



**ADDENDUM TO RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT
for a
COMPLETED RESIDENCE**

1. **ADDENDUM**. This Addendum provides additional terms and conditions for the Purchase and Sale Agreement ("Agreement") to which it is attached. This Addendum also modifies terms and conditions contained in the Agreement. If there is any conflict between the terms and conditions in the Agreement and those contained in this Addendum, the terms and conditions in this Addendum shall control.
2. **NOTICE TO BUYER**. CHAPTER 64.50 RCW CONTAINS IMPORTANT REQUIREMENTS YOU MUST FOLLOW BEFORE YOU MAY FILE A LAWSUIT FOR DEFECTIVE CONSTRUCTION AGAINST THE SELLER OR BUILDER OF YOUR HOME. FORTY-FIVE DAYS BEFORE YOU FILE YOUR LAWSUIT, YOU MUST DELIVER TO THE SELLER OR BUILDER A WRITTEN NOTICE OF ANY CONSTRUCTION CONDITIONS YOU ALLEGE ARE DEFECTIVE AND PROVIDE YOUR SELLER OR BUILDER THE OPPORTUNITY TO MAKE AN OFFER TO REPAIR OR PAY FOR THE DEFECTS. YOU ARE NOT OBLIGATED TO ACCEPT ANY OFFER MADE BY THE BUILDER OR SELLER. THERE ARE STRICT DEADLINES AND PROCEDURES UNDER STATE LAW, AND FAILURE TO FOLLOW THEM MAY AFFECT YOUR ABILITY TO FILE A LAWSUIT.
3. **WARRANTY**. The Seller is hereby providing the Buyer with the warranty contained in the most recent edition of the HBW 2-10 Asset Protection Program Booklet ("APP Warranty"), which is incorporated by reference and made a part of this Addendum. The Buyer acknowledges receipt of the APP Warranty, and acknowledges that the APP Warranty is the sole warranty provided to the Buyer. Any other warranty or warranties, whether express or implied, are disclaimed by the Seller and waived by the Buyer.
4. **ARBITRATION**. It is hereby agreed that all claims, disputes and controversies between Buyer and Seller arising from or related to the home, the Agreement or this Addendum, whether arising prior to closing or thereafter, including but not limited to any claims for a defect in the home or on the subject property, claim for personal injury, any claim for breach of contract, and negligent or intentional misrepresentation, shall be submitted to binding arbitration by Construction Arbitration Services ("CAS"), and governed by the Federal Arbitration Act, in strict compliance with the procedures and manner set forth in the most recent edition of the 2-10 HBW APP Warranty booklet. In this regard, this booklet is incorporated herein by reference, and made a part of this purchase agreement, and this booklet is available for review by Buyer.
5. **COVENANTS/RESTRICTIONS/HOMEOWNERS' ASSOCIATION**. The Buyer acknowledges receipt of a copy of the protective covenants, conditions and restrictions which affect the property. The covenants may provide for a homeowners association with the power to collect dues from homeowners and establish architectural controls and other standards governing the community of which the residence sold hereunder is a part.
6. **AGREED ADDITIONS OR CHANGES TO RESIDENCE**. In the event that Buyer and Seller have agreed to any changes or additions to be made to the residence by Seller as part of this transaction, the Seller and Buyer agree to the following procedure:
 - a. Seller and Buyer shall agree upon the cost of the change or addition and both shall execute a change order containing a description of the change or addition and the cost. No change or addition will become part of this transaction without an executed change order document.
 - b. Upon execution of a change order document, the Buyer shall pay to the Seller a nonrefundable deposit equal to the cost of the change or addition, and the Seller shall commence construction of the change or addition and complete the same in a reasonable time. In the event the Buyer is in possession of the residence during the work, Buyer agrees to cooperate with Seller and provide access to Seller and Seller's contractors to complete the change or addition on a timely basis.
 - c. If the Buyer closes the purchase of the residence the Buyer's nonrefundable deposit shall be credited to the purchase price at closing. In the event that the Buyer does not close the purchase of the residence for any reason, including Buyer's failure to satisfy or waive any contingency or conditions under the Agreement, the nonrefundable deposit shall be forfeited to the Seller as liquidated damages.
7. **PUNCH LIST**. Not less than five (5) days prior to closing, the Buyer and the Seller's representative shall perform a punch list inspection of the residence. The purpose of this inspection shall be to create an agreed list of defects ("Punch List") requiring correction or completion by the Seller. The Seller shall provide Buyer with a copy of the Punch List items agreed to by the Buyer and Seller and Seller shall thereafter proceed to correct or complete the items on the Punch List within a commercially reasonable time. Buyer acknowledges that the completed homes may exhibit signs of wear. Home is being sold AS-IS, except for defects warranted pursuant to paragraph 3 above, and except for any defects noted on the Punch List, Buyer agrees to accept the residence in the condition existing on the date of inspection. Buyer agrees that the closing will not be delayed pending correction or completion of the Punch List items.



8. **INSPECTIONS.** If Buyer's has elected to close this transaction contingent upon Buyer's approval of a home inspection, Buyer's right to terminate the transaction based upon approval of the results of the inspection is limited as set forth in this paragraph. The inspection must be conducted by a professional inspector, at Buyer's expense, and documented by a written report from said inspector. Buyer's right to terminate based upon the defects identified in the report is strictly limited to such defects that violate the local building code(s). Buyer may not terminate the transaction based upon identification of such defects unless each of the following occur: (a) Buyer shall promptly provide Seller with a full copy of the written report identifying such defects and Buyer shall state specifically which items identified in the report Buyer disapproves (on the appropriate NWMLS form); (b) Buyer shall provide Seller with no less than 30 days in which to cure the identified violation(s); and (c) Seller fails or declines to cure the identified violation(s) within the allowed time, which shall be no less than 30 days. In the event that the Agreement closing date is within the 30-day time frame for corrections, Seller, at its option, can elect to add the agreed upon corrections to the Punch List identified in paragraph 7 of this Addendum. Should Seller not elect to add the agreed upon items to the Punch list, the closing date shall be adjusted accordingly.

Buyer:

Seller: **Meridian – Greenfield, LLC**

Buyer:

Date:

Date: