

# THE DAKOTA CONDOMINIUM ADDENDUM

This addendum is part of the Condominium Purchase and Sale Agreement dated \_\_\_\_\_ 20\_\_\_\_, between West Seattle Construction, LLC ("Seller") and \_\_\_\_\_ ("Buyer") concerning the purchase and sale of Unit No. \_\_\_\_\_ in The Dakota, A Condominium (the "Unit") located at 4116 California Ave. S.W., Seattle, WA.

- 1. CLOSING DATE/COMPLETION OF CONSTRUCTION.** This transaction shall close on or before \_\_\_\_\_ 20\_\_\_\_ (the "Closing Date"). The Seller estimates, but does not guarantee that the Unit will be substantially completed and ready for occupancy by the Closing Date. If the Unit is not ready for legal occupancy by the Closing Date, the Seller may at its option extend the Closing Date with no penalty for up to 60 days after that date. If the Buyer defaults and fails to close on the Closing Date, then the Seller shall have the remedies provided in the Purchase and Sale Agreement.
- 2. REFUND OF DEPOSIT.** In the event the Seller shall, for any reason, be unable to convey the Unit or otherwise close this transaction in accordance with the terms and conditions of this Agreement, either Buyer (as Buyer's sole remedy) or Seller may elect to rescind this Agreement in writing and all monies paid be refunded. Upon such refund being made to the Buyer, this Agreement shall be terminated. Neither the Seller nor the Seller's agent shall not be responsible for any loss (including but not limited to loss of financing fees, interest rate locks, interest rate increases, etc.) the Buyer may have incurred by reason of the Seller's failure to comply with the terms and conditions of the Agreement. Each of the parties shall be released from any and all claims by the other.
- 3. PLANS AND SPECIFICATIONS.** If the unit has not been completed, then the Buyer and Seller shall meet within 10 days after mutual acceptance for the Buyer to review and approve the specifications for the improvements to be constructed in the Unit. If the Buyer disapproves, it must be done in writing within 2 days after said meeting. If Buyer does not give notice of disapproval within such time, the Buyer shall be deemed satisfied and the specifications shall be part of this Agreement.
- 4. PRE-CLOSING WALK-THROUGH.** Prior to closing, the Seller will give the Buyer notice that the Unit is ready for inspection. Buyer and Seller will inspect the Unit together and note any deficiencies in construction that do not fall within the standard quality required and compile a "punch list of items". Items identified at the walk-through inspection will be corrected by the Seller to the level consistent with the quality of the Unit and industry standard within 10 days of the walk-through inspection, unless another time is agreed upon. Buyer agrees to close this sale if the Unit is substantially completed even though the "punch list" items remain to be completed.
- 5. BUYER'S INDEPENDENT INSPECTION.** If this Agreement is contingent upon Buyer's independent inspection of the property, the Buyer must use NWMLS Form 35. The inspection must be done by a professional inspector at the Buyer's expense.
- 6. CONTINUED CONSTRUCTION.** Buyer understands that at the time of taking possession of the Unit, and for a period of time thereafter, construction work might be continuing.
- 7. UNIT SQUARE FOOTAGE.** All sizes, dimensions, specifications (on plans or marketing material) are approximate and may vary from actual construction. The Unit square footage shown in the recorded Declaration will be based on a surveyor's "as-built" determination of the interior surface to interior surface square footage for condominium purposes and may be less than the Unit square footage shown on the plans, specifications, listing agreements, flyers or advertisements, which are good faith estimates of the Unit size.
- 8. VIEW/RENDERINGS.** Buyer acknowledges that the Unit is in an urban location and Seller makes no representations regarding views, or the future use of any developed or undeveloped properties in the vicinity of the building in which the Unit is located. Buyer understands that all renderings and floor plans are the artist's or architect's conceptions and are not intended to be an exact depiction of the Unit, Common or Limited Common Elements or the building including colors, landscaping and materials used.
- 9. SPECIFICATIONS/MATERIALS.** The Unit shall be completed substantially in accordance with the plans and specifications prepared, and from time to time amended, by the Seller. Buyer acknowledges that all materials, supplies, fixtures, and appliances are subject to availability. Seller reserves the right to make substitutions of comparable quality without notice.

**10. SOUND TRANSMISSION.** Buyer acknowledges that the Unit is in an urban high-density building and that some sound transmission between units should be expected. Seller has installed sound insulation that meets or exceeds building code requirements, however Buyer understands that some sounds will be heard from adjoining Units, Common or Limited Common Elements, various building systems and other noises from traffic and neighboring properties.

**11. WATER INTRUSION/MOISTURE.** The building is located in a region with a damp climate. After consultation with experts, seller has utilized designs, materials and methods to address leakage and moisture issues. Nevertheless, it is impossible for Seller to guarantee that the building or Unit will not experience such conditions. Buyer acknowledges that to prevent such conditions and avoid the damage caused by such conditions, the Association, at the Association's expense, needs to perform periodic inspections, maintenance and repairs.

**12. AMENDMENT TO DECLARATION.** Seller may make amendments to the Declaration, Association Articles of Incorporation, Bylaws, Condominium Map and Plans, Association Budget, Public Offering Statement, and the plans and specifications prepared by Seller as Seller deems necessary (or may be required to). If amendments are made that substantially change the Unit square footage or Allocated Interest in Common Elements or Association Votes or Common Elements, Buyer will be notified for their approval. If Buyer disapproves, the Buyer must have reasonable grounds for such disapproval.

**13. RISK OF LOSS.** All risks of loss shall be upon the Seller until closing.

**14. MANAGEMENT BY SELLER.** Seller may exercise the voting right allocated to Units owned by Seller to elect or remove the Board of Directors of the Owners Association.

**15. DECLARED VALUE.** Any "Declared Value" of the Unit in the Declaration is used to establish the Unit's Allocated Interests, but actual sales prices may vary.

**16. TIME OF ESSENCE.** Time is of the essence of this Agreement.

**17. ASSIGNMENT.** Buyer may not assign Buyer's rights under this Agreement without Seller's written consent.

**18. WARRANTIES.** Buyer acknowledges and agrees:

- (a) that the intent and purpose of the Limited Warranty referred to in the Public Offering Statement is to provide the Buyer and Seller with a clear and predictable understanding of their rights, duties and obligations;
- (b) that the provisions of the Limited Warranty, and the rights, duties and obligations of the Seller and Buyer, is given by the Seller and accepted by the Buyer, in lieu of and to the exclusion of all other express or implied warranties and in lieu of and to the exclusion of all other legal or equitable rights, remedies or causes of action;
- (c) that the Limited Warranty is not intended to be in addition to the implied warranties of quality provided by RCW 64.34.445(2), but rather that such implied warranties are to be interpreted and enforced in accordance with the provisions of the Limited Warranty;
- (d) that RCW 64.34.445(2) and .450(2) permit such implied warranties to be modified or excluded, in writing as a basis of the bargain, as to specified defects or failures to comply with applicable law;
- (e) that in the event of any variance between the provisions of this Limited Warranty and an asserted interpretation of the implied warranties provided by RCW 64.34.445(2), that the provisions of this Limited Warranty shall: (i) control; (ii) be deemed a modification of such implied warranty as authorized by RCW 64.34.450; (iii) be deemed to be part of basis of the bargain between the Seller and Buyer; and (iv) be deemed a disclaimer of liability for the specified defect or specified failure to comply with law then in dispute;
- (f) that the Limited Warranty provides an Alternative Dispute Resolution process (involving mediation and arbitration in lieu of judicial proceedings) to resolve all disputes involving construction quality;
- (g) that Buyer's acknowledgement and agreement is a direct and material inducement to Seller's agreement to sell the Unit for the agreed price, and has been relied upon by Seller (and Seller's contractor, subcontractors, vendors, and suppliers); and
- (h) that Buyer's acknowledgement and agreement shall be binding upon Buyer in Buyer's capacity as a Unit Owner and Association Officer and Board Member, and be binding with respect to both Unit and Common Elements.

**19. REPRESENTATIONS.** There are no other express or implied agreements or representations except as set forth herein, or in the Public Offering Statement, or in another written addendum executed by Seller and Buyer. The parties agree that no verbal representations have been made by any person and that the parties fall understanding shall be limited to this written agreement together with any mutually agreed upon clarifications in writing. Buyer and all agents acknowledge that no agent, job superintendent, contractor or subcontractor has the authority to make any agreements or representations on behalf of the Seller.

**20. REAL ESTATE TAX PRORATIONS.** Real estate taxes shall be prorated between the Seller and Buyer as of the date of closing. If the real estate taxes have not been segregated among the Units, then such proration shall be based on the Unit's Allocated Interest in Common Elements of the unsegregated real estate taxes of the entire Condominium. If during the year in which the closing occurs, the real estate taxes due for that year are increased after closing because of completion of construction, any such tax increase shall also be prorated as of the date of closing.

**21. HOMEOWNER ASSESSMENTS.** Each monthly assessment shall include the Unit's prorated share of all Association Common Expenses. Monthly Owner assessments shall be prorated between Seller and Buyer as of the date of closing. In addition, buyer shall pay at closing for the account of the Association a working capital contribution deposit in the amount equal to two months of assessments. Buyer acknowledges that the initial amount of assessments is an estimate and may change prior to and after closing. Seller may elect to pay the Association's actual expenses and delay the commencement of monthly assessments.

**22. MEDIATION/ARBITRATION.** All disputes between the Seller, Buyer, and/or Owners Association shall be resolved by the mediation/arbitration provisions of the Limited Warranty for construction issues or the Declaration for non-construction issues.

**23. OCCUPANCY.** Buyer hereby represents that the Unit will be Buyer's  primary residence  second home  investment property upon closing.

**24. OWNER/AGENT DISCLOSURE.** Buyer acknowledges and understands that Kevin Krout is a real estate agent licensed with Windermere Real Estate/Fauntleroy Inc. and is a member of West Seattle Construction LLC, acting for his own account in this agreement.

**25. CONTINGENCIES.** If the subject agreement is contingent upon the sale of Buyer's home, the provisions of any form relating to contingent sale of Buyer's home shall apply as modified herein (agent must attach the form before execution of the Agreement). Said form is modified as follows:

- a. Buyer's home must be listed with a full service broker that is a member of the NWMLS that is acceptable to Seller, according to price, terms, and conditions acceptable to Seller.
- b. All references to five (5) days notice is changed to two (2) days notice. Said notice to expire at 9:00 p.m. on the second day following the date on which notice is delivered, whether or not the date in which notice is given, or the date when notice expires falls on any day including Saturday, Sunday, or any holiday.

**26. LENDER/TITLE INSURANCE/ESCROW AGENT.** Due to the volume of transactions and the need to coordinate all condominium sales, it is necessary to limit the number of lenders, title insurers and escrow agents with which we deal. The companies approved by the Seller for this Condominium have been selected based upon a successful track record. Buyer agrees to apply for and obtain financing through a lender, and accept the title policy issued by a title insurer, and use an escrow agent, as approved by the Seller. The approved lenders, title insurer and escrow agent are as follows;

**Title Insurance:** Pacific Northwest Title

**Preferred Lenders:** MetLife Home Loans (Loan Officer: Larry Steele @ 425-457-2194)  
Washington Federal (Kathy Anderson, Karen Skillings @206-938-1242)  
Washington Federal (Dottie Hughes @ 206-932-6299)

**Escrow Agent:** Northwest Title (Contact: Kat @ 425-691-3663 or [kszobota@nwttitleco.com](mailto:kszobota@nwttitleco.com))  
13555 SE 36<sup>th</sup> Street, Suite 200, Bellevue , WA 98006

[NOTE: Buyer shall pay ½ the normal scheduled escrow fee. Seller shall be entitled to any builder's discount available on the escrow fee].

This addendum shall supplement and supercede, where inconsistent, the Purchase and Sale Agreement attached.

**BUYER:** \_\_\_\_\_ **BUYER:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**SELLER: WEST SEATTLE CONSTRUCTION, LLC BY** \_\_\_\_\_ **DATE:** \_\_\_\_\_