OF NEW HOME:**

Seller believes that the new home to be constructed for Buyer as described in this Agreement should be substantially completed on _____ (date). However, in order to maintain the strict quality standards of each new home constructed by Contractor, THIS COMPLETION DATE IS AN ESTIMATE ONLY AND IS NOT A GUARANTEE AS TO THE EXACT DATE WHEN YOUR NEW HOME WILL BE COMPLETED. Buyer shall be entitled to possession upon completion (as evidenced by the issuance of a Certificate or Occupancy) or upon closing, whichever event occurs last. "Closing" is defined as that date on which all documents are recorded and the sale proceeds are available to Seller. Should Buyer be delayed in obtaining loan approval, the closing and completion dates, at Seller's sole option, shall be extended an equal amount of time. Should construction be delayed due to circumstances beyond Seller's control, the closing date will be extended up to **30 days**. The closing date in the Agreement shall be considered the termination date. If the new home described in the Agreement is not completed prior to the closing date. The exclusive remedy available to the Buyer shall be to either terminate the agreement OR to mutually extend the closing date of the Agreement. SELLER IS NOT RESPONSIBLE for the expiration of Buyer's loan commitment, penalties, loan or other fees or losses due to the estimated completion date not being met.

Buyer

Buyer

Seller

BUYER IS ADVISED TO INSURE THAT THEIR LENDER AND ANY OTHER INTERESED PARTY IS MADE AWARE OF THIS AGREEMENT.

***POSSESSION:**

Buyer shall be entitled to possession of their new home on the closing date as defined herein.

***FINAL WALK THRU (NEW HOME ORIENTATION):**

Buyer reserves the right to complete final walk through **7 days** prior to closing with the Seller and Contractor, or their representative to verify completion of home. Parties shall complete a list of touch up items, repairs and any uncompleted items (punch list). Parties agree not withstanding Seller's duty to obtain final occupancy permit from local jurisdiction prior to closing and Buyer's possession, any and all items on "Punch List" are to be completed in a professional workmanship like manner no later than 30 days after closing. Prior to the closing date of this Agreement, Seller will schedule a new home orientation with the Buyer to explain the new home warranty program, required Buyer maintenance and the operating procedures of all home's appliances, heating and plumbing systems and other miscellaneous features. Seller will schedule all new home orientations between 9 a.m. and 5 p.m. on Monday through Friday Only.

***CLOSING:**

This transaction shall close according to this Purchase and Sale Agreement but not later than **five (5) days** of delivery to escrow the final inspection and approval to occupy from the governing authority. Readiness to close is evidenced by delivery of final inspection to the escrow company. Closing date cannot be delayed due to items needing minor repair, adjustment or replacement, as noted at final walk through/new home orientation. In the event Buyer is not ready to close within **5 days** of Final Occupancy Permit as referenced herein, Buyer shall be assessed **\$200.00 per day** thereafter through closing unless Buyer is obtaining financing from Seller's preferred lender.

***SUBSTITUTION:**

Seller reserves the right to substitute items of comparable quality without prior notice to Buyer. All items are subject to reasonable availability. Special Purchase selected items must be readily available and cannot delay construction scheduling or completion.

***NO VERBAL REPRESENTATIONS:**

It is natural during the course of the transaction for the Buyer to have questions regarding their new home. In order for the Buyer to receive responsible and authoritative answers to their questions, the questions shall be presented to Seller who will respond in writing. Buyer understands and agrees that sales agents, field superintendents and subcontractors are not authorized to make such representations, or representations that shall modify the Agreement as written, and that the full understanding shall be limited to the Agreement as written together with any clarifications made by Seller in writing.

***AGENCY:**

Both Seller and Buyer acknowledges that the selling real estate broker represents Buyer exclusively and not the Seller and that the listing broker, Terry Wise, represents Seller exclusively and not Buyer. If selling broker and listing broker are different licensees affiliated with the same real estate broker, then both Seller and Buyer, consent to said broker acting as a dual agent. Both Seller and Buyer acknowledge receipt of a copy of the pamphlet entitled "The Law of Real Estate Agency".

***PLANS ARE PROPERTY OF SELLER:**

Plans, drawings, specifications and design material are hereby made a part of the parties agreement incorporated herein and shall remain the sole property of the Seller will not be made available to the Buyer.

***ARCHITECTURAL CONTROL COMMITTEE**

This agreement is conditioned upon Architectural Control Committee approval. Seller to submit for approval within _____ days of mutual acceptance.

***COVENANTS CONDITIONS & RESTRICTIONS (CC&R's):**

Buyer acknowledges receipt of CCR's and approves same, unless Seller receives written notice from Buyer disapproving CC&R's within _____ (3 days if not filled in) of mutual acceptance. Upon Buyer's disapproval of CCR's "the agreement" shall terminate.

***HOMEOWNER'S ASSOCIATION & DUES:**

It is understood that all owners of lots in **Sunset View** will become members of the Homeowner's Association organized and existing under the laws of the State of Washington. The Association will assess annual dues to each member to maintain and improve the common areas. The annual dues of the Association for **1 year** are in the amount of **approximately \$200.00**, and will be prorated at closing.

***UTILITIES PAID OUTSIDE OF ESCROW BY SELLER:**

Seller acknowledges the obligation under RCW 60.80.010 to satisfy, upon closing, any lien or charge provided for by RCW35.21.290.35.67.200, 36.36.045, 36.89.065, 36.94.150 or 87.03.445. Seller agrees to satisfy any such liens or charges outside of closing and Seller and Buyer hereby waive the right to have escrow closing agent administer the payment of such liens or charges as provided under RCW60.80. Closing brokers shall not be held liable or responsible in connection with the same at or after the close of escrow.

***WAIVER OR REAL PROPERTY TRANSFER DISCLOSURE STATEMENT:**

Buyer waives their right to receive a Real Property Transfer Disclosure Statement as provided in RCW64.06 Et Seq.

***HOMEOWNER’S LIMITED WARRANTY:**

Contractor hereby warrants this home for a period of one year from the date of closing or occupancy (whichever is sooner) against any structural defects that are not a result of fault by the Buyer, including but not limited to, alterations, negligence, or failure to properly maintain the home and its structure. Contractor will perform all necessary labor to repair or replace defective work at no cost to the Buyer. Product supplied by the suppliers and manufactures for this home are warranted only to the extent that the suppliers or manufacturers of those products provide a warranty and shall be processed with said suppliers and manufacturers according to their individual warranty process instructions. Contractor will expeditiously act in good faith to secure replacement products under warranty of others during Contractors warranty period. Contractor's warranty expressly excludes all other warranties under Washington or Federal laws, any express or implied warranties of fitness of habitability. Contractor's warranty further excludes consequential damages for economic, property or personal injury loss. This warranty is nontransferable. Any claim or cause of action arising out of the terms of this warranty must be filed in a court of competent jurisdiction within two months following expiration of the warranty period. Any cause of action based upon breach of warranty, which is not filed within period of time is waived. Any warranty work performed by Contractor during the warranty period does not extend the warranty period any further than one year from closing or occupancy as defined above. Any cosmetic damages or defect discovered after Buyer walkthrough is not covered by this warranty. Due to the natural characteristics of wood and cement this warranty excludes cracking of concrete flat work and floor squeaks. This warranty excludes all landscape plantings such as grass, shrubs plants, etc. Any structural or mechanical modifications made to this home shall void this warranty. Sheetrock cracks, nail pops are normal in first 12 months. Due to climatic conditions inherent to the Pacific Northwest, exterior materials will naturally expand and contract seasonally. Maintaining all caulked areas in order to prevent moisture or pest infestation is considered maintenance and shall become the Buyer’s responsibility upon Buyer’s possession or closing as defined herein.

***FINANCING:**

Buyer agrees to make loan application with lender of their choice within _____ days of mutual acceptance (3 days if not filled in). Buyer agrees to pre-qualify within _____ days (3 days if not filled in) with **Sam Suznevich of Eagle Home Mortgage (253- 569-2493)** at no cost to the Buyer to assure Seller as to Buyer’s ability to perform per this agreement. In the event **Eagle Home Mortgage** is unable to provide pre-qualifying letter satisfactory to the Seller within _____ days (10 if not filled in), and or unless Buyer waives financing contingencies contained herein within said days and immediately deposits additional earnest monies which are non-refundable in the amount not less than **2%** of sales price, the Seller then anytime thereafter may terminate this agreement at his sole discretion.

Buyer

Buyer

Seller

***FINANCING CONTINGENCY:**

All financing contingencies referred to in this agreement shall be waived by financing deadline as described in paragraph 2, NWMLS Financing form #22A.

***EARNEST MONEY:**

Notwithstanding pre-sale paragraph contained herein. Upon waiver of financing contingencies in Purchase and Sale agreement all earnest monies shall be released directly to the Seller and shall then become a non-refundable deposit. Buyer authorizes the broker/escrow company holding Earnest Money to release funds to Seller. All deposits will be credited to Buyer at closing.

ESCROW: Buyer and Seller further agree that the designated closing/escrow agent for the agreement shall be **Nelson & Carver P.S./Nelson Escrow**, which is located at 420 North Meridian, Suite B, Puyallup, WA 98371 (phone: 253-845-1120, fax: 253-848-4891). Contact person is Shirley Wilder or Connie Platter, or such other closing/escrow agents as Seller may approve. Seller is allowed a special Seller’s rate on escrow fees if such company is used and these cost savings are reflected in the sales price of your new home. Title shall be handled by **WFG National Title**, contact person is Rebecca Jones (253.232.2999).

BUYER’S EXCLUSIVE REMEDY. In the event of any default of Seller of any kind regarding this agreement, the Buyer’s sole remedy shall be the rescission of this agreement and the release to buyer by Seller of any earnest money deposit by Buyer.

SELLER:

BUYER:

By: _____
Randy D. Holt

By: _____

By: _____

Date: _____

Date: _____

CONTRACTOR:

By: _____

Date: _____