

Addendum "B2" Disclosures for "Ready-to-Go" Homes

This Addendum is attached to and made part of the Offer to Purchase dated _____ made by the Buyer, _____ with respect to the Property at _____ . The following provisions are a part of this offer.

- **Declaration of Restrictions** - The Buyer acknowledges the acceptance of a copy of the Declaration of Restrictions for _____ Subdivision and acknowledges homeowner association fees of \$ _____ per year.
- **Uniform Lamppost and Mailbox** - The Buyer acknowledges that the aforementioned restrictions states that a uniform lamppost and mailbox must be purchased and installed. This is to be supplied by the Buyer/Seller (**Strike one**). Costs to Buyer are as follows: Lamppost \$ _____ and mailbox \$ _____ (**Strike as applicable**). If the final mailbox is unable to be installed due to conditions beyond control of the Seller (frozen ground, Post Office regulations, etc.), it will be the Buyer's responsibility to provide and install a temporary mailbox.
- **Landscaping, Driveway and Approaches** - Unless otherwise specified in this offer, landscaping, driveway and driveway approach are by Buyer. Buyer acknowledges that the aforementioned restrictions or the local municipality require these items to be completed within _____ months of the date of the occupancy permit. Buyer is not entitled to any/all bonds and/or retainers paid by the Seller.
- **Erosion Control** - Buyer is advised that most municipalities require maintenance of erosion control until such time as Buyer's lawn has been established. The Seller will be responsible for this until closing after which it is the responsibility of the Buyer.
- **Closing Date** - Buyer Acknowledges they are purchasing new construction. If the Offer to Purchase is dated prior to completion of drywall, the closing date on line 44 of the offer will be a good faith estimate and may need to be adjusted by the Seller.
- **Tax Proration** - Buyer is advised that Seller is giving a tax proration credit based the most recent known net general real estate taxes. Since this is new construction, the property is likely to be reassessed for future taxes. The Buyer has the right and obligation to contact the municipality for further information and assistance in determining the future tax amount.
- **Selections** - Buyer agrees to select the following items or colors within _____ business days of acceptance of the Offer to Purchase: Roofing, Siding, Plumbing Fixtures, Cabinets, Light Fixtures, Cultured Stone, Brick, Interior Trim Stain, Countertops, Hardwood Floors, Vinyl, and Carpet (**Strike as applicable**). Until such time as all contingencies have been satisfied or waived, the Seller reserves the right to review and approve all selections made by the Buyer. **NOTE:** Buyer is aware that exterior colors for the home have been predetermined by the Seller and approved by the subdivision's Architectural Control Committee. As such, exterior colors cannot be changed. However, exterior color samples are available for Buyer's review upon request.
- **Seller Use of Home** - The Buyer acknowledges that the Seller reserves the right to show the home as a Builder's Model until such time as the home is occupied by the Buyer. The Seller agrees to take extra precaution during this time period to maintain the home's present condition. If warranted, the Seller agrees to touch up paint and/or spot clean the flooring.
- **Changes and Extras** - No change in the plans or specifications shall be made except upon written order prior to a change being made. Any changes shall be signed by Buyer and shall set forth a description of the change, addition or deletion, and the cost, or credit. Any changes or extras shall extend closing date as indicated on the signed change order. Any additional cost shall be paid for in advance and such payment shall be non-refundable. Seller does not waive its rights if it fails to enforce these provisions. In addition, Buyer agrees to pay a surcharge of \$200 per individual change hereunder occurring after signing of the Offer to Purchase in addition to Builder's quoted price of the change. All changes will include Builder mark-up of 15%. Seller reserves the right to approve or deny all Buyer requests for change orders.
- **Warranty** - The home construction under this Agreement shall be warranted by a non-transferable **one-year warranty** from closing or occupancy of the home, whichever occurs first, pursuant to the "Construction Industry Quality Standards" as governed by the Metropolitan Builder's Association of Greater Milwaukee, Inc. Completion of the home shall be defined as issuance of an occupancy permit by the appropriate authority. Work performed by the Buyer or Buyer's subcontractor may void any warranty identified herein.
- **Disputes** - If any dispute shall arise between the parties after conveyance of title, the parties shall promptly attempt in good faith to settle the same by negotiation. All disputes not settled by negotiation shall be submitted to binding arbitration. All disputes shall be decided by a single arbitrator who is known to have an expertise and experience in home building and construction law and who is found mutually agreeable to each party. In the event that the parties cannot agree upon a mutual arbitrator, the Seller reserves the right to have the arbitration conducted by **The Construction Arbitration Board of the Metropolitan Builder's Association**. The decision of the arbitrators shall be binding, final and may be enforced in accordance with the applicable provisions of Chapter

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ACCEPTED BY: _____
BUYER'S INITIALS

SELLER'S INITIALS

DATE

788 of the Wisconsin Statutes. The filing of a lien claim shall not be considered an election by the Seller to waive its rights under this provision; and the enforcement by the Seller of its lien rights is expressly excepted from the requirements of this provision. Any arbitration proceedings commenced pursuant to this section shall be conducted in accordance with the rules adopted by the applicable arbitration body and the applicable provisions of Wisconsin law.

- **Air Quality - WARNING:** Energy efficiency in this home is achieved by construction methods which reduce air infiltration and air changes per hour. This may result in a concentration of water vapor from cooking, showering, etc., which, at excessive levels, can cause property damage. Likewise, concentration of radon or chemical compounds released from soil, household furnishings, personal possessions, and building materials, at excessive levels, may create irritant effects or health hazards. Buyer can minimize adverse effects by proper utilization and maintenance of ventilation fans and/or other ventilation devices installed by the Seller and by opening doors and windows to increase ventilation. BUYER HEREBY ACKNOWLEDGES THAT BUYER HAS BEEN INFORMED OF SUCH HEALTH RISK AND BUYER ASSUMES ALL RISKS OF DAMAGE OR INJURY WHICH MAY ARISE AS A RESULT OF, OR IN ANY WAY CONNECTED WITH SUCH CONSTRUCTION METHOD AND HEREBY FULLY, FINALLY AND FOREVER RELEASES AND DISCHARGES SELLER, ITS OFFICERS, EMPLOYEES, SUBCONTRACTORS, AND AGENTS FROM ANY AND ALL CLAIMS, LIABILITIES AND EXPENSE AND DAMAGES THEREFROM WHATSOEVER, WHETHER NOW KNOWN OR HEREAFTER KNOWN, WHICH BUYER OR ITS ASSIGNS MAY HEREAFTER HAVE AGAINST SELLER, ITS OFFICERS, EMPLOYEES, SUBCONTRACTORS, AND AGENTS REGARDING THE MATTER REFERRED TO IN THIS PARAGRAPH, SELLER MAKES NO EXPRESS OR IMPLIED WARRANTY OF HABITABILITY, FITNESS, OR GOOD WORKMANSHIP AS TO BUILDING MATERIAL AND/OR CONSTRUCTION METHODS.
- **Safe Drinking Water Act** - Unless otherwise expressly provided in writing, Seller does not warrant or guarantee compliance with the provisions of the Safe Drinking Water Act or similar laws or ordinances relating to drinking water. Compliance with any such law is Buyer's responsibility.
- **Possession and Occupancy** - Seller shall have the exclusive possession and control of the real estate from the time work is commenced until all sums due Seller under the Agreement have been paid in full. If Buyer should occupy the real estate prior to such payment, then Buyer will be deemed to have accepted all work done prior to occupancy, and Seller may, at its option, either terminate this Agreement or suspend performance of the work until Buyer vacates the real estate. If Seller terminates, then Seller need do no further work and Buyer shall immediately pay to the Seller the entire agreement price, including extras and change orders, less amounts previously paid. If Seller suspends performance, then (A) the contract time for performance by Seller shall be extended by the amount of time of Buyer's occupancy plus **30** days for Seller to reschedule workers and material, (B) Buyer will immediately pay all sums due Seller for work done to date with 15% markup, and (C) Buyer shall pay to Seller the sum of **\$25** per day for each day Buyer occupies the real estate as Seller's liquidate damages for suspending work and extending the time for performance. Seller will give notice in writing to Buyer of its election to terminate this Agreement within **30** days of occupancy. In the absence of any notice, Seller will have elected to suspend performance as above. **Buyer is responsible for payment in full, including extras and change orders, prior to taking occupancy.**
- **Conflicting Language with Approved Forms** - It is intended that this document be used with an approved form as set forth in RL 16.03 of the Wisconsin Administrative Code. In the event any provision of this or any other Addendum to this Offer conflicts with the provisions of the approved form, the provisions of the Addendum shall control.
- **Disclosure or Real Estate Agency** - Buyer is aware that Seller is a licensed real estate broker in the State of Wisconsin and that Seller may employ agents or staff that are also licensed real estate brokers in the State of Wisconsin. With this knowledge, Buyer agrees to proceed with the transaction.
- **Drafter of Document** - This document has been drafted by Joseph Douglas Homes and Remodeling LLC.

Buyer and Seller have each read and fully understands and acknowledges receipt of a copy of this Addendum.

	Date	Joseph Douglas Homes and Remodeling LLC Seller
Buyer		

	Date	Seller's Agent	Date
Buyer			

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ACCEPTED BY: _____
BUYER'S INITIALS

SELLER'S INITIALS

DATE