

## BUILDER ADDENDUM

Attached to and made part of the Purchase and Sale Agreement for the purchase of \_\_\_\_\_ Ave. S E, Bothell, WA 98021, with a legal description to be attached, dated \_\_\_\_\_ between **King Custom Homes**, as Seller, and \_\_\_\_\_, as Buyer.

### ***IT IS AGREED BETWEEN THE SELLER AND THE BUYER AS FOLLOWS:***

**1. BUYER UPGRADES.** Seller and/or Buyer's Agent and Buyer shall set up a meeting within seven (7) days of final acceptance of Purchase and Sale Agreement to determine Buyer's upgrades, if any. Said changes shall be paid in cash in advance, nonrefundable, direct to Seller. If Buyer wishes to have the nonrefundable upgrade payments reflected in the final sales price for financing purposes, then the upgrade amounts shall be increased by fifteen percent (15%) to reflect additional costs to Seller and shall be added to the price at closing, with the nonrefundable payment shown as an offset. The addition of the nonrefundable upgrade to the price shall not in any event cause it to be refundable. If transaction does not close, the nonrefundable upgrade amount owing shall be paid in cash in full within five (5) days of termination of transaction. Changes or upgrades may delay the completion date.

**2. PRE-QUALIFICATION OF BUYERS.** Buyer is allowed five (5) days from date of final acceptance of the Earnest Money Agreement to complete a loan application with Countrywide, with a bonus of \$2,500.00 to Buyer, if Buyer uses Countrywide for financing and goes through Austin Matson, 425 -870-5539. Buyer may choose any other such lending institution to close this transaction. Title is to be through Chicago Title Insurance Co. Buyer hereby elects and authorizes the Closing Agent or Buyer's Mortgage Company to deliver a copy of the Loan Commitment with any conditions for final approval, to Seller immediately upon the issuance of such commitment.

**3. EARNEST MONEY.** If Buyer intends to terminate this Agreement because of any failure to perform, of a Buyers' contingency (e.g failure to obtain financing), Buyer must do so before the 35th day after mutual acceptance of Purchase and Sale Agreement. After the 35th day, failure of any contingency shall not entitle Buyer to a refund of the Earnest Money. In the event of Buyer's default under this agreement, Seller's sole and exclusive remedy shall be to retain the Earnest Money as Liquidated Damages.

**4. CLOSING EXTENTION.** In the event closing is delayed for any reason beyond the control of either Buyer or Seller, the closing date may be extended up to Sixty (60) days.

**5. MODEL HOME.** Buyer understands that as a result of Seller's continuing improvement process, changes in building codes or circumstances beyond the Seller's control, the specifications of the model home may differ from the home being purchased.

**6. ACCESS.** Agent must accompany Buyer whenever accessing the home during this transaction. Only authorized employees and sub-contractors are authorized to work on the home prior to closing. Buyer agrees that the direction and supervision of the workers on the home, including the subcontractors, rest exclusively with the Seller, and Buyer agrees not to hire or direct any subcontractors to perform work on the home prior to closing. Questions shall be directed to the Community Sales Manager unless the Buyer is on a scheduled orientation.

\_\_\_\_\_  
Buyer

\_\_\_\_\_  
Seller

**7. CONTINGENCIES.** If subject Purchase and Sale Agreement is contingent upon sale of Buyer's house, the provisions of NWMLS Form No. 22B, relating to contingent sale of Buyer's House shall apply as modified herein. (attach NWMLS Form No. 22B) Buyer's house shall be listed with a multiple listing agency, with a reasonable market price, acceptable to Seller.

**8. SEWER CAPACITY CHARGE.** Buyer is aware that this property may be subject to the Sewer Capacity Charge Assessment for newly built homes. The assessment is billed monthly with the property's normal sewer bill.

**9. PROPERTY DISCLOSURE STATEMENT.** The Buyer acknowledges that the subject property is a new home and hereby waives its right to receive a "Real Property Transfer Disclosure Statement" as provided for in RCW 64.00.005 et seq. (nwmls Form 17).

**10. CLOSING ESCROW AGENT.** The closing Escrow agent for the transaction will be Pacific Northwest Title & Escrow, 3224 Wetmore, Everett, WA. 425-508-4395. Buyer understands that Pacific Northwest Title & Escrow, will charge the Seller a discounted builder's rate as Seller's portion of the escrow.

**11. BUYER'S INSPECTION.** Seller and Buyer will conduct a walk-through inspection just prior to closing. Seller's representative will contact Buyer to schedule this appointment.

**12. DISCLOSURES** Buyer is aware that restrictive Covenants (CC&Rs) are recorded and in place for this property. Buyer acknowledges that a copy of the Declaration of Covenants, Conditions and Restrictions are attached to the preliminary title report to be delivered by title company.

There may be common areas to plat and, if applicable, there will be a Homeowners Association in place. Buyer agrees to join Homeowners Association upon completion of documents.

**13. WARRANTY.** This home will be covered by a **King Custom Homes** standard one-year warranty. Buyer acknowledges receipt of a copy of the one-year warranty.

**14. PRIORITY.** In the event that the terms of this Addendum are in conflict with the terms of the related Purchase & Sale Agreement identified above, Buyer and Seller agree that the terms of this Addendum shall control.

**15. STANDARD FEATURES.** Buyer acknowledges that Buyer has received a copy of the Standard Features Sheet dated April 30, 2008.

**BUYER:**

**SELLER:**

\_\_\_\_\_

**King Custom Homes**

\_\_\_\_\_

By: \_\_\_\_\_  
**Paul King, President**

**Listing Agent: Skyline Properties, Inc.**

By: \_\_\_\_\_

**Marlene Penor**