

Village At Pond View Woods Construction Contract Addendum

Addendum to Purchase and Sale Agreement dated:

between _____ (hereinafter "Buyer(s)")

And _____ (hereinafter "Seller/Developer")

For the subject property

located at Pond View Woods

Old Orchard Beach Maine

Developer, for and in consideration of the payments hereinafter provided, agrees to construct a custom home ("subject home") including and made a part hereof. The terms of this Contract shall prevail over any conflicting provisions in the documents incorporated by reference.

EXHIBITS: Exhibit A. Limited Warranty Agreement
 Exhibit B. Modular Manufacturers 2-10 Home Buyers Warranty
 Exhibit C. Modular Home Specifications
 Exhibit D. Modular Home Plans
 Exhibit E. Appliances

CONTRACT PRICE: \$

HOME CONSTRUCTION DESCRIPTION AND DEVELOPER/BUILDER'S GENERAL OBLIGATIONS.

Modular homes are manufactured by Westchester Homes as described in attached plans and specifications as defined in Exhibit C: Modular Home Specifications. Developer/Builder shall perform all work and provide labor and tools necessary to construct the subject home in accordance with the provisions of this Contract. Construction shall be completed substantially in accordance with the normal standards, practices and procedures of the Maine homebuilding industry.

1. PERMITS and SURVEY. Developer is responsible for all governmental and utility company permits and fees including Building Permits as recognized by the proper authorities at their expense unless otherwise provided for.

2. INSURANCE. The Developer/Builder shall purchase and maintain at the Developer/Builder's own expense, all necessary workers' compensation and employer's liability insurance, commercial general liability insurance, and comprehensive automobile liability insurance to protect the Developer/Builder from claims for damages because of bodily injury, including death, and for damages to property that may arise both out of and during operations under this contract.

3. CHANGES AND ALTERATION. Pursuant to 10 MRSA Sec. 1488, “*any alteration or deviation from the above contractual specifications that involve extra cost will be executed only upon the parties entering into a written change order.*” After the execution of this Contract, Buyers may make changes or alterations in plans or specifications, only if approved in writing by an officer of the Developer/Builder. Then such changes or alterations shall be by written change order setting forth their description and their additional costs to Buyers, and Buyers shall pay such additional costs at the time such change order is signed by the respective parties.

4. MATERIALS. Should any materials provided for in the specifications not be available in the quantities required or at the time needed by Developer/Builder for proper construction process, Developer/Builder or manufacturer shall have the right at Developer/Builder’s election, to substitute equivalent materials available for the same construction purposes. The products to be furnished will be of reasonable quality, having latitudes of acceptability that are usual and allowable under standard grading rules and other recognized construction inspection agencies.

5. RESOLUTION OF DISPUTES. If a dispute arises concerning the provisions of this contract or the performance by the parties, then the parties agree to settle this dispute by jointly paying for one of the following (check only one):

(A) Binding arbitration as regulated by the Maine Uniform Arbitration Act, with the parties agreeing to accept as final the arbitrator’s decision ;

(B) Nonbinding arbitration, with the parties free to not accept the arbitrator’s decision and to seek satisfaction through other means, including a lawsuit ;

(C) Mediation. with the parties agreeing to enter into good faith negotiations through a neutral mediator in order to attempt to resolve their differences ;

(D) The parties are not required to select one of the above dispute methods. They are optional. If the parties do not select one of these options, check here: .

6. CONTROL OF DEVELOPER/BUILDER. The subject home to be constructed under this Contract shall be under the Developer/Builder’s control and possession from the commencement of the work thereon until the completion of the same and payment in full of the Contract Price and any costs of changes or alterations. The Buyers shall not give instructions or orders directly to employees or workmen of the Developer/Builder except to persons designated as authorized representatives of the Developer/Builder. The Buyers shall inspect the progress of construction only at times scheduled by the Developer’s/Builder’s agent so as to insure the site is reasonably safe and to avoid interference with the work in progress.

7. OCCUPANCY. Buyers agree not to occupy or take possession of the subject home until the following have taken place: 1) Final inspection has been conducted, a certificate of occupancy has been issued by the applicable town or municipality. 2) A punch-list as prescribed in Section 12. has been prepared, the home has been fully accepted by the Buyers. 3) A closing between the buyer and developer has taken place and all payments due under this Contract have been paid in full to the Developer/Builder.

8. WORK BY BUYERS. N/A

9. TIME OF COMPLETION: Construction of the subject home is estimated to be substantially complete on or before July 31, 2016. Developer/Builder does not guarantee a firm completion date for construction of the subject home. Developer/Builder shall make every reasonable and diligent effort to meet the estimated construction schedule, but shall not be obliged to provide or compensate Buyers for any accommodations or inconvenience to Buyers as the result of any construction delays. Further, such delays shall not serve to cancel, amend, or diminish any of the Buyer's obligations herein.

11. COMPLETION OF WORK EQUITY ITEMS. N/A

12. FINAL INSPECTION AND ACCEPTANCE. When the Developer/Builder deems the subject home to be substantially complete, the Developer/Builder will schedule a joint acceptance inspection with the Buyers and such inspection will be conducted within five (5) days. At the acceptance inspection, a punchlist will be made by the Buyers and Developer/Builder of items that are to be corrected and adjusted within sixty (60) days after the Buyer's occupancy. If the home is substantially complete, the Buyers will sign the punchlist certifying that the subject home has been completed to the Buyers' satisfaction subject to the punchlist and Developer/Builder's limited warranty. The subject home is deemed to be substantially complete when it is fit for habitability under Maine law and the local Code Enforcement Officer has issued a Certificate of Occupancy. If the Buyers do not believe the subject home is substantially complete, the Buyers, within two (2) days will provide the Developer/Builder with a list of items the Buyers believes must be completed prior to acceptance. Funds for item incomplete punchlist items will not be escrowed unless the cost of the items, as determined by the Developer/Builder, exceeds \$2,500 and then only for their actual cost.

13. ALLOWANCES. The contract price includes the allowances listed in the Building Specification attached to this Contract. The allowance includes both materials and installation unless expressly noted otherwise. The Buyers and Developer/Builder agree that the allowances are not to be construed as bids by the Developer/Builder and that the allowances may vary from the actual cost based on the Buyers' selections.

14. SELECTIONS. Upon signing this Contract, the Developer/Builder will provide the Buyers with a list of items to be selected by the Buyers, including allowance items, materials, and colors required during the construction process. The Buyers must make all selections within twenty (20) days of the contract signing, sign the completed purchase order and selection list, and return it to the Developer/Builder in order to avoid construction delays and mistakes. In the event the Buyers' selections are not made as required by this Section, the Developer/Builder may either delay submission of the purchase order to the factory until the selections are complete or make the selections itself.

15. WARRANTY. Upon completion and fully acceptance by the Buyers, the Developer/Builder shall guarantee all workmanship and materials in accordance with the terms and conditions as shown in the attached Exhibit A Limited Warranty Agreement. This Limited Warranty is in lieu of all other guarantees and warranties, express or implied except to the extent that Maine law provides consumer protection by the following language:

In addition to any additional express warranties agreed to by the parties, the Developer/Builder warrants that the work will be free from faulty materials; constructed according to the standards of the building code applicable for this location; constructed in a skillful manner and fit for habitation. The warranty rights and remedies set forth in the Maine Uniform Commercial Code apply to this contract. Any action for breach of warranty or contract must be commenced within one year after a Certificate of Occupancy has been issued.

16. MAINE ENERGY STANDARDS. Current Maine statute establishes minimum energy efficient building standards for new residential construction. The building construction described above and in the attached specifications meets or exceeds the minimum required standards.

17. ASSIGNMENT. This contract is not assignable by the Buyers unless the Developer/Builder approves such assignment in writing.

18. GOVERNING LAW. This Contract of Sale and Purchase shall be governed by and interpreted under the laws of the State of Maine and shall be binding upon the heirs, administrators, executors and assigns of the respective parties hereto.

19. NOTICES. All notices and demands required herein shall be made in writing by first class mail, mailed to the Developer/Builder and Buyers at the addresses set forth on page 1 or hand delivered.

20. INTEREST. N/A

21. DOOR-TO-DOOR SALES. The parties herein agree this Contract is not the result of a door-to-door sale solicitation by Developer/Builder.

22. MISCELLANEOUS. Any material default in this contract, which is occasioned through the failure of the buyer, Buyer and/or purchaser to comply with the terms and conditions of this contract, will enable Developer/Builder to recover from Buyers payment for all work executed, any loss sustained, and reasonable profits and damages. No monies will be refunded once a house has gone into production by the Manufacturer, if Modular.

23. FAILURE TO PAY. N/A

24. FACSIMILE COPIES. The parties hereto agree that fully executed and dated electronic or (FAX) copies of this Contract, if utilized, will be binding on the parties as if they were originals

25. ENTIRE AGREEMENT. Buyers acknowledge receipt of a true copy of this Contract, and acknowledge that they have read the entire Contract and understand the contents thereof and that the Developer/Builder has made no statement or promise nor entered into any understanding, verbal or otherwise, in conflict with this Contract, or which would in any way invalidate or enlarge any of its provisions. Any modifications, changes, or alterations to this Contract shall be in writing and signed by both parties.

Witness

Buyer

Witness

Buyer

Pond View woods, LLC

By:

By: