

**ADDENDUM A
FOR
SPEC HOMES BY NEWBROOK HOMES**

The following are made a part of the Offer to Purchase dated _____ between the Buyer, _____ and the Seller, Newbrook Homes, Inc., for the property located at _____ in the village of _____, _____ County, Wisconsin.

- 1) Disclosure is made that Raymond C. Leffler, Owner of Newbrook Homes, Inc. (Seller) is a licensed Wisconsin Real Estate Broker.
- 2) Buyer acknowledges receipt of a copy of the Restrictive Covenants for the Subdivision in which the property is located and agrees to abide by same. Buyer's failure to read the Restrictive Covenants in their entirety in no way relieves Buyer of any liability due to Buyer's failure to comply with the Restrictive Covenants.
- 3) Buyer is aware that landscaping is **not** included in the price of the home and Builder will deliver the home with a rough final grade. The Builder will only complete a rough grade on the lot B not a final grade. Builder does not warrant against any settling of excavated material after the rough grade has been completed. Rough grade is defined as the leveling of the land within eight inches of the smoothness necessary to create proper drainage. Rough grading shall be as the Builder finds necessary to conform to existing grades and abutting property conditions. The master grading plan shall be the primary factor in establishing the grade for the lot. It is Buyer's sole responsibility to comply with all grading plans and requirements for the Town/Village in which the property is located. Buyer is also aware that the Restrictive Covenants for the Subdivision require landscaping to be complete within one year of occupancy of home.
- 4) Depending upon the start date of the home, taxes for the property will be prorated as follows:
 - a) If construction began AFTER January 1 of the current year, the assessment for the property will be based solely upon the lot value. Therefore, taxes will be prorated based upon the latest known assessment for the lot times the mill rate known at time of closing.
 - b) If construction began BEFORE January 1 of the current year, the assessor attempts to value the property based upon the level of completion as of January 1 of the current year. Therefore, if the assessment for the current year has been received, the taxes will be prorated based upon the assessment times the latest known mill rate at time of closing. If the assessment for the current year has not been received, the taxes will be prorated based upon the percentage of completion as of January 1 (plus the lot value) times the mill rate known at the time of closing.

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- 5) Buyer understands that until such time as closing occurs, the property is owned by the seller. Therefore, the buyer is not authorized to move *any* personal belongings onto or into the premises.

In addition, Buyer is not authorized to enter the residence without being accompanied by either the Realtor® or Builder Representative. Limited visits may be available with an appointment at the seller's discretion and authorization. Buyers acknowledge that the home being constructed is the property of the Builder until such time as a closing occurs.

For the safety of all involved, Monday-Friday during the hours of 7:00 A.M.-5:00 P.M., Buyer agrees that inspections, and one (1) courtesy visit at drywall phase of the home will be conducted. If inspections are to be conducted by Builder, it will be at the convenience of the Builder. Also, these inspections/other visits should not endanger or impair the work in progress. Builder shall not be responsible for any injury to Buyer, Buyer's representatives or agents during such inspections. Buyer agrees that the direction and supervision of the working forces, including subcontractors, rest exclusively with the Builder, and Buyer agrees not to issue any instructions to or otherwise interfere with the same. The Buyer further agrees not to negotiate for additional work with the subcontractors nor to engage other builders or subcontractors except with the Builder's prior written consent and in such a manner as will not interfere with the Builder's completion of work under this Contract.

- 6) ~~Buyer acknowledges that the purchase price as shown on the Offer to Purchase DOES NOT include the installation of a concrete driveway and service walk. Buyer acknowledges that Restrictive Covenants for the Subdivision require the driveway to be installed within one year of occupancy of home.~~
- 7) If a sidewalk and/or approach are required by a municipality for occupancy, they will be included in price of home, to be installed within one year of occupancy (weather permitting). Contractor shall not warrant concrete or asphalt from settling or shrinkage cracks and chert pops.

(BROKER B STRIKE PARAGRAPH 8 IF NOT APPLICABLE)

- 8) Buyer acknowledges the subject property is located within a subdivision for which there is a Homeowner's Association. At the time of closing buyer will receive an interest in the Association with ONE vote. At the time of closing buyer will be provided with a letter from the Association disclosing no current assessments due, or any proposed assessments to be levied by the Association. Buyer further acknowledges receipt of a copy of the By-Laws for the Association and agrees to abide by same.
- 9) Buyer acknowledges that all spec homes constructed by Newbrook Homes, Inc. contain the items as shown on the Standard Specification sheet, for which Buyer acknowledges receipt of

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and attached to this exhibit. Any selection changes or upgrades requested by Buyer shall be subject to the following:

Buyer acknowledges selection changes or upgrades may only be made as follows:

- Once a building permit has been received, exterior selections, including exterior stone – if applicable, cannot be changed.
- If home is under roof but not yet insulated, buyer may have the option of selecting/changing the following item: countertops in builder standard selections.
- If the home is insulated, selections cannot be changed.
- Changing selections, or upgrading selections, if applicable, shall be completed within 5 (5) days of acceptance of this offer to purchase. Buyer's failure to make the necessary selections or upgrades within the time frame shown will result in buyer accepting the pre-determined selections for the subject property.

Buyer acknowledges that Seller reserves the right to make substitutions for selected materials in the event of back ordered and discontinued items to similar builder standard materials without consent of Buyer.

Proposed changes by Buyer after an accepted offer to purchase:

- Any upgrade/s approved by Seller shall be paid for by the Buyer at the time the upgrade is requested to Newbrook Homes, Inc. (Seller) and NOT at the time of closing. All changes and/or upgrades that are made and paid for by the Buyer are NON-REFUNDABLE in the event the Buyer fails to close for any reason other than Seller non-performance. A change order will be initiated by the Seller that will require the Buyer's signature and payment in full made payable to Newbrook Homes, Inc.
- If a change order is permitted by the Seller, payment must be received prior to the change being implemented and ordered, so TIME IS OF THE ESSENCE. There will be an administration fee of \$250 for each Change Order Processed.
- If this offer to purchase is subject to the sale of the Buyer's home, all selections and changes proposed by Buyer shall be subject to approval by the Seller.

- 10) Prior to closing, Buyer to have a walk-through with Builder or Builder's Representative. Buyer is responsible for scheduling the walk-through with Builder. Buyer and Builder will execute a walk-through form that identifies any deficiencies in workmanship or materials. Builder is only responsible for items identified on walk-through form. The Builder shall correct walk-through items at Builder's cost within a reasonable period of time. The Builder has no obligation to make any repairs not included on the Buyer's signed walk-through form, with the exception to those warranties covered by this agreement. The Builder's obligation to correct any defects shall not be grounds for postponing or delaying the closing or for the escrow of funds at closing.

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- 11) Buyer is aware that any materials, lumber, drywall, etc. and/or equipment brought to or left on the job site are the Property of the Builders/subcontractor/material supplier and are not to be considered property of the Buyer.
- 12) The home constructed under this Contract shall be warranted for one year from date of closing. If Builder does not receive written notice of warranty items within the one year warranty period, Builder shall not be obligated to perform warranty work for any such items. This warranty is not transferable to a new owner within the warranty period. The warranty shall include all components of the home unless the same is subject to a manufacturer's warranty. In the event that such a manufacturer's warranty applies, the Builder's warranty shall be limited to the lesser of the term of said manufacturer's warranty or the one year Builder's warranty, it shall be the duty of the Buyer/Owner to contract said manufacturer with respect to a warranty claim. **Appointments for repairs and adjustments will be made with either the Builder or the subcontractor directly with the Buyer/Owner. Appointments will be scheduled during the hours of 7:00 a.m. to 4:00 p.m., Monday through Friday. No appointments will be scheduled on legal holidays. Work performed by Buyer or the Buyer's subcontractor, agent, or representatives may void any warranty identified herein.**

Builder specifically does not warrant vinyl siding from waviness; caulk from shrinking; cement from cracking; yards from settling; grass to grow; and unprotected basement window wells from leaking. After Buyer takes occupancy, Builder specifically does not warrant damage to drywall, painting, staining, or flooring and is not responsible for nicks, dents scuffs and damage to the drywall painting, staining, trim, cabinets, fireplace facing, countertops and flooring. Any paint touchups after warranted related drywall repairs are the Buyer's responsibility.

- 13) No verbal representations or modifications to the contract are effective or enforceable. It is imperative that the Buyer understands that verbal conversations, or sketches created with any representatives of Newbrook Homes, Inc. were for preliminary discussion only.
- 14) 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, concentrations of radon, mold, or chemical compounds released from soil, household furnishing, 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 Builder and by opening doors and windows to increase ventilation. Buyer hereby acknowledges that Buyer has been informed of such health risk and Buyer hereby fully, finally, and forever releases and discharges Builder, 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 Builder, its Officers, Employees, Subcontractors, and Agents. Regarding the matter referred to in this paragraph, Builder makes no express or

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implied warranty of habitability, fitness, or good workmanship as to building materials and/or construction methods.

- 15) The natural hardwoods Newbrook Homes has used in your home have characteristics that make every piece of wood beautiful and unique.

Natural hardwood variations often include distinctive grain patterns or unusual shadings in color. Hardwoods range in color from salmon pink to white. It is sometimes streaked with green, yellow, and black mineral deposits that have leaked into the pores of the wood as it was growing. Hardwoods sometimes contain wormholes, knots, and wild grain veins that originally carried nourishment to the trees when they were alive. These characteristics reflect the life history of the tree and contribute to the unique look of your cabinets, spindles, handrails, doors, trim, mantles, and any other natural wood product in your home. These characteristics in no way reduce the quality of the product.

As with other natural materials, these wood products will be affected by environmental factors such as natural and artificial lighting, so you can expect to see the color gradually change and mellow over time.

It is the responsibility of each Buyer of our product to understand that above mentioned characteristics of wood are natural, and that Newbrook Homes cannot accept responsibility for the way that nature has caused a tree to grow. Small hand samples quite often do not give a total picture of a complete wood kitchen and trim package.

The Buyer understands and accepts that Newbrook Homes will stand behind the workmanship of our product. Buyer will not be allowed to request replacement of cabinets, doors, trim, or any other natural wood product, due to color and grain variations within the wood products used.

Additionally, Newbrook Homes will not be held liable for any color differences on wood doors, trim, cabinets, mantles, beams, spindles, handrails, or any other natural wood product in your new Newbrook Home.

Buyer has read and fully understands the above described conditions.

BUYERS:

SELLER:

NEWBROOK HOMES, INC.

Raymond C. Leffler, President

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