

# MODULAR HOME PURCHASE CONTRACT

The Seller noted above is referred to as "Seller" throughout this Contract.

Contract Date \_\_\_\_/\_\_\_\_/\_\_\_\_

The person or persons identified here are referred to as "Buyer" throughout this Contract.

Buyer's Name(s) \_\_\_\_\_

Residence (Address/City/St/Zip) \_\_\_\_\_

Home Phone \_\_\_\_\_ Daytime Phone \_\_\_\_\_ Cell Phone \_\_\_\_\_

MANUFACTURER \_\_\_\_\_ MAKE \_\_\_\_\_ MODEL \_\_\_\_\_

ELEVATION \_\_\_\_\_ COLOR \_\_\_\_\_ SQUARE FOOTAGE \_\_\_\_\_

This Modular Home Purchase Contract, ("Contract") is for the purchase of a modular home (the "Home") to be constructed to all Federal, State and local laws, statutes, codes, regulations, and ordinances and for other consideration as specified herein. Following Buyer's execution and delivery of this Contract, the Seller must accept or reject this Contract by the close of the Seller's next business day in writing or the Contract is automatically rejected. If the Seller rejects this Contract, any down payment or deposit shall be returned to the Buyer on the next business day (or, if longer after any deposited check clears its bank).

This Contract consists of these Articles: I. General Terms, II. Construction Provisions, III. Additional Terms, IV. Warranties and Representations, V. Signatures, and Addenda, together with any other attachments which are initialed by the parties.

## ARTICLE I - GENERAL TERMS

1. The Seller will provide the Home described in this Contract, and Seller may also perform the installation of the Home should Buyer and Seller so agree by completing Addendum B and attaching such addendum to this Contract, in return for which the Buyer will pay to Seller the amount required in this Contract, ("Purchase Price").

### 2. Calculation of the Purchase Price of the Home:

A. Price of Home (included items marked "Included" in Addendum C)	\$ _____
B. Other Construction (from Addendum B)	\$ _____
C. Allowance items of Work (From Addendum C)	\$ _____
D. Purchase Price Sub-Total	\$ _____
E. Less Down Payment	\$ _____
F. Purchase Price Balance	\$ _____
G. Additional Down Payment Due On Or Before _____	\$ _____
H. Remaining Purchase Price Balance	\$ _____

### 3. PAYMENT. The Payment of the Remaining Purchase Price Balance will be made as follows:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If any amount of the Purchase Price to be paid to Seller under this Contract is not paid when due, such amount shall bear interest from the date when due until the date paid at the rate of 12% per year, or if higher, at 2% above the then announced prime rate as reported in *The Wall Street Journal*, unless either rate would be a violation of any "usury" law, in which case the higher rate would be in effect.

### 4. Financing Condition. Buyer's obligation to perform under this Contract is conditioned upon Buyer obtaining, at Buyer's expense, a commitment from a financial institution selected by Buyer to make a mortgage loan to Buyer with at least the following characteristics:

- a. Minimum Amount: \$ \_\_\_\_\_
- b. Minimum Term: \_\_\_\_\_ months.
- c. Maximum interest rate: If checked here , a fixed rate not more than \_\_\_\_\_% per year. If checked here , a variable rate loan in which the initial interest rate is not more than \_\_\_\_\_% per year, which may change not earlier than \_\_\_\_\_ months and thereafter not more frequently than every \_\_\_\_\_ months, and will not change by more than \_\_\_\_\_% per year at any change and not more than \_\_\_\_\_% per year in total.
- d. Maximum monthly payments: \$ \_\_\_\_\_
- e. Maximum "points" or origination fees of any description \_\_\_\_\_
- f. Other special terms apply if checked here and a schedule is attached.

If a written commitment for such a loan is not delivered to Seller on or before \_\_\_\_\_ days after the date this Contract is accepted by Seller, then either Seller or Buyer may terminate this Contract by giving written notice to the other within five (5) days after the date for delivery of such written commitment. For purposes of this Section, if the date for obtaining a commitment is a Saturday, Sunday or a legal holiday, then the date for performance will be the next business day. If any portion to the Purchase Price of this Contract is to be paid by any form of financing and if Buyer accepts a loan commitment on different terms than those set forth above, then Buyer may not cancel this Contract based on this condition.

Cash Transaction; If checked here  or if the information above is not completed, then this Contract is not conditioned upon the Buyer's obtaining financing and the parties acknowledge that the entire Purchase Price shall be due from Buyer and payable to in accordance with the terms described herein.

### 5. Buyer's Land. As a condition to Seller's obligation to perform under this Contract, Buyer must provide to Seller, at Buyer's cost, (a) a title commitment or other evidence acceptable to Seller that Buyer owns sufficient rights in the land on which the Home is to be placed for Seller to deliver and place the Home and perform its other obligations under this Contract, ("Buyer's Land"); and (b) a survey of Buyer's Land no later than sixty (60) days prior to the date of this Contract and showing no conditions on Buyer's Land which in Seller's determination would make it excessively difficult for Seller to perform its obligations in accordance with the Purchase Price offered by Seller.

6. OTHER CONDITIONS. The obligations of  Seller  Buyer (Check One) are further conditioned on completion of the following on or before the specified deadline:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

ARTICLE II . CONSTRUCTION PROVISIONS  
PART A - VARIABLES

SCOPE OF THE WORK

- HOME ONLY - Attach the Home on a foundation provided by Buyer, in accordance with Seller's procedures. Buyer understands that the Home is a modular home, which will be constructed by \_\_\_\_\_ designated as model \_\_\_\_\_ and delivered to and installed on the Buyer's Land as described in this Contract.
- HOME PLUS - Attach the Home on the foundation and perform other work and services as described on the Addenda.

PRIME (GENERAL) CONTRACTOR:

- If checked here, Seller is acting as Buyer's general contractor. General Contractor's License # \_\_\_\_\_.
- If checked here, Seller is not acting as general contractor and Buyer is either acting as the general contractor or has chosen to hire a general contractor. As a condition to Seller's obligation to perform under this Contract, Buyer will provide to Seller originals of all permits that are the responsibility of Buyer to obtain under this Contract. Buyer acknowledges and agrees to accept all construction and legal risk whatsoever in assuming the role of general contractor.

If Buyer has assumed responsibility for obtaining permits and fails to obtain a necessary permit, and as a result Seller is unable to transport or install the Home, the Seller may, at Seller's option, cancel this Contract and return the down payment to Buyer without further liability or obligation but retaining the right to sue for any damages (for example, but without limitation, the Seller may owe money to the manufacturer of the Home). If Buyer fails to obtain a necessary permit, or fails to make any required changes, and in either case as a result Seller incurs any costs, fines or forfeitures, Buyer will pay the amount of any such cost, fine or forfeiture to Seller on demand.

WORK STARTS: (See Part B, Section 3 below);

The estimated start date is \_\_\_\_\_ subject to limitations stated herein.

WORK COMPLETED (See Part B, Section 3 below);

The estimated completion date is \_\_\_\_\_ subject to limitations stated herein.

PART B - STANDARD TERMS AND CONDITIONS

- 1. SCOPE OF THE WORK. The "Work" shall consist of those items described in PART A, Addendum A or on attached sheets referring to this Contract and identifying all described items as part of this Contract's Work. Any plans or specifications of the work which are described herein or attached hereto or otherwise identified as such by Seller are referred to as the "Plans."  
If Seller advises Buyer that the Home would be available for delivery on or after the anticipated delivery date but for the fact that Buyer's Land is not in a condition which allows Seller to deliver and install the Home as Seller deems appropriate, then the Buyer shall pay an amount to Seller in respect of Seller's costs of holding the Home until Buyer at its expense so prepares Buyer's Land, which delay costs may include, but not limited to, Seller's cost of funds and the cost of storage and protection. The parties agree that these costs are estimated to be \$ \_\_\_\_\_ per day, and accept such estimate instead of requiring a calculation of various elements of the actual cost.  
Buyer shall comply with all codes and ordinances and inform Seller of any special conditions, including without limitation, deed covenants at the location or related to Buyer's Land or any special requirements for the Home.
- 2. RELATIONSHIP. If the Buyer requests that Seller obtain any materials or supervise any work not specifically described above or on the attached sheets and Seller agrees to do so in writing, Buyer shall pay Seller the cost thereof plus \_\_\_\_\_% (15% if not filled in).
- 3. TIME FOR PERFORMANCE. Unless specified in Part A above or elsewhere in writing which refers to this Contract and identifies this specific provision of this Contract, Seller will start the Work at such time as Seller deems appropriate given the nature of the Work to be performed. Buyer understands that some of the Work may be performed prior to delivery of the Home and some may be required to be performed after delivery of the Home because it depends upon delivery of the Home, all in Seller's sole judgement and discretion. Seller is not required to start the Work if any of the Buyer's contingencies under this Contract are not satisfied. In either case, Seller shall use reasonable efforts to complete the Work within the period indicated in Part A after starting the Work. The dates for commencing and completing the Work shall be extended for the number of days that Seller is unable to work due to inclement weather, labor disputes, material shortages, civil unrest, acts of the Buyer or Buyer's contractors, abnormal building conditions, acts of governmental bodies, failure of Buyer to timely or correctly complete any work that Buyer has agreed to do, failure of the Home's manufacturer to complete its construction as anticipated, and other causes outside of the control of Seller. "Completion" of Work shall occur when Seller has performed all of the described work substantially in accordance with the Plans and, if governmental inspection is required, the appropriate permit or approval of Seller's work has been issued.
- 4. CHANGES. Except as stated in this Section or Section 8 below, no changes to the plans and specifications may be made except by a written Change Order signed by Buyer and Seller, setting forth a description of the changes, additions or deletions, the additional cost or credit to Buyer and any delay that it will cause in completing the Work. Seller reserves the right to require full payment prior to initiating any Change Order. A change required by a governmental body that increases Seller's cost shall require a written Change Order or Buyer's consent and shall be paid for by the Buyer. Seller may substitute materials in equal value and utility without Buyer's consent.
- 5. WATER ISSUES. Seller is not responsible for any damage caused by water leaks, drain leaks or broken pipe if connection to water and sewer service was done by someone other than Seller or its agent. Buyer must be present when water is turned on, and shut off immediately if water leak exists, even if Seller has stated water lines to be in working condition.
- 6. OTHER CONTRACTORS. Buyer or other contractors of Buyer may also be performing work at or near Buyer's Land and Seller is not responsible for their work. WARRANTIES ARE EXCLUDED IF WORK OF BUYER OR BUYER'S OTHER CONTRACTORS IS NOT PERFORMED IN A TIMELY FASHION OR DOES NOT MEET THE STANDARDS OF THE PLANS OR THE INDUSTRY. BUYER ALONE SHALL SUPERVISE OTHER CONTRACTORS.
- 7. POSSESSIONS AND CONTROL. While Seller is performing the Work and until Seller is paid in full for the Work, Seller shall retain sole possession and control of the Home. Buyer or other contractors of Buyer may also perform work at Buyer's Lands, but only with Seller's consent, and Seller shall not be responsible for the safety or conditions at the Home or the work site. If Buyer occupies the Home prior to Completion and full payment to Seller without the consent from Seller, then Seller may deem occupancy to be acceptance of Seller's Work, and may terminate the obligation to perform all further Work, and Buyer shall pay Seller for all Work performed by Seller, in addition to all other amounts due under this Contract including the Purchase Price of the Home.

- 8. **CONDITIONS AT THE PROPERTY.** If unexpected conditions arise on Buyer's Land which will increase Seller's cost, Buyer shall pay such increase and it will not be deemed a Change Order requiring Buyer's consent. Examples of unexpected conditions include, but are not limited to, inadequacy of the weight bearing capacity of the soil, abnormally inaccessible sewers, unusual subsurface conditions and the misrepresentation of Buyer about any conditions at Buyer's Land. Buyer shall pay for tree removal, fill, cutting to grade, trucking, water pumping, excavation, snow removal, and the like. Seller need not replace any topsoil or surface objects.  
Delivery of the Home is included in the Purchase Price, or if the Seller quotes a charge for delivery to the Buyer's destination, both the agreement to transport the Home, as well as the price quotation made, are based upon Buyer warranting and representing that travel is along acceptable all weather, surfaced roads, fully open and accessible, from point of origin to point of delivery during the period required for transportation. If Buyer's warranty or representation is untrue, Buyer shall pay any additional costs of delivery, and Seller may delay delivery if Seller deems delay advisable in Seller's sole discretion. If the delivery is delayed because Buyer's warranty or representation is untrue, the Home shall be considered "available for delivery" for all purposes.
- 9. **BUYER'S RESPONSIBILITIES.** Unless assumed by the Seller elsewhere in this Contract, Buyer must have a qualified professional, light pilot lights, pressure test, install proper orifice, adjust flames, and fire furnace when supplier hooks up fuel to the Home. This includes the furnace, water heater, stove, or any other fuel-burning device.
- 10. **LIEN NOTICE IF SELLER IS A PRIME (GENERAL) CONTRACTOR.** IF REQUIRED BY THE CONSTRUCTION LIEN LAW OF THE STATE IN WHICH SELLER CONDUCTS ITS BUSINESS OR IF REQUIRED BY THE STATE IN WHICH SELLER PERFORMS WORK FOR THE BUYER, SELLER HEREBY NOTIFIES BUYER THAT PERSONS OR COMPANIES FURNISHING LABOR OR MATERIALS FOR THE CONSTRUCTION ON BUYER'S LAND MAY HAVE LIEN RIGHTS ON BUYER'S LAND AND BUILDINGS IF NOT PAID. THOSE ENTITLED TO LIEN RIGHTS, IN ADDITION TO THE UNDERSIGNED SELLER, ARE THOSE WHO CONTRACT DIRECTLY WITH THE BUYER OR THOSE WHO GIVE THE BUYER NOTICE WITHIN (60) DAYS AFTER THEY FIRST FURNISH LABOR OR MATERIALS FOR THE CONSTRUCTION. ACCORDINGLY, BUYER WILL PROBABLY RECEIVE NOTICE FROM THOSE WHO FURNISH LABOR OR MATERIALS FOR THE CONSTRUCTION AND SHOULD GIVE A COPY OF EACH NOTICE RECEIVED TO HIS MORTGAGE LENDER, IF ANY. SELLER AGREES TO COOPERATE WITH THE BUYER AND HIS LENDER, IF ANY, TO SEE THAT ALL POTENTIAL LIEN CLAIMANTS ARE DULY PAID.
- 11. **INSURANCE.** Buyer shall keep the Home and Buyer's Land insured with coverage against loss or damage by fire, windstorm, vandalism, theft, collapse and all other hazards, naming Seller as additional insured and loss payee in an amount not less than the amount owed hereunder. If Buyer does not carry that insurance, Seller may obtain it and charge Buyer for the premium. Seller shall maintain public liability insurance while it is performing the Work of not less than \$300,000 bodily injury, \$100,000 property damage, and worker's compensation coverage. As a condition to Seller's obligation to perform under this Contract, the Buyer must first provide evidence of the coverage required in this section to Seller.  
Buyer assumes the risk of loss for the Home and accessories immediately upon delivery. Buyer must ask Buyer's insurance representative when the Home will be covered by insurance. Seller cannot bind Buyer's insurance. Buyer waives any claims against Seller relating to risk or loss after it is assumed by Buyer above, even if Buyer's insurance is not yet effective.
- 12. **SECURITY AGREEMENT.** Buyer hereby grants a security interest to Seller in the Home as security for payment of all amounts due Seller in this Contract. Buyer shall execute such documents as Seller requests in order to evidence this interest. Buyer also authorizes Seller and appoints Seller as Buyer's attorney in fact to execute and file any mortgage, fixture filing, financing statement or other instrument to perfect that security interest. Seller may also have other security interests or other collateral for all or portions of Buyer's obligations contained in this Contract.
- 13. **DEFAULT AND REMEDIES.** If Buyer defaults in the performance of any of its duties in this Contract, Seller may terminate its obligation to perform the Work, and shall be paid for Seller's Work that was performed in addition to all other amounts due under this Contract including, but not limited to, the Purchase Price of the Home and Seller shall have all other remedies available at law or equity. Buyer shall pay Seller's cost of collection, including reasonable attorney's fees, whether before or after bankruptcy.

**ARTICLE III - ADDITIONAL TERMS AND CONDITIONS**

- 1. **POSSIBLE INCREASE IN PURCHASE PRICE.** The Purchase Price to be paid by Buyer for the Home shall be increased at the time of delivery, and payment of such increase shall be made at such time, by the amount necessary to reflect (a) the addition of new features or equipment as required by state or federal law; (b) state or federal tax rate changes, or (c) changes to the model or equipment or options selected by the Buyer. No other price change for the Home is permitted, however, there may be additional costs for installation as set forth in other parts of this Contract or any attachments.
- 2. **POSSIBLE CHANGES IN MODEL.** Manufacturers sometimes make changes in model designs and accessories, including, but not limited to, colors, textures of floor and wall coverings, door styles, and trim. If the manufacturer of the Home makes changes in the model, those changes may or may not appear in the Home actually sold and delivered. Seller is not required to make the Home have any of the changes made to the manufacturer's model. If any cosmetic change to the model does appear in the Home when delivered, Buyer shall accept those changes. All changes to equipment or materials will be of equal or better quality or function.
- 3. **COMPLETION OF HOME BY MANUFACTURER.** Before Seller is obligated to deliver the Home to the Buyer, Seller must first receive notice from the manufacturer of the Home that the Home is completed and ready for shipment.
- 4. **EARLY DELIVERY.** Unless the Buyer does not yet own the real property where the Home will be placed, or unless that property is not yet prepared for delivery as provided elsewhere in this Contract, if the Home is available for delivery before the scheduled date and the Seller desires to deliver it, then Buyer shall accept early delivery upon reasonable notice from Seller.
- 5. **ENTIRE AGREEMENT.** This Contract with all attachments, is the entire agreement of the parties. No oral statements, and no written document not included in this Contract, affects the rights of the parties.
- 6. **REMEDIES.** If Buyer breaches any of the agreements in this Contract, Seller may do any of the following (except where these would be inconsistent): cancel this Contract and return Buyer's down payment, except for any deduction due Seller pursuant to the terms of this Contract; retain the down payment as liquidated damages without further liability to either party, or retain the down payment as partial performance. In no case will the aggregate value of amounts retained under this paragraph exceed the liquidated damages \_\_\_\_\_ percent (if blank then the percentage is 20%).
- 7. **GOVERNING LAW.** This Contract shall be governed exclusively by its terms and by the laws of the State in which Seller conducts its business.
- 8. **SEVERABILITY.** If any term, condition or provision of this Contract or any attachment or any other document delivered in connection with this Contract is found to be unenforceable for any reason, the remaining terms, conditions and provisions of this Contract, any attachment and all other documents shall remain in full force and effect.

**ARTICLE IV - WARRANTIES AND REPRESENTATIONS**

The home is covered by a new home \_\_\_\_\_ year warranty provided by the manufacturer of the Home ("Manufacturer's Warranty") a copy of which has been delivered to Buyer.

Seller warrants to Buyer that the Work described in Article II of this Contract will be performed in a good and workmanlike manner within the standards of the industry as specified by federal, state and local laws, statutes, codes, regulations, and ordinances ("Seller's Warranty"). Seller's Warranty extends only to Buyer and is not transferable to any subsequent owner. Seller's Warranty does not cover damage, loss or injury resulting from: (a) normal wear and tear, (b) acts of God, accident or casualty; (c) misuse or abuse; (d) insects/rodents; or other animal life; (d) alteration, modification or unreasonable or improper use of the Home; (e) failure to maintain adequate temperature and proper humidity levels in the Home; (f) failure to perform routine maintenance for the Home; (g) the condition of Buyer's Land, including improper or inadequate soil drainage conditions and settlement of the site; (h) defective or improper construction of the foundation system; (i) pouring of the concrete floor after the Home has been set on the basement or other foundation system; (j) the growth of mold, mildew, spores, or fungi; (k) touring or showing of model or spec homes; (l) any work performed by Buyer or any person other than Seller or Seller's contractors or employees; or (m) any matter covered under Manufacturer's Warranty.

Seller's obligations under Seller's Warranty are limited to repair or replacement, at Seller's option, of defective Work.

BUYER ACKNOWLEDGES AND AGREES THAT ALL OTHER WARRANTIES OF THE WORK, EXPRESS OR IMPLIED, ARE WAIVED AND EXCLUDED AND ALL SPECIAL OR CONSEQUENTIAL DAMAGES ARE HEREBY WAIVED TO THE EXTENT PERMITTED BY APPLICABLE STATUTE. Any claim under Seller's Warranty must be made in writing within one (1) year of the date of completion.

**ARTICLE V - SIGNATURES**

**JURY WAIVER**

**BUYER AND SELLER WAIVE TRIAL BY JURY IN ANY ACTION, CLAIM OR COUNTERCLAIM ARISING OUT OF OR IN ANY WAY RELATING TO THIS CONTRACT AND AGREE THAT ANY SUCH ACTION, CLAIM OR COUNTERCLAIM SHALL BE DECIDED BY TRIAL TO THE COURT WITHOUT A JURY. BUYER ACKNOWLEDGES AND UNDERSTANDS THAT THIS WAIVER AND CONSENT IS A MATERIAL INDUCEMENT TO SELLER TO ENTER INTO THIS CONTRACT.**

\_\_\_\_\_  
BUYER

\_\_\_\_\_  
BUYER

**IMPORTANT: BUYER ACKNOWLEDGES HAVING READ AND UNDERSTOOD THE TERMS AND CONDITIONS CONTAINED IN THIS CONTRACT BEFORE SIGNING IT. THE PARTIES ACKNOWLEDGE AND REPRESENTS TO EACH OTHER THAT EACH PARTY HAS SOUGHT LEGAL COUNSEL TO REVIEW THIS CONTRACT AS TO ITS TERMS, CONDITIONS AND ENFORCEABILITY. THE PARTIES ACKNOWLEDGE AND AGREE THAT ONLY THOSE TERMS IN WRITING MAY BE ENFORCEABLE AND THAT NO OTHER TERMS OR ORAL PROMISES NOT CONTAINED IN THIS WRITTEN CONTRACT MAY BE LEGALLY ENFORCEABLE. THE PARTIES AGREE TO CHANGE THE TERMS OF THIS CONTRACT ONLY BY A WRITTEN AGREEMENT SIGNED BY BUYER AND SELLER. BUYER ACKNOWLEDGES RECEIVING A COPY OF THIS CONTRACT AT THE TIME IT WAS SIGNED.**

Buyer(s) signed this on \_\_\_\_\_

Signature(s):

\_\_\_\_\_  
BUYER

\_\_\_\_\_  
BUYER

This Contract was  accepted  rejected  countered in another document.

By Seller on \_\_\_\_\_

Signature:

Name of Business: \_\_\_\_\_

By: \_\_\_\_\_  
NAME AND TITLE