

**AB Development Construction, Inc.**

4610 E 21st Street  
Casper, WY 82609  
307-266-9686

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

**New Construction Addendum**

This is an Addendum to the contract dated \_\_\_\_\_ between AB Development Construction, Inc. (Seller) and \_\_\_\_\_ (Purchaser) to purchase a home in the Centennial Hills Subdivision, Village: \_\_\_\_\_, Lot \_\_\_\_\_, Block \_\_\_\_\_, commonly known as \_\_\_\_\_, Casper, Wyoming, 82609.

CONSTRUCTION DEPOSIT: The below mentioned construction deposit shall be held by American Title Company.

- \_\_\_\_\_  The deposit on pre-sale construction homes is 5% of the model base price of the home.  
\$\_\_\_\_\_. NON-REFUNDABLE
- \_\_\_\_\_  The deposit on under construction and spec homes is 1% of the total price of the home.  
\$\_\_\_\_\_. REFUNDABLE

**SELLER, CONTRACTOR, REALTOR:**

Buyers understand that AB Development Construction, Inc is considered the seller in this contract and has employed a licensed general contractor to construct this home. Peg Ingram is a licensed realtor in the State of Wyoming and a principal in this transaction.

**CONTINGENCY:**

If Buyer has a contingency acceptable to seller it must be removed THREE (3) months from the date of contract or provide acceptable bridge financing.

**CHANGE ORDER ITEMS ADDITIONAL DEPOSITS:**

\_\_\_\_\_  All change order items selected shall require an additional non-refundable deposit of 50% which shall be paid to the Seller. \$ \_\_\_\_\_.

**PRODUCT SELECTIONS AND OPTIONAL ITEM REQUESTS:**

- \_\_\_\_\_  All product selections and optional item requests have been selected and ordered. NO additional changes will be allowed.
- \_\_\_\_\_  All product selections and optional item requests must be finalized within 15 business days following the date of the New Construction Addendum. If all product selections are not completed within the 15 business day period, Purchaser relinquishes their rights to make such selections. Purchaser acknowledges that following the 15 day period the Seller will make any remaining product selections for the Purchaser.

NO changes will be allowed to the product selections once they have been submitted to the Seller.

Any optional items desired by the Purchasers must be requested within the 15 day period. NO additional optional items will be allowed after the 15 day period. All agreed upon change orders shall become part of the contract.

HOMEOWNER'S ASSOCIATION: Buyer acknowledges existence of Centennial Hills Homeowner Association with annual fee of \$ \_\_\_\_\_. Buyer has received and accepts recorded CC&R's of Centennial Hills Homeowners Association.

APPRAISALS: The sale of this home from Seller to Purchaser shall be conditional on an appraisal up to the value equal to the model base price of the home being purchased.

DIRECTION OF WORKING FORCES: Purchaser agrees that direction and supervision of the working forces, including, but not limited to all subcontractors, rests exclusively with Seller, and Purchaser agrees not to issue any instruction, or otherwise interfere with the working forces.

ADDITIONAL WORK: Purchaser agrees not to contract for additional work with Baessler Construction Company, Inc.'s contractors or subcontractors and not to engage other contractors or subcontractors to perform work on the Property until the residence is complete and title is transferred to Purchaser. Purchaser also agrees not to perform any work on the Property until the residence is complete and title is transferred to Purchaser.

IMDEMNITY: In addition, contractor and/or AB Development Construction, Inc will pay all contractors and subcontractors which it employs upon the real property and agrees to indemnify Buyer and hold Buyer harmless for any and all mechanic liens placed upon the property if said subcontractor actually worked upon the property at the request of the contractor.

WALK-THROUGH INSPECTIONS: Buyer Paragraph 10: Inspection rights are hereby deleted and replaced with this New Construction Addendum. Purchaser shall inspect the residence with Seller prior to the closing and, at such time, shall specify, by notice in writing to Seller, all matters which Purchaser claims do not conform to the requirements of this Agreement, and which matters may be repaired or remedied by Seller after the date of closing. Seller shall designate the date and hour of such inspection, acceptance by Purchaser of the deed to the Property shall be deemed to be full performance by Seller of each and every obligation of the Seller hereunder, including any oral statements. The Certificate of Occupancy shall be deemed conclusive evidence of completion.

In addition, AB Development Construction, Inc. will pay all contractors and subcontractors which it employs upon the real property and agrees to indemnify Purchaser and hold Purchaser harmless for any and all mechanic liens placed upon the property if said subcontractor actually worked upon the property at the request and behalf of Seller.

WARRANTY PROCEDURES: Requests for warranty work must be submitted to the Seller on a Warranty Request Form from Baessler Construction Company, Inc. There will be 2 Warranty Request Forms in your Home Buyer's Packet supplied to the purchaser at closing. No additional forms will be given or accepted. There are two times during the ONE YEAR warranty period that the Seller can submit for warranty work. They are 1 MONTH and 11 MONTHS after closing. All warranty requests must be submitted on the Warranty Request Forms. No verbal requests or written requests in any other format will be accepted. The items not covered by the warranty shall be scratches, dents, broken, missing or torn items that may have been caused by the Purchaser moving in and living in the Property. If the Purchaser identifies a problem that may

be hazardous to the structure or occupants, they have an obligation to notify the Seller immediately. In the case of an emergency, please call the phone numbers listed in the Home Buyer's Packet.

**LIMITED WARRANTY FOR SELLER WORK AND MATERIALS:**

- A. A1. Purchaser is also fully aware that due to various conditions in Wyoming, including weather and moisture, molds may form during the construction process, and may have a negative, adverse effect on the Purchaser or their guests. Purchaser understands that Seller will use all reasonable construction methods in an attempt to prevent any such mold growth. Notwithstanding these construction practices, Purchaser hereby agrees to waive and release Seller from any and all claims concerning molds, or the presence of mold, in and around the finished Property.
- A2. The level, if any, of radon gas that may be present in the Property after its construction is not predictable. Passive radon systems have been installed in homes with lower levels, but not in homes with crawlspaces. Seller shall have no liability or obligation if radon gas is present in the Property. If radon is present in the Property at such a level that Purchaser desires to mitigate it, Seller shall cooperate in the correction of the problem with such work to be billed at cost plus a 20% builders fee. Purchaser agrees that Seller shall not be responsible for the presence of any radon gas in the Property. Purchaser waives any and all claims for negligence, failure to mitigate, or other legal theories upon which such issues could be raised as it relates to radon gas.
- B. Seller EXPRESSLY WARRANTS for a period of ONE YEAR from closing that all work performed by Seller shall be completed in a workmanlike manner according to the standards of care and competence of the construction industry in CASPER, WYOMING. Seller also EXPRESSLY WARRANTS that all materials supplied by Seller are guaranteed to be as specified in this proposal for a period of ONE YEAR from supplying of same, EXCEPT IN THOSE INSTANCES WHERE A MANUFACTURER OF AN ITEM SUPPLIED PROVIDES ITS OWN EXPRESS WARRANTIES. In such cases, all manufacturers for items installed shall be delivered directly to Purchaser and Seller shall not be responsible in any way for warranting same, nor shall any claim for warranty of merchantability of fitness for a particular purpose be maintained against Seller by Purchaser regarding the same. Rather, Purchaser agrees that s/he shall look directly and exclusively to the manufacturer in any claims regarding the quality of performance of items, which have been warranted by the manufacturer. Purchaser agrees to accept the EXPRESS WARRANTIES provided for above IN LIEU OF ANY AND ALL IMPLIED WARRANTIES REGARDING THE WORK AND MATERIALS supplied by Seller including, but not limited to, warranties or fitness for particular purposed, merchantability, habitability or workmanlike construction.
- C. If any work or materials supplied by Seller are found not to be in conformance with the warranties provided for herein, PURCHASER SHALL GIVE WRITTEN NOTICE OF SAME WITHIN 3 (THREE) DAYS OF DISCOVERY, OR SAID NONCONFORMITIES SHALL BE DEEMED TO BE WAIVED by Purchaser. Upon receipt of proper written notice, Seller shall provide such labor and material as are necessary to correct the non-conformities.
- D. Under the terms of this limited warranty, SELLER SHALL BE RESPONSIBLE ONLY FOR THE COST OF LABOR AND MATERIAL necessary to correct the non-conformity and SHALL NOT UNDER ANY CIRCUMSTANCES BE LIABLE FOR ANY CONSEQUENTIAL or INCIDENTAL DAMAGES of whatever nature.

- E. Purchaser recognizes and understands the limited nature of Seller's responsibility and warranties and expressly agrees to the terms outlined herein regarding same, waiving any other rights, remedies and potential damages s/he may have regarding the work and materials to be supplied under this contract.
- F. The Seller will do what it can to mitigate the cracking of the concrete, but cracks that form in the different concrete slabs that make up the residence are not covered by this warranty. Only cracking with a gap exceeding ¼" shall be covered by the one-year warranty. The Purchaser must fill all cracks in the concrete slabs with a concrete caulking or similar material to protect the concrete slabs from damage. The Purchaser should also be aware that the use of salts or ice melting materials can damage the surface of the concrete slabs.
- G. The Seller shall not warrant any work performed by Purchaser or their agents.
- H. **Soils Conditions:** Seller has required that a soils report be obtained for the benefit of Purchaser. Engineering designs will be required for the foundations or subfloors, such designs shall be prepared by PILLAR Engineering and PILLAR Engineering shall be requested to review such plans with Purchaser and Seller. Seller agrees to oversee the installation of the foundation according to any such design requirements, but Purchaser hereby agrees to waive and indemnify Seller from any and all claims that may be brought pursuant to soils conditions of the property, except for those claims specifically identified in Paragraph labeled "Changes". Purchaser, being fully advised, understand that they are waiving all possible claims, including, but not limited to negligence, breach of warranty, and claims brought under the Wyoming Consumer Protection Acts against Seller for any issues involving the soils contained on the property. Both Purchaser and Seller understand that PILLAR Engineering shall be responsible for the engineering and designs necessary to prevent adverse conditions identified by the testing. Purchaser acknowledges that expansive soils testing may not accurately predict the adverse effects of any soil condition.

Purchaser hereby acknowledges that they have been advised by Seller, and understand, that the soils within the State of Wyoming consist of both expansive and low-density soils which may shift or expand, possibly resulting in damage to the Property. A copy of a publication detailing the problems associated with expansive soils and the building methods to address problems associated with construction on such soils, and suggestions for care and maintenance has been delivered to Owners, by Seller, prior to the signing of this contract.

**CLOSING EXTENSION:** When delays in construction are: due to weather, availability of materials and subcontractors in Casper, Wyoming, seller may extend closing date without penalty. If closing dates are changed updates will be given at completion of rough-in stage and/or prior to interior painting stage.

If landscaping is included as part of this agreement, it shall be completed prior to closing if weather allows. Should weather not allow complete landscaping installation, Purchaser agrees that the landscaping installation shall be completed as weather allows after closing.

**BACKYARD LANDSCAPING:** Buyer will have back yard landscaped per HOA guidelines, and within 12 months of date of closing.

**Seller shall provide final grading, per the requirements of CEPI Engineering. PURCHASER ACKNOWLEDGES THAT PROPER DRAINAGE MUST BE MAINTAINED, AFTER THE RESIDENCE IS CONSTRUCTED, AND THAT LANDSCAPING CAN ADVERSELY AFFECT**

**DRAINAGE. SELLER SHALL HAVE NO LIABILITY FOR DRAINAGE/LANDSCAPING PROBLEMS OF ANY KIND.**

**BLOWING DIRT:** Buyers are aware they are purchasing a new home in an area being developed with other new homes and subdivisions. They acknowledge that winds in the Casper, Wyoming area can reach high velocities and that there will be blowing dirt that will get on landscaping and minor amounts through doors and windows. Buyers will not hold the builder or the developer liable for blowing dirt.

The Developer and/or Builder shall have the first right of refusal to repair any and all items relating to the construction and development of said dwelling and/or subdivision. Any disapproval as to how or as to the extent of the repairs shall be specified in writing. The Developer and/or Builder within forty-five (45) days shall advise party in writing, matters regarding the disapproval. Both parties at this time shall decide on a resolution for said disapproval.

**ARBITRATION:** In the event the parties herein deem the other to be in default of any terms contained herein, all such controversies shall be resolved by arbitration. Said arbitration to be controlled exclusively by the Uniform Arbitration Act of the State of Wyoming as that Act is now in force and amended from time to time. In the event arbitration is had, each party expressly agrees to be bound by said arbitration except there shall be only one arbitrator who shall first be mutually agreed to by the parties in accordance with the statutory provisions provided from same, and said arbitration shall be a condition precedent to pursuing any claim. The prevailing party shall be awarded its costs and reasonable attorney's fees by the Arbitrator.

Each party shall be responsible for its share of the arbitration fees in accordance with the applicable Rules of Arbitration. In the event a party fails to proceed with arbitration, unsuccessfully challenges the arbitrator's award, or fails to comply with the arbitrator's award, the other party is entitled to costs of suit, including a reasonable attorney's fee for having to compel arbitration or defend or enforce the award.

**WYOMING LAW:** This Contract shall be interpreted and enforced in accordance with the laws of the State of Wyoming.

**EXCLUDED WORK:** Seller shall not be responsible for landscaping, fencing or topsoil, except those specifically required by the contract documents.

**ORAL STATEMENTS:** In the event Seller, its employees, servants, officers, owners or agents make any ORAL STATEMENTS about the quality of the repairs, modifications, building or supplying of work, but not limited to, all materials and labor, it is recognized by Purchasers that such ORAL STATEMENTS DO NOT CONSTITUTE WARRANTIES, same were not relied upon by Purchaser and are not part of this contract for services. The entire contract is embodied in this writing and same constitutes the final expression of the parties' agreements, being a complete and exclusive statement of the terms of that agreement and is binding upon all heirs, successors and assigns of the parties herein. Same may not be modified unless in writing and signed by both parties.

**LEGAL COUNSEL:** Purchaser acknowledges that Seller advised them to consult with their own, independent legal counsel for information and advice concerning this Contract, prior to signing it.

**ACCEPTANCE:** By setting forth my signature below, I hereby acknowledge that I have thoroughly read and agree to all conditions, terms, specifications, exhibits and particularly the provisions for the LIMITED WARRANTY for Seller's work and WARRANTY DISCLAIMER PROVISIONS for Subcontractor work and materials. I have had an opportunity to discuss or negotiate said terms with Baessler Construction Co., Inc. as well as with legal counsel of my choosing.

