



## Southwood Estates Division II

### Builders Addendum "A"

1 The following is part of the PURCHASE AND SALE AGREEMENT, dated \_\_\_\_\_,  
 2 between **Oakridge Homes II, LTD** (Seller) and \_\_\_\_\_ (Buyer)  
 3 concerning the property legally described as:

4 **LOT \_\_\_\_\_ OF SOUTHWOOD ESTATES DIVISION 2, ACCORDING TO PLAT**  
 5 **RECORDED DECEMBER 19, 2006 UNDER RECORDING NO. 200612195002, IN PIERCE**  
 6 **COUNTY, WASHINGTON**

7 This transaction refers to Model \_\_\_\_\_.

8 **IT AS AGREED BETWEEN BUYER AND SELLER AS FOLLOWS:**

9 **Earnest Money:** Earnest Money shall be **\$3,500** paid directly to Seller and credited to the  
 10 Buyer at closing. Earnest Money is considered a non-refundable construction deposit upon  
 11 removal of the financing contingency or 30 days after Mutual Acceptance, whichever is first.

12 **Closing Agent** shall be **First American Title Company – Michelle Arena**, 612 Harrison St,  
 13 Suite 100, Sumner WA 98390. Office # 253-299-3980, Fax #866-526-0611. Seller receives a  
 14 Builder’s discount rate on the escrow fee which does not affect Buyer’s normal competitive rate.

15 **A Standard Title Insurance Policy** shall be ordered through **First American Title Company**.

16 This offer  is not  is contingent upon the sale of the Buyers home.

17 **This home is:** (Check One)

18  **To Be Constructed (Pre-Sale):** The Standard Features Exhibit is hereby attached and incorporated  
 19 into this agreement as Exhibit A-1. Options and upgrades may be selected per Buyer Selections Section.

20  **Under Construction:** The Standard Features Exhibit is attached and incorporated into this agreement  
 21 as Exhibit A-1. Options and upgrades not already ordered may be selected per Buyer Selections section.

22  **Complete:** It is offered AS IS. Buyer confirms that installed features and options are satisfactory. The  
 23 Standard Features Exhibit is attached for information only.

24 **Buyer confirms receipt** of the following which are also available on [www.southwoodestates.com](http://www.southwoodestates.com):

25  Covenants, Codes and Restrictions (CC&R’s)

26  Oakridge Homes Limited Warranty Sample

27 **Sunrise Master Association:** Upon closing, Buyers pay a **\$500** initial fee to the Home Owner  
 28 Association and the approximate monthly dues of **\$43.00** (See Home Owner Association and Dues)

Initials:

Buyer: \_\_\_\_\_ Date: \_\_\_\_\_

Buyer: \_\_\_\_\_ Date: \_\_\_\_\_

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29 **A Closing Credit of \$ \_\_\_\_\_** is available to Buyers financing with the Preferred Lender.  
30 It is applied at closing towards allowable closing costs or design options. (See Finance Section)

31 **Completion, Closing Date, Possession and Keys:**

32 **Completion** is defined as when a **Certificate Of Occupancy** is issued by the permitting  
33 authority. The exact completion date is not guaranteed. Buyer will be notified when  
34 construction is approximately 45 days from completion.

35 **Closing Date:** Unless the home is already complete, the closing date contained in this  
36 agreement is only a best estimate of completion. Closing dates may be delayed when  
37 contingencies are not removed by the dates specified or the completion date must be  
38 extended. This transaction is considered **Closed** once recording numbers are reported to  
39 Builder by the closing agent.

40 Buyer may take **Possession** of the home when the transaction is **Closed**. **Keys** will be  
41 available to the Buyer at the Sales Center once Closing is confirmed.

42 **Penalty for Failure to Close on time:** Buyer must close by the Closing Date, or within 5 days  
43 of issuance of the Certificate of Occupancy or pay a penalty of \$150 per day to Seller.

44 **Automatic Extension:** If construction cannot be completed prior to the closing date, Seller is  
45 granted an automatic extension until Seller has obtained a Certificate of Occupancy. The  
46 extension shall not exceed 4 months from the original closing date.

47 **Removal of Contingencies:** All contingencies expire and are considered waived within 14  
48 days of mutual acceptance unless otherwise agreed in writing.

49 **Home Sale Contingency:**

50 **Acceptable Price Opinion:** If this Purchase and Sale Agreement is contingent upon the  
51 successful sale and closing of Buyer's current residence, then Seller's acceptance herein is  
52 subject to Seller's determination of the strength and soundness of Buyer's Broker's price  
53 opinion. Buyer or Buyer's Agent will provide said Broker's price opinion within 3 days of  
54 mutual acceptance. Seller will have 3 days to review and disapprove the Broker Price  
55 opinion in writing or it is deemed acceptable.

56 **Property to remain on market:** The Seller shall keep the property on the market and shall  
57 continue to show it until the Buyer removes this contingency. If the Seller receives and  
58 acceptable offer prior to Buyers removal of this contingency, the Seller shall give the Buyer  
59 notice of Seller's intent to terminate this agreement. The Buyer shall then have **2** business  
60 days to waive this contingency.

61 **Construction Delays:** Permits are not ordered and construction will not begin until all  
62 contingencies are removed are removed in writing. If, for the Buyer's convenience, construction  
63 is delayed past the agreed upon contingency removal dates, the Seller may choose to terminate  
64 the agreement or adjust the purchase price to reflect any market changes.

65

Initials:

Buyer: \_\_\_\_\_ Date: \_\_\_\_\_

Buyer: \_\_\_\_\_ Date: \_\_\_\_\_

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66 **Financing:**

67 **Preferred Lender** for Oakridge Homes is: **Republic Mortgage**, 300 Deschutes Way, Suite  
68 315, Tumwater, WA 98501, PHONE: 360-236-9777 FAX: 360-236-9778.

69 **Other Lenders:** The Buyer is not obligated to use the Preferred Lender for financing.

70 **Loan Application within Three Days:** The Buyer must make loan application with the  
71 Preferred Lender, and any other lender, within three (3) days of mutual acceptance of this  
72 offer. A loan qualification letter must be provided to Oakridge Homes II, Ltd by the Preferred  
73 Lender, and any other lender, within 5 days of mutual acceptance.

74 **Selection of Lender and Loan Commitment Letter:** The Buyer must notify the Seller of  
75 selection of lender by providing an acceptable loan commitment letter from that lender to the  
76 Seller within Fourteen (14) days of mutual acceptance. If an acceptable loan commitment  
77 letter is not received in this time, the Buyer must waive any financing contingencies or the  
78 Seller may rescind this agreement and return the earnest money. Buyer may not change  
79 lenders without written approval of the Seller.

80 **Lender Fees:** Seller will pay no fees to Buyer's lender unless expressly agreed.

81 **VA Financing:** The Buyer will finance the VA Funding Fee, which is not part of the purchase  
82 price. Any and all Seller paid closing cost on the Buyer's behalf such as escrow fee shall be  
83 deducted from any other Seller credits.

84 **Selection of the Preferred Lender** will entitle Buyers to additional incentives:

85 **Closing Credit** (See Page 1) Paid at closing, towards Closing Costs or Design Options.

86 • This credit is not available for offers which are contingent upon the sale of Buyers' current home unless  
87 Seller agrees in writing to the sale price of the Buyers' property.

88 • \$1,500 is paid by the Preferred Lender, **any** balance by Oakridge Homes.

89 **Reduction of non-refundable option deposits.** (See Options Section)

90 • **Forfeit of Incentives:** If the Buyer receives incentives for using the Preferred Lender and changes lenders  
91 prior to closing, all incentives received are forfeited and all deposits owed are due and payable immediately.  
92 If the payment is not made within 5 days of approval of change of lender, the Seller may terminate this  
93 agreement and retain all deposits.

94 • **Price increase to cover closing costs:** In the event that the purchase price is raised to cover closing  
95 costs, etc. an additional 10% closing fee will be added for the increased amount. Commissions are paid on  
96 the base price only.

97 **Seller not responsible:** The Seller is not responsible the for expiration of the Buyers' loan  
98 commitment, penalties, loan fees or any other costs due to the estimated completion date not  
99 being met.

Initials:

Buyer: \_\_\_\_\_ Date: \_\_\_\_\_

Buyer: \_\_\_\_\_ Date: \_\_\_\_\_

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100 **Buyer Responsibility to Inform Selected Lender:** THE BUYER AGREES TO ENSURE  
101 THAT THE LENDER AND ANY OTHER INTERESTED PARTY IS MADE AWARE OF *THE*  
102 *FINANCIAL TERMS OF THIS AGREEMENT.*

103 **Personalizing your home:**

104 **Design Selections:** Buyer selection of non-standard options, modifications, and colors,  
105 lighting, carpet and hard surfaces not already ordered must be completed within 14 days of  
106 mutual acceptance. Extension of this selection period must be made in writing and may  
107 invoke the Construction Delay clause.

108 **Design Consultant:** Upon mutual acceptance the Buyer must contact the Seller's Design  
109 Consultant who will assist the Buyer with the selection and pricing of the design selections.

110 **Options paid in advance:** All design selected options are to be agreed upon and paid for in  
111 full within 14 days of mutual acceptance of this agreement. All upgrades must be purchased  
112 through Seller and paid for at the time order is placed. These funds are non-refundable at  
113 the time order is placed. Option payments are as follows:

114 • Preferred Lender Clients: 50% Down Plus the balance on a promissory note due at closing,  
115 rescission or change of lenders, but not later than the closing date.

116 • Other Lender Clients: 100% Down.

117 • Plan Modifications: 100% deposit of \$5,000 plus the minimum price of at least \$1,200 for  
118 options or upgrades that involve the modification of wood or sheetrock. Inclusion of these  
119 modifications is at the Seller's sole discretion and requires a pre-paid \$250 review fee.

120 **Price increased to cover options:** The Purchase Price shall be increased to cover the cost  
121 of options with advance payments being credited to the Buyer at closing.

122 **Termination based on design selections:** Should the Buyer be unable or unwilling to  
123 continue at the end of the design selection period, this agreement will be terminated and the  
124 Earnest Money will be returned to the Buyer.

125 **Unused Design Credits:** In the event that Seller provided design credits are not fully used  
126 within 30 days of mutual acceptance of this agreement, the unused portions are surrendered  
127 back to the seller and are no longer redeemable. If an upgrade is not installed, the Buyer will  
128 be refunded the money paid for the upgrade as the sole and exclusive remedy.

129 **Buyer Requests for Modification:** Requests for modifications after the end of the option  
130 selection period must be submitted to the design consultant in writing and accompanied by a  
131 non refundable review fee of \$400.

132 **Appraisal:** Should the purchase price be increased to cover closing costs or Buyer selected  
133 options and the appraised price fails to meet the agreed sales price, Buyer must pay the  
134 difference between the sales and appraised price in cash directly to the Seller.

Initials:

Buyer: \_\_\_\_\_ Date: \_\_\_\_\_

Buyer: \_\_\_\_\_ Date: \_\_\_\_\_

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135 **Installation of options after closing:** Options not paid in advance or not required for  
136 construction or appraisal purposes will be installed after closing unless otherwise agreed.

#### 137 **Construction:**

138 **Home Placement and exterior finish:** The Seller has sole discretion as to the selection  
139 and placement of the home on the lot. If the construction of the home is subject to the  
140 approval of the Architectural Control Committee (ACC), Buyer agrees to abide by any ACC  
141 ruling.

142 **Plans & Designs:** Plans, drawings, specifications and design materials shall remain the  
143 sole property of the Seller and will not be available to Buyer.

144 **Insulation Values:** Ceiling R-38 at approximately 10", Wall R-21 at approximately 5-5/8"  
145 thick, Floor R-30 at approximately 9-1/2" thick.

146 **Seller Modifications:** Seller reserves the right to modify floor plans, exteriors,  
147 specifications, features, product types and substitute items of comparable quality without  
148 notice or obligation, in order to accommodate governmental requirements or availability.

149 **Plan Variations:** No two homes are built exactly alike. It is not uncommon to have  
150 differences in style of concrete, landscaping, framing, wiring, cabinets, windows etc. All  
151 homes are built with the same quality materials, but the above mentioned items can, and do  
152 vary from home to home. These variations are not considered defects and will not be  
153 changed.

154 **No Property Access for Buyer:** YOUR NEW HOME IS A CONSTRUCTION JOB SITE  
155 AND IS A DANGEROUS PLACE. The property belongs to the Seller until closing and only  
156 the Seller and the Seller's sub contractors are authorized to enter and to do work on the  
157 home or premises for any reason. The Buyer agrees not to enter onto property during  
158 construction without consent of the Seller. Buyer is expressly denied permission to perform  
159 any work on the property prior to closing.

160 **No Verbal Representation:** All questions regarding the new home shall be submitted to the  
161 Seller in writing and only written responses shall be relied upon. Realtors, Subcontractors,  
162 and Field Superintendents are not authorized to make representations for the Seller and the  
163 Buyer is cautioned not to make verbal inquiries or rely on any verbal representations.

164 **Questions about your home:** Questions will arise during completion of your home.  
165 "Questions About My Home" Forms are available in the Sales Office. Questions submitted  
166 on these forms will receive a response in about 2 business days. Sales staff, production  
167 staff and sub contractors cannot respond to production questions without approval of the  
168 superintendent.

169 **New Home Orientation:** The Seller will schedule a new home orientation for the Buyer prior to  
170 closing. Only the Buyers and the Seller representative are to be present. Any item(s) requiring  
171 additional attention, and noted at the new home orientation, will be completed as soon as  
172 reasonably possible; but in no event will delay the closing process. Minor defects or

Initials:

Buyer: \_\_\_\_\_ Date: \_\_\_\_\_

Buyer: \_\_\_\_\_ Date: \_\_\_\_\_

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### Builders Addendum "A"

173 deficiencies in construction, appliances, equipment or landscaping shall not justify the Buyer's  
174 refusal to close this transaction, at full price, within the time provided. After closing, Buyer  
175 acknowledges that it is Buyer's sole responsibility to provide access to home and property  
176 during Seller's normal working hours to ensure prompt correction of any deficiencies.

177 **Buyer's Third Party Home Inspection:** The Seller encourages the Buyer to have the property  
178 inspected by a licensed home inspector prior to New Home Orientation. Inspections must be  
179 performed after Certificate of Occupancy is issued and prior to the New Home Orientation. All  
180 inspections must be scheduled with the approval of the Oakridge Homes superintendent.  
181 Inspection reports submitted to the Seller must include a copy of the inspector's license and  
182 credentials. Seller agrees in advance to correct items required by local building code, items  
183 required to obtain final Certificate of Occupancy and items that do not meet Oakridge Homes  
184 standards as stated in the **Oakridge Homes Express Limited Warranty**. Any items noted by  
185 the inspector that do not fall under these requirements may not be completed by the Seller and  
186 shall not be cause to terminate the sale. The terms of NWMLS Form 35 are superseded by this  
187 agreement.

188 **Oakridge Homes Express Limited Warranty:** The only warranty expressed or implied  
189 provided by the Seller is the Oakridge Homes Express Limited Warranty, which by reference is  
190 incorporated herein as if fully set forth. No other warranties are given, expressed or implied and  
191 the Buyer agrees to accept the property and the home constructed thereon in it's "AS IS"  
192 condition. THE PARTIES AGREE THAT IN THE EVENT THERE IS ANY DISPUTE OR  
193 DISAGREEMENT BETWEEN THE PARTIES OR ANY ISSUE CONCERNING THE  
194 WARRANTIES GIVEN HEREUNDER, ALL SAID DISPUTES SHALL BE RESOLVED BY  
195 MANDATORY BINDING ARBITRATION AS IF SPECIFICALLY SET FORTH IN THIS  
196 AGREEMENT. The Buyer, by initialing herein, agrees to be bound by all of the terms and  
197 provisions of this paragraph.

198 **Irrigation Systems:** Buyer acknowledges that if an irrigation system is provided it is the  
199 Buyer's responsibility to perform any winter maintenance needed with regard to the system  
200 to prevent pipes from freezing as well as spring maintenance to re-activate the system.

201 **Manufacturer Warranties:** Certain Manufacturers provide warranties that are direct  
202 between Buyer and Manufacturer, for example appliances. At closing, Seller shall assign all  
203 applicable manufacturer warranties to Buyer.

#### 204 **Dispute Resolution:**

205 **Prior to Closing:** In the event there is any dispute or disagreement of any kind between  
206 Buyer and Seller, the Seller, at its sole option, shall have the right to rescind the Purchase  
207 and Sale Agreement by giving written notice to the Buyer, together with a return to the Buyer  
208 of that portion of earnest money and option deposits which have not been expended on the  
209 Buyer's behalf. Upon receipt of this notice by the Buyer or Buyer's agent, the Purchase and  
210 Sales agreement will be immediately terminated. Buyer agrees that in the event the seller  
211 makes such an election, that the refund of these funds shall be their sole and exclusive

Initials:

Buyer: \_\_\_\_\_ Date: \_\_\_\_\_

Buyer: \_\_\_\_\_ Date: \_\_\_\_\_

## Southwood Estates Division II

### Builders Addendum "A"

212 remedy as to any claims the Buyer may have against the Seller arising out of or in  
213 connection with this agreement.

#### 214 **After Closing:**

215 **Builders Warranty Claims:** Buyer shall present all claims for breach of the Oakridge  
216 Homes Express Limited Warranty within 30 days of the time that Buyer discovered, or in the  
217 exercise of reasonable diligence, should have discovered the defect. All such warranty  
218 claims shall be made in accordance with the Oakridge Homes Express Limited Warranty, a  
219 copy of which Buyer acknowledges having received.

220 **Non Warranty Claims:** All claims, disputes and controversies arising out of or relating to  
221 this Purchase and Sales Agreement and all attached addendums other than those provided  
222 in the immediately two preceding paragraphs entitled Dispute Resolution: Prior to Closing,  
223 and Dispute Resolution:, shall be commenced by providing written notice of the claim or  
224 dispute to the other party. In the event that the parties have failed to resolved the claim or  
225 dispute within 30 days of such notice, as a precondition to any other method of dispute  
226 resolutions, Buyer or Seller must commence action of the claim or dispute at the Pierce  
227 County Center for Dispute Resolution. Each party will pay one-half of the cost of such  
228 mediation. Notice of a request for such mediation shall be sent by the requesting party to  
229 the other party by certified mail, return receipt requested.

230 In the event that the claim or dispute is not resolved in mediation, either party may  
231 commence arbitration proceedings before a single arbitrator pursuant to RCW 7.04. Each  
232 party shall pay one-half of the cost of the arbitrator. Neither party shall be entitled to  
233 attorney's fees or costs from the other party. This provision regarding attorney's fees shall  
234 supersede any other provision contained in the Purchase and Sale Agreement or any  
235 addendums thereto regarding attorneys fees. The arbitration hearing shall be conducted at a  
236 time and place set by the arbitrator provided that such hearing must occur within 90 days of  
237 the appointment of the arbitrator. The decision of the arbitrator shall be issued within 30 days  
238 of the hearing and shall be final and judgment may be entered upon or in accordance with  
239 the applicable law of any court having jurisdiction thereof.

240 **Attorney's Fees:** In the event arbitration proceedings are instituted pursuant to the  
241 provisions of this Agreement, neither party shall be responsible and pay for all of said parties  
242 attorney's fees and costs and that neither party shall recover reimbursement of attorney's  
243 fees from the other. However in the event the Buyer, in violation of the provisions of this  
244 Agreement, institutes a legal action in Superior Court and the seller is successful in  
245 dismissing said action in having the matter submitted to arbitration as provided for under the  
246 terms of this agreement, then in that event the Buyer shall pay the attorney's fees of the  
247 seller inundating such dismissal and order requiring arbitration.

248 **Arbitration Of Warranty Claims:** All claims, disputes and controversies between Seller and  
249 Buyer arising from or relating to alleged defects in the home or the Property which are asserted  
250 by Buyer after the Buyer's closing of the purchase of the Property shall be submitted to binding

Initials:

Buyer: \_\_\_\_\_ Date: \_\_\_\_\_

Buyer: \_\_\_\_\_ Date: \_\_\_\_\_

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251 arbitration commenced and conducted in accordance with the arbitration provision of the most  
252 recent edition of the Oakridge Homes Express Warranty, as published on the date of the  
253 execution of this Agreement and has been made available to the Buyer and is incorporated into  
254 and made part of this agreement by reference.

255 **Home Owner's Association & Dues:** Upon closing, Buyers will become members of the  
256 community Home Owner Association (HOA), a non-profit corporation organized under the laws  
257 of the State of Washington. This association provides for the assessment and collection of a  
258 one-time initial fee from each Buyer. This fee is collected at closing and will be paid directly to  
259 Seller to partially reimburse expenses for improvements installed by Seller on behalf of the  
260 Association. The HOA will also assess annual dues on each member to maintain and improve  
261 common areas. The monthly dues shown on the first page represent the known dues for the  
262 current fiscal year and will be prorated at closing.

#### 263 **General Provisions:**

264 **Model Homes:** Interior and exterior decorations and appliances, such as window coverings,  
265 valances, washer, dryer, and refrigerator are displayed in the model home for illustration  
266 purposes only. Model homes may also feature security systems, decorative wall paint,  
267 optional cabinetry and millwork, upgraded landscaping, decking, and/or patio, exterior lighting  
268 and/or lampposts, which are not included in the base price of the home. The Buyer has  
269 received the Standard Features Addendum and has not relied on verbal representation.

270 **Purchasing a Model Home:** If the property is a home that has been used as a display  
271 model, Buyer accepts the flooring in its existing condition unless otherwise agreed in writing.

272 **Included Items:** NWMLS Form 21, Line 5 is waived. The stove/range, dishwasher, garbage  
273 disposal and microwave are included in the base price of the home. All other appliances,  
274 screens, fences, garage door openers, irrigation systems, etc. are options unless specifically  
275 listed in the Standard Features Addendum.

276 **Utilities:** NWMLS Form 22K is waived. The Seller will provide a list of utilities at the  
277 Homeowner Orientation. Buyer agrees to notify utilities companies (gas, water, sewer,  
278 electricity, etc.) and make necessary arrangements to transfer billings effective as of the date  
279 of closing or possession, whichever is first.

280 **Easements:** The Buyer acknowledges that the property may have easements and accepts  
281 this at the time of signing this agreement.

282 **Waiver of Disclosure Statement:** Buyer has received a copy of a Real Property Transfer  
283 Disclosure, acknowledges that there are no environmental issues disclosed, and waives the  
284 right to receive completed one under RCW 64.06.

285 **Buyer obligation to Verify:** The Seller, Listing Agent, and Selling Licensee make no  
286 representations concerning: (a) the lot size; (b) the square footage of any improvements on  
287 the Property; (c) whether there are any encroachment (fences, rockeries, buildings) on the

Initials:

Buyer: \_\_\_\_\_ Date: \_\_\_\_\_

Buyer: \_\_\_\_\_ Date: \_\_\_\_\_



## Southwood Estates Division II

### Builders Addendum "A"

288 Property, or by the Property on adjacent properties. Buyer agrees to verify lot size, square  
289 footage, and encroachments to Buyer's own satisfaction.

290 **Owner Occupancy:** Seller intends all homes for owner occupancy and will make all efforts  
291 to ensure that no more than 10% of the homes in any community are investor purchased.  
292 The Buyer intends to occupy this home.

293 **Renting or Re-Sale:** The Buyer agrees that For Rent and/or For Sale signs may only be  
294 placed with permission of Seller until after the final Oakridge Homes II, LTD owned home is  
295 sold.

296 **Commissions:** Commissions are paid on base price, without options, only.

297 **Buyer Expenses:** Seller is not responsible for rent, storage, or any other expenses related  
298 to the Buyer moving into the home.  
299

300 This Agreement shall supersede and prevail in any conflict between the NWMLS Form 21,  
301 Purchase and Sale Agreement, and addenda, to which this is attached. Changes to the  
302 standard form of this addendum shall prevail, provided they are initialed by both parties.  
303

304

305 \_\_\_\_\_  
Buyer Date

\_\_\_\_\_ For Oakridge Homes II, LTD Date

306 \_\_\_\_\_  
Buyer Date

307

Initials:

Buyer: \_\_\_\_\_ Date: \_\_\_\_\_

Buyer: \_\_\_\_\_ Date: \_\_\_\_\_