This is a sample of the contract language I add when selling a home through a real estate agent and using the standard real estate sales contract.

It is provided strictly for the purpose of example and is not intended as a legal document.

Do not use the contents of this sample without the approval of your legal counsel.

MY COMPANY, LLLP

ADDENDUM TO STANDARD REAL ESTATE PURCHASE CONTRACT

1. ADDENDUM DOCUMENTS
2. This ADDENDUM contains the following documents:
3. Construction Agreement This document
4. Standard Specifications Attached
5. Allowance Schedule Attached
6. BUILDER Limited Warranty Attached
7. CHANGES OR ADDITIONAL WORK
8. Both parties recognize that during the construction of the project the possibility exists that any or all of the following may occur:
9. The BUYER may request the BUILDER to perform some work differently than originally planned.
10. The BUYER may request the BUILDER to perform additional work.
11. The BUYER may make specific product selections.
12. The BUILDER may request the BUYER to clarify some portion of the construction plans.
13. Both parties agree that said requests shall be detailed and conveyed between the parties via the use of the BUILDER’S form titled “Confirmation of Instructions”.
14. The Confirmation of Instructions shall require the approval of only one BUYER to be effective.
15. In the event the subject of the Instruction is of the nature as to have required immediate action it cannot be later voided by the BUYER.
16. Any changes mandated by the local Building Department shall be treated as additional work as provided by this contract.
17. All changes or other additional costs provided for herein that involve structural changes, or those resulting in changes to finish details after the original materials were ordered by the BUILDER, are subject to a minimum $100.00 administration fee per change in addition to the costs associated with implementing the change.
18. The Builder reserves the right to collect up to a 100% deposit for charges made for changes requested by the Buyer, and such deposits are entirely at the discretion of the Builder.
19. Any funds collected by the Builder for changes requested by the Buyer are non-refundable once the work to make the change has begun or the materials have been ordered.
20. All charges relating to any "Confirmation of Instructions" which have not been previously paid to the Builder will be aggregated and will be due as part of the Closing Purchase Transaction. Failure to pay any and all outstanding balances due on the Confirmation of Instructions will be considered a default occurrence under the purchase contract.
21. **PHOTOGRAPHS**
22. The BUILDER is authorized by the BUYER to use photographs of the project for display, promotion or advertising without compensation to the BUYER.
23. **MATERIALS SELECTIONS**
24. With respect to items that may be selected by the BUYER, such items are to be selected only from Suppliers designated and approved by BUILDER.
25. In the event that the BUYER chooses to select such items from Suppliers with whom the BUILDER has an active account, the BUILDER will administer any warranty situation relative to that item that may arise.
26. In the event that BUYER chooses to select any such items from a Supplier with whom the BUILDER does not have an active account, and the BUILDER allows a purchase from that Supplier, the BUYER shall pay the Supplier for the required items directly, including order deposits, and shall be responsible for administering any warranty situations that may arise.
27. **HEALTH CONCERNS ARISING FROM MATERIALS USED IN CONSTRUCTION**
28. It is possible that the BUYER or anyone associated with the BUYER may experience negative reactions to the materials used in the manufacture of products utilized in the construction of the project. Though the BUILDER has carefully selected the products to be used in the construction of the project, BUILDER does not represent that such a negative reaction will not occur. If the BUYER is concerned with regard to any such reaction, BUILDER will provide a sample of any or all products to the BUYER and urges the BUYER or BUYER’S agent to test for negative reactions.
29. BUILDER requires that BUYER provide notarized copies of any such tests, either positive or negative, to BUILDER immediately upon receipt.
30. The absence of a request for any or all materials will be interpreted in this agreement as acceptance by the BUYER of the products and any consequences of the installation of the products in this project.
31. **SUBSTITUTION OF MATERIALS**
32. BUYER recognizes that any change or alteration made by BUILDER to the signed and accepted plans and specifications will be made because of building code issues or design considerations and approves any such changes or alterations in advance.
33. The BUILDER may substitute structural materials and other generically described items without notice to the BUYER in order to allow the work to proceed, provided that the substituted materials are of no lesser quality that those described in the Construction Specifications.
34. Substitutions of specifically described brand names or allowance selections will not be made without the BUYER’S authorization.
35. **SUBCONTRACTORS and EMPLOYEES**
36. Agreements made by the BUYER with mechanics or subcontractors on the job are specifically not recognized by the BUILDER.
37. The BUYER agrees not to solicit, hire or contract with any subcontractor or employee of the BUILDER within three months of the completion of the project without the specific written permission of the BUILDER.
38. **SOILS, GRADE, and DRAINAGE**
39. BUYER hereby acknowledges that BUILDER has advised that the ground in the State of Colorado may consist of expansive and/or low-density soils, which can adversely affect the integrity of improvement. BUILDER shall not be liable for any problems arising from soil conditions so long as BUILDER has constructed the project in accordance with the engineer’s recommendations.
40. BUILDER shall construct the project as shall best conform, in BUILDER’S opinion, to the grade of the lot, or in accordance with engineer’s recommendations. If BUYER changes the final grade or drainage, BUILDER shall be relieved of liability for any damages, problems or liability that may thereafter arise.
41. **CONFLICT**
42. In the event the parties become involved in litigation arising out of this agreement, the court shall award costs and expenses, including attorney’s fees, to the party justly entitled to them.
43. In the event that the BUILDER’S work is judged to be deficient, the BUILDER shall have the right to repair, replace or pay reasonable sums to effect repairs to parties of BUILDER’S choice.
44. In any event, no party may institute a claim against the other party after one year after the Certificate of Occupancy has been issued.
45. **DELAY**
46. The BUILDER shall be excused for any delay beyond reasonable control. These delays may include but are not limited to: Acts of God; labor disputes; inclement weather; acts of public authority; acts of BUYER or agent of BUYER; inability of sub-contractors to meet time schedules; building permit or utility permit moratoria; or other unforeseen occurrences.

IN AGREEMENT WHEREOF, we hereby affix our signatures this day and date written below.

BUILDER BUYER(S)

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Signature Date Signature Date

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By Signature Date

# MY COMPANY, LLLP

**Standard Specifications Options**

1) Footings and foundation Per engineering

2) Basement Not Included Included

3) Driveway Concrete pad 18’ x 20’ Size per Buyer

4) Fireplace Not Included Included

5) Exterior Wall 2 x 4, 16” On Center 2 x 6, 16” On Center

6) Floor Framing 11 7/8” I-Joist

7) Sub Floor ¾” OSB T&G

8) Partition Framing 2 x 4, 24” On Center

9) Roof Framing Trusses per engineering

10) Roof Sheathing 7/16” OSB

11) Roofing 30# Felt, 25-year shingle

12) Insulation (living space only) Walls = R13, Ceiling = R38 Walls=R19 if 2 x 6 walls

13) Drywall Finish Knockdown

14) Windows Vinyl, Dual Pane Wood, Aluminum Clad

15) Interior Doors Hollow-core Panel Solid Panel

16) Interior Trim MDF Casing/Base Stain Grade

17) Interior Paint One trim color, One field color

18) Entry Doors Metal Six Panel Buyer choice

19) Exterior Siding Stucco, color by Buyer Cement Siding

20) Exterior Paint One trim color, By Buyer

21) Cabinets AristoKraft Oakland or Equal Species/Design Choices

22) Countertops Formica or Equal Tile

23) Entry Floor Vinyl Tile, Hardwood

24) Kitchen Floor Vinyl Tile, Hardwood

25) Bath Floor Vinyl Tile, Hardwood

26) Laundry Floor Vinyl Tile, Hardwood

27) All other Floor Carpet Upgrades available

28) Tub/Shower at bath Fiberglas Tile Surrounds

29) HVAC Forced Air, Evaporative Cooler Air Conditioning, Radiant Heat

30) Electrical Ceiling Fan @ Living Room, MBR Ceiling Fan @ Other rooms

Standard Wiring per code Structured Wiring

31) Finish Hardware Bright Brass knobs Many styles, finishes

Chrome Bath Fixtures

32) Appliances Dishwasher, Garbage Disposal Any Other

Range, Microwave Hood, all Builder Choice

33) Garage door opener Two Included

34) Deck Not included Included, size per Buyer

35) All other specifications Builder Choice

**Notes:**

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BUILDER Signature Date BUYER(S) Signature Date

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By Signature Date

**MY COMPANY, LLLP**

**Allowance Schedule**

1. **FIXED COST ALLOWANCES** (for materials, delivery, and installation)
2. Main Entry Door $
3. Main Entry Door Hardware $
4. Cabinets $
5. Countertop $
6. Lighting Fixtures $
7. Ceiling Fan $
8. Appliance $
9. Carpeting $
10. Vinyl $
11. Floor Tile $
12. Wood Flooring $
13. Wall Tile Bath Surrounds $
14. **UNIT COST ALLOWANCES** (for materials, delivery, and installation)
15. Roofing – Per Square $

BUILDER BUYER(S)

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By Signature Date

**MY COMPANY, LLLP**

**BUILDER LIMITED WARRANTY**

1. **BUILDER’S LIMITED WARRANTY**
2. The BUILDER hereby guarantees all of the work performed and materials supplied by him, his subcontractors and his suppliers, for a period of one year from the date of completion of the work.
3. The BUILDER does not guarantee and shall not be required to administer any warranty situations that may arise from any work performed or materials supplied by the BUYER or subcontractors hired by the BUYER.
4. **WARRANTY PERIOD COMMENCEMENT**
5. BUILDER warranty period shall begin on the date of the receipt of the Certificate of Occupancy from the local Building Department.
6. **WARRANTY COVERAGE**
7. This limited warranty covers the following items:
8. All installations and applications of materials, devices and equipment performed by the BUILDER and his subcontractors.
9. All materials purchased and supplied by the BUILDER and his subcontractors except as noted herein.
10. The installation of consumer products to the extent that they are installed in accordance with the manufacturer’s instructions.
11. **WARRANTY EXCLUSIONS**
12. This limited warranty does not cover the following:
13. Damage resulting from fires, floods, storms, electrical malfunctions from outside the home, accidents, nor acts of God.
14. Damage from misuse, abuse, neglect, alteration, or accidents to the covered items, unless such acts were performed by the BUILDER or his agents or subcontractors.
15. Damage resulting from the BUYER’S failure to read and follow equipment operating instructions or damage resulting from the lack of proper maintenance.
16. Damage resulting from malfunctioning equipment, lines or other service delivery systems installed by any telephone, gas, electrical power, water or any other utility provider.
17. Damage resulting from allowing sprinkler heads to spray onto exterior building components, including doors, windows and painted surfaces.
18. Damage resulting from the BUYER’S failure to prevent water pipes from freezing, including the BUYER’S failure to shut off the water supply system and drain water from system in the event of a heating system failure.
19. Any item purchased, furnished or installed by the BUYER or his agents.
20. Repairs performed by anyone other than the BUILDER, his employees or subcontractors.
21. Any work for which the BUILDER elected not to charge the BUYER.
22. Work for which the BUYER has not been paid, including extra work orders, change orders, and other such work performed by the BUILDER for which there remains an outstanding unpaid balance.
23. Any condition which does not result in actual physical damage to the project, including but not limited to uninhabitability or health risk.
24. Any appliance, equipment, item or other product that is classified as a “consumer product” in accordance with the Magnuson-Moss Warranty Act (15 U.S.C. Sec 2301-2311) that is included or installed in the project.
25. **PASS-THROUGH WARRANTIES**
26. The following is a partial list of products classified as “consumer products” by the Magnuson-Moss Warranty Act.

Kitchen Appliances Lighting Fixtures Water Pump Doors & Windows

Roofing Materials Plumbing Fixtures Water Meter Heating Equipment

Brick Products Refrigerators Pool Equipment Cooling Equipment

Siding Products Microwave Ovens Garage Door Opener Fire Extinguisher

Whirlpool Tub Stoves and Ovens Sump Pump Fire/Smoke Alarm

Light Bulbs Garbage Disposal Humidifier Floor Coverings

Water Heaters Security Systems Solar Equipment Intercom Systems

1. The BUILDER assigns and passes through to the BUYER, and the BUYER agrees to accept, the manufacturer’s warranties for these items. The only warranty on these products themselves is that which the manufacturer provides to the BUYER, and the BUILDER’S warranty on these items is limited solely to their being installed in accordance with the manufacturer’s instructions.
2. **WARRANTY SERVICE**
3. Requests for warranty service and the service itself shall be performed as described herein.
4. In the event the BUYER discovers a defect in any item covered by this warranty, the BUYER will notify the BUILDER of said defect in writing with ten days of discovery.
5. Said notice shall include the BUYER’S name, address and telephone number and a description of the defect, and shall be faxed, mailed or delivered to the BUILDER at the address listed upon the contract or to any other address as may be designated by the BUILDER in writing in advance.
6. The BUILDER shall contact the BUYER within ten working days of the receipt of the notification and shall investigate the nature of the defect as soon thereafter as is possible. This investigation will determine if the alleged defect fails to meet the minimum standards set forth in the National Association of Home Builders (NAHB) publication “Residential Construction Performance Guidelines”.
7. Upon determining the validity of the complaint, the BUILDER shall have 20 working days to effect the necessary repairs, corrections, or modifications to correct the defect.
8. Repair work shall be performed during the BUILDER’S normal working hours (8 AM to 5 PM, Monday through Friday).
9. The BUYER agrees to provide the BUILDER or his agents access to the house and agrees to provide a responsible adult to be present during the time the warranty work is being performed with the authority to approve and accept the repairs upon completion.
10. In the event the alleged defect involves plumbing, electrical, HVAC or roofing systems and appears to require immediate service, the BUYER agrees to contact the subcontractor directly, via telephone numbers provided by the BUILDER, to schedule the service call.

Subcontractor Name Subcontractor Phone

PLUMBING \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

ELECTRICAL \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

HVAC \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

ROOFING \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

1. **WARRANTY LIMITATIONS**
2. This limited warranty is subject to limitations and restrictions, which follow.
3. This warranty is extended to the original BUYER and cannot be transferred in the event the property is sold or otherwise transferred.
4. The BUILDER shall not be held liable by this warranty for personal or property damage for whatever reason, whether direct, indirect, special or secondary, arising from the use or inability to use the property because of a construction defect.
5. This warranty does not cover consequential damages unless such exclusion is prohibited by law.
6. This limited warranty is not to be interpreted as an implied warranty.
7. The BUILDER disclaims any implied warranties, including, but not limited to, warranties of habitability and fitness of purpose, to the extent allowed by law.
8. The BUYER shall give the BUILDER the first opportunity to inspect alleged defects and to effect the repair or replacement or to pay reasonable sums to effect repairs.
9. This warranty shall be void in the event the BUILDER has not been paid in full as provided in the contract documents.
10. **MAINTENANCE BY BUYER**
11. The BUYER understands that a home requires more care and maintenance than most products because it is made of many different components, each with special characteristics.
12. The BUYER understands that the BUYER has not contracted with the BUILDER to perform routine maintenance.
13. The BUYER is responsible for performing or having performed standard routine maintenance.
14. This section is intended to alert the BUYER to certain types of routine maintenance that are the BUYER’S responsibility and that could lead to problems if neglected, including, but not limited to, the following:
15. CAULKING - Interior caulking, specifically around bathtubs, shower stalls and ceramic tile surfaces will crack somewhat after installation. Exterior caulking will shrink as it dries. These conditions are normal and are not considered a construction defect. Application of additional caulking is part of routine maintenance.
16. HVAC FILTERS – Heating, ventilating and air-conditioning systems have dust filters that need to be kept clean and changed every 30 days. Filter changes are part of routine maintenance. Failure to change filters may void the manufacturer’s warranty.
17. GUTTERS – Rain gutters and downspout systems require periodic removal of leaves and other fallen debris to function properly. The BUYER is responsible for this routine maintenance.
18. SITE GRADING – To the extent that it is included in the BUILDER’S scope of work, the BUILDER has contoured and otherwise graded the lot to provide proper drainage of rain water away from the house. It is the BUYER’S responsibility to maintain these grades.
19. **NON-WARRANTABLE CONDITIONS**
20. Certain construction conditions are not warrantable.
21. Concrete foundations, walks, drives, patio and stucco finish can develop hairline cracks that do not affect the structural integrity of the building. The cracks are caused by characteristics of expansion and contraction. No method of eliminating these cracks exists, and the existence of such cracks does not constitute a construction defect.
22. Lawn and shrubs require maintenance of proper ground cover and consistent watering. BUILDER does not warranty the future growth of any specific landscape plantings.
23. Drywall will sometimes develop nail pops or settlement cracks as a normal part of the drying out process. These items are considered normal maintenance and can be easily remedied by the BUYER with spackling during normal redecorating.
24. **WARRANTY REMEDIES**
25. In the event the parties cannot agree to the validity of any alleged defect or as to the acceptable correction of any specific defect, the parties agree to the following remedies.
26. In the event the BUYER disagrees with the BUILDER regarding the categorization of an alleged defect, or disagrees with the BUILDER’S repair of any defect, the BUYER agrees to bring suit against the BUILDER in any court of competent jurisdiction. In this event, both parties agree to participate fully in any court-ordered mediation and further agree to abide by the decision of any such court.
27. In the event the BUYER’S complaint involves work performed by subcontractors separately licensed by the State of Colorado, including licensed Electrical, HVAC, Plumbing and Roofing contractors, and the BUYER elects to bring suit against the BUILDER for such defects and/or make formal complaints to the local Building Official and/or the Construction Industry Licensing Board, the BUYER agrees in all such occasions to bring simultaneous suits and/or complaints against the specific subcontractor. This includes naming them as co-defendants and/or filing additional separate complaints if necessary.
28. In the event the BUILDER’S work or materials is judged by the court to be deficient, the BUILDER shall retain the right to repair or replace the defective work or to pay reasonable sums to effect said repairs, said decision to be at the sole option of the BUILDER.
29. **WARRANTY DISCLAIMER**
30. This limited warranty is the only express warranty extended to the BUYER by the BUILDER.
31. Any items and conditions not specifically covered by this warranty are excluded from coverage and are the responsibility of the BUYER.
32. It is expressly understood that this limited warranty is in lieu of any and all other warranties, expressed or implied, including but not limited to any warranty of merchantability, fitness for a particular purpose, and habitability.
33. Under no circumstances shall the BUILDER be liable for any damages (consequential or otherwise) arising from any defect in any item covered hereunder.

BUILDER BUYER(S)

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