



HOME CONSTRUCTION CONTRACT

LUMP SUM

In consideration of the mutual covenants and obligations, Seller and Buyer enter into this Home Construction Contract (the "Contract").

1. SELLER/BUYER/SIGNATURE/ACCEPTANCE

WARNING: DO NOT SIGN PRIOR TO READING THE ENTIRE CONTRACT. BY SIGNING THIS SECTION 1, THIS CONTRACT BECOMES LEGALLY BINDING ON THE SELLER AND THE BUYER, AND EACH PARTY AGREES TO THE TERMS AND CONDITIONS SET FORTH HEREIN.

SELLER:	BUYER:
Seller's Company Name:	Buyer's Name:
Seller's Representative and Title:	Buyer's Name (spouse or additional buyer):
Signature:	Signature:
	Signature:
Address:	Address:
Phone Number:	Phone Number:
	Phone Number:
Email:	Email:
	Email:
Date:	Date:

2. CONSTRUCTION PRICE

Lump Sum Price with Allowances: Buyer agrees to pay Seller a lump sum price of \$ _____ for the completion of the Work subject to any Allowance item (the "**Construction Price**"). Attached as Attachment 1 is the schedule setting forth the allowances for certain materials and portions of the Work (each an "**Allowance**"). Buyer acknowledges and agrees that Allowance items may only be estimates. The lump sum price is subject to adjustment in the event that the actual cost of an Allowance item is greater or less than the corresponding amount set forth in Attachment 1. Buyer further agrees that in such cases where an actual cost exceeds the Allowance item estimate set forth in Attachment 1 there shall be an adjustment to the total Construction Price reflecting the additional costs. If the actual cost of any Allowance item is less than the Allowance for such item, Buyer will receive a credit against the Construction Price equal to the amount by which the cost of the item is less than the Allowance.

3. PROJECT / WORK / PROJECT SITE

A. Project. Buyer and Seller enter into this Contract for the construction of the following: (the "**Project**") as more specifically set forth in the plans and specifications dated and identified as (insert date and information that will identify the plans and specifications (the "**Plans and Specifications**").

B. The Work. Subject to the terms and conditions of this Contract, Seller shall provide the labor, materials, equipment, and services necessary to complete the construction of the Project (the "**Work**") free from any Construction Defects (the term Construction Defects is defined in the Warranty).

C. Project Site. The Seller shall complete the Work for the Buyer at the following property (the "**Project Site**") (clearly mark appropriate box):

Address: _____

Lot _____ of (name of subdivision plat or certified survey map no.) recorded in the office of the County Register of Deeds as Document No. _____

See legal description attached to this Contract.

4. START DATE / COMPLETION DATE

A. Start / Substantial Completion. Unless the parties mutually agree otherwise, the Work shall start and be substantially completed as follows:

Start Date: _____

Substantial Completion Date: _____

Seller shall not be required to commence working on the Start Date unless the following preconditions have been met: (i) execution of this Contract; (ii) satisfaction or waiver of all contingencies set forth in this Contract; (iii) payment of the Initial Payment; and (iv) Buyer deposits with the Escrow Agent any loan proceeds or cash equivalent payment if required per the Escrow Agreement set forth under Section 7. Buyer shall not be given possession of the Project until Seller receives Substantial Completion Payment excluding any retainage (if applicable).

Subject to any delay provisions set forth in this Contract, the Seller shall accomplish Substantial Completion of the Work no later than the Substantial Completion Date. "**Substantial Completion**" means the earlier of the following: (i) the date Buyer takes possession of the Project; (ii) the date completion of the Work allows for the Project to be occupied or used for its intended purpose; or (iii) the issuance of an occupancy permit by the applicable governmental entity.

B. Exclusive Possession. For purposes of safety, scheduling, and cost, from the Start Date through Substantial Completion, Buyer grants Seller exclusive control of the Project Site. No person, including Buyer, shall be allowed on the Project Site without permission of the Seller and unless accompanied by the Seller's site supervisor.

C. Final Walk-Through. At a reasonable, agreed-to time after Substantial Completion, Seller and Buyer shall conduct a walk-through to inspect the Project to determine that the Seller completed the Work, and that there are no Construction Defects (as defined in Section 11). If there is any unfinished Work and/or there are any Construction Defects, Seller shall complete the Work and/or cure the Construction Defects within a reasonable amount of time. The ***"Final Completion Date"*** shall be the later date of either the Final Walk-Through or the completion of or curing of any unfinished Work or Construction Defects identified at the Final Walk-Through.

D. Delays. Seller shall give Buyer timely notice of any impending delay in performance of the Contract in the form of a written Change Order if performance will be delayed beyond a deadline specified in the Contract. The notice must specify the reason for the delay, and must specify a new proposed Substantial Completion date. Buyer shall sign any reasonable request for delay in the performance of the Contract.

5. CHANGES TO THE WORK

A. Change Orders. After execution of this Contract, any changes to the Work shall be accomplished by agreement of Seller and Buyer pursuant to a change order (each a ***"Change Order"***). The Change Order set forth the Change in the Work, adjustments to the Construction Price and the adjustment to the Substantial Completion Date. The Seller and Buyer shall endeavor to document each Change Order, which may include, without limitation, by exchange of emails.

B. Oral Change Orders. Change orders may also be done orally. In the event a change to the Work is orally requested by the Buyer and the parties do not agree upon an amount in writing for the cost, the cost shall be the actual costs incurred to complete the change to the Work plus an additional amount of _____% (25% if left blank) of the costs incurred to complete the change to the Work.

6. CONSTRUCTION PAYMENTS

A. Initial Payment. Buyer agrees to make an initial payment to Seller to pay a portion of the initial costs of design, permitting, labor and materials in the amount of \$ _____ (5% of Contract Price if left blank) (the ***"Initial Payment"***) prior to the Start Date.

B. Progress Payments. Unless a different method is set forth in a separate Escrow Agreement under Section 7, the Buyer shall make progress payments every _____ days (thirty days if left blank) (each period a ***"Payment Period."***) The Seller shall submit a "Progress Payment Request" for each Payment Period ending on the final day of the Payment Period, which shall include a description of the completed portion of the Work and the payment amount for the portion of the Work subject to the request. The Buyer shall make or authorize payment to Seller for the requested amount within three days after receipt of the Progress Payment Request. Seller shall furnish a partial lien waiver for Seller's work to the Buyer in the amount of the progress payment with the Progress Payment Request. Each partial lien waiver from Seller shall be limited to the actual amount of payment in good funds, and shall be conditioned upon Buyer's payment of the Progress Payment to Seller. Any lien waiver provided by Seller to Buyer shall automatically be null and void if payment in good funds is not received within three days.

C. Substantial Completion Payment. The Substantial Completion Payment (the ***"Substantial Completion Payment"***) shall be paid at the time of Substantial Completion of the Work except for the agreed-to amount retained by Buyer until the Final Completion Date. Buyer may retain _____% (1% if left blank) of the Construction Price from the Substantial Completion Payment, which amount shall be paid to Seller on the Final Completion Date (the ***"Final Payment"***).

7. ESCROW AGREEMENT (CLEARLY MARK BOX IF APPLICABLE)

The parties agree that the total Construction Price, less the aforementioned Initial Payment (when paid), shall be deposited with or available to the escrow agent (the ***"Escrow Agent"***) acceptable to Buyer



and Seller pursuant to a fully executed escrow agreement (the "*Escrow Agreement*"). The Escrow Agreement shall name Seller as escrow proceeds recipient. Buyer shall pay any fees or charges for said escrow and agrees to authorize the disbursement of withdrawals from the escrow as set forth in Section 6. Escrow Agent may be the bank or selected by the bank providing financing.

8. PERMITS / BUYER'S WORK

A. Permits. Seller hereby informs Buyer that depending on the scope of Work necessary to complete the Project, it may be necessary for either the Seller or the Buyer to obtain certain permits, including without limitation, building and construction permits, sanitary and well permits (if a private sewage system or well is used), a driveway permit, an occupancy permit, other local permits and:

Mark the appropriate box:

- Seller shall be responsible for obtaining all necessary permits that are required for the Work. Buyer shall be responsible for any and all building and construction permits that are required for Buyer's Work (defined below).
- Buyer shall be responsible for obtaining all necessary permits that are required for the Work and Buyer's Work.

B. Buyer's Work and Materials / Credits. Buyer shall receive work credits against the total Contract Price for labor and materials provided by Buyer, and for any portion of the Work to be completed by Buyer ("*Buyer's Work*"). The amount of each credit shall be set forth in Attachment 2, and agreed to prior to the execution of this Contract. Buyer agrees to perform Buyer's Work within a reasonable time after notice from the Seller that such work must be performed. Buyer shall complete Buyer's Work subject to appropriate inspection by the proper governmental authority. Buyer is responsible for insuring that any party other than Seller who performs work and/or supplies material at the Project Site carries the necessary worker compensation insurance to the extent required by law and general liability insurance to cover all operations at the Project Site in the same amount Seller is required to carry under Attachment 3. Buyer agrees to defend, indemnify and hold Seller harmless from any and all claims, demands, actions, liabilities, losses, and damages including, without limitation, actual, reasonable attorneys' fees and costs incurred, to persons or property arising out of or related to any act or omission of Buyer or any agent, contractor, or subcontractor of Buyer in, on, or about the Project Site, in connection with the performance of Buyer's Work or the furnishing of materials for Buyer's Work. Buyer's Work is excluded from the Warranty provided under this Contract. Any damage to the Work caused by Buyer, Buyer's agents, Buyer's contractors and subcontractors or caused by Buyer's Work is excluded from the Warranty. Such damages shall be the sole responsibility of Buyer.

9. FINANCING / EVIDENCE OF ABILITY TO PAY

A. Financing. Clearly mark box only if applicable.

- This Contract is contingent upon the Buyer securing a commitment for a construction loan in an amount equal to _____ % (80% if left blank) of the Construction Price no later than.

B. Evidence of Ability to Pay. Upon request from Seller, Buyer shall provide Seller assurances and evidence of Buyer's ability to pay the Construction Price and/or for any Change Order that increases the Construction Price. If Buyer does not provide adequate assurance and evidence of Buyer's ability to pay, then Seller has the absolute right to terminate this Contract and receive payment for the cost of the labor and materials provided to date plus an additional amount of _____ % (25% if left blank) of that cost.

10. SITE CONDITIONS

A. Differing Site Conditions. A "*Differing Site Condition*" is any physical condition at the Project Site that is materially different from those implied in the Plans and Specifications or those normally encountered in the construction of this type of Project. Differing Site Conditions may include, without limitation, abnormal soil conditions, undocumented



or incorrectly documented sewer or water laterals, the need to remove and transport excess fill, the need for water pumping, etc.

If Seller encounters a Differing Site Condition, Seller shall provide notice to Buyer as soon as reasonably possible. Seller will not disturb the Differing Site Condition prior to notification and direction from Buyer except as necessary to protect the safety of individuals, the Project Site and the Work. Any changes to the Construction Price and the Substantial Completion Date as a result of the Differing Site Condition should be done by a written Change Order.

If a Differing Site Condition is encountered by Seller when performing the Work, then the Contract Price and the Substantial Completion Date shall be adjusted as follows: (i) the Construction Price shall be adjusted to include the additional costs incurred by Seller plus an additional amount of % (25% if left blank) of the additional costs; and (ii) the Substantial Completion Date shall be extended a reasonable number of days necessary to complete the Work as a result of the Differing Site Condition.

B. Environmental Site Condition. Seller is not responsible for environmental conditions at the Project Site, including without limitation, storm water and wetland issues affecting the site, contaminated soils, radon, existing lead paint, asbestos, molds, or any other unknown environmental hazards. Buyer represents and warrants the site is not in a floodplain or floodway, and that any storm water runoff from the Project Site after construction will not adversely affect any other property owner. Buyer shall indemnify, defend and hold harmless the Seller against any claims or damages, including without limitation, reasonable, actual attorneys' fees that are based on or result from any environmental site condition set forth under this Section.

C. Weather Conditions. Any abnormal, adverse weather that affects Seller's ability to complete the Work shall be treated in the same manner as a Differing Site Condition. In the event that Seller take immediate action to preserve the Project Site as a result of adverse weather and Seller is unable to notify Buyer, Buyer shall be responsible for all costs incurred by Seller.

D. Validity of Lot Ownership. Buyer represents and warrants that he/she has the requisite authority and interest (for example, fee simple ownership of the Project Site) to enter into this Contract for performance of the Work on the Project Site. Buyer further represents and warrants that there are no recorded deed restrictions, easements, or covenants that would prohibit or impair performance of the Work. Buyer shall be responsible for furnishing an approved site for construction of the Work. The Buyer shall defend, indemnify and hold harmless the Seller from any and all liability and damages, including reasonable, actual attorneys' fees, incurred as a result of Buyer's breach of this section.

E. Compliance With Local Restrictions and Zoning. Buyer represents that the Project described herein at the Project Site complies with all applicable zoning and use regulations, and Buyer shall hold the Seller harmless from any and all claims, demands, actions, liabilities, losses, and damages arising out of or related to such regulations. If a survey is necessary to determine any set back lines, or other zoning matter, then the Buyer shall provide an acceptable survey at Buyer's cost.

F. Interior Conditions. WARNING: Energy efficiency is achieved by construction methods which reduce air infiltration and air circulation. This may result in a concentration of water vapor from cooking, showering, etc., which, at excessive levels, can cause property damage, concentration of mold, radon or chemical compounds released from soil, household furnishings, personal possessions, and building materials. Buyer can minimize adverse effects by proper utilization and maintenance of ventilation fans and/or other ventilation devices installed by the Seller and by opening doors and windows to increase ventilation. BUYER HEREBY ACKNOWLEDGES THAT BUYER HAS BEEN INFORMED OF SUCH HEALTH RISK AND BUYER ASSUMES ALL RISKS OF DAMAGE OR INJURY WHICH MAY ARISE AS A RESULT OF, OR IN ANY WAY CONNECTED WITH SUCH CONSTRUCTION METHODS AND HEREBY FULLY, FINALLY AND FOREVER RELEASES AND DISCHARGES SELLER, ITS OFFICERS, EMPLOYEES,



SUBCONTRACTORS, AND AGENTS FROM AND AGAINST ALL CLAIMS, LIABILITIES AND EXPENSE AND DAMAGES WHATSOEVER, WHETHER NOW KNOWN OR HEREAFTER KNOWN, WHICH BUYER OR ITS ASSIGNS MAY HEREAFTER HAVE AGAINST SELLER, ITS OFFICERS, EMPLOYEES, SUBCONTRACTORS, AND AGENTS REGARDING TO THE MATTERS REFERRED TO IN THIS PARAGRAPH.

11. WARRANTY

A. Warranty. Seller warrants that the Work shall be free from Construction Defects for a period of one (1) year from the Substantial Completion Date subject to the limitations set forth below (the "*Warranty*").

B. Construction Defects. The term "*Construction Defect*" means a condition that (i) either materially affects the structural integrity of the Project, has an obvious and material negative impact on the appearance of the Project, jeopardizes the life or safety of the occupants of the Project, or results in the inability of the Project to provide the functions that can reasonably be expected in such Project, and that (ii) is caused by either defective materials, a violation of applicable building codes, a material deviation from the Plans and Specifications, or a failure to follow the current adopted standards set forth in the *Construction Industry Quality Standards of the Wisconsin Builders Association* ("*Industry Standards*"). Buyer may obtain a copy of the Industry Standards from Seller or at: <http://www.wisbuild.org/industry-quality-standards.html>.

C. Notice and Repair/Replacement of Construction Defect. For a Construction Defect to be covered by this Warranty, Buyer shall give written notice of the Construction Defect (the "*Notice*") to Seller prior to the date of expiration of this Warranty. Upon receipt of the Notice from Buyer, the Seller shall either replace or repair the Construction Defect, at Seller's sole discretion, in a reasonably prompt manner subject to the terms and conditions of this Contract. Any Construction Defect, latent or otherwise, for which Notice is not provided prior to the expiration of this Warranty shall not be covered by this Warranty. If Buyer does not give Seller Notice of the Construction Defect and the opportunity to either repair or replace the Construction Defect, at Seller's sole discretion, then the Seller shall not be liable for the Construction Defect.

D. Exclusions. Seller shall not be obligated to replace or repair any Construction Defect or pay for the replacement or repair of any Construction Defect caused, in whole or in part by: (i) Buyer's improper or insufficient maintenance of the Project or improper or insufficient maintenance or operation of any of the Project's systems; (ii) natural occurrences beyond Seller's control; (iii) defects in materials supplied by anyone other than the Seller or agents acting on the Seller's behalf; (iv) any work performed by Buyer or Buyer's contractors, subcontractor's or agents; (v) normal wear and tear and normal usage; and (vi) materials, products or systems covered by other warranties such as manufacturers' warranties. Seller's Warranty is not assignable or transferable to any subsequent buyer of the Project without the Seller's prior written consent.

E. Other Warranties. Seller hereby assigns to Buyer any and all manufacturers' warranties pertaining to any fixtures, appliances and equipment and other products covered by a manufacturer's warranty that are part of the Project (collectively, the "*Warrantied Products*"). In the event Seller repairs, replaces or pays the cost of repairing or replacing any defect covered by this Warranty which is covered by insurance or other warranties, then Buyer shall assign the proceeds of such insurance or warranties to Seller to the extent of Seller's cost for such repair or replacement, or the extent of the payment.

F. Exclusive Remedy. This Warranty shall be the sole and exclusive remedy under this Contract for any and all claims regarding Construction Defects, design deficiencies, material deficiencies, construction deficiencies (i.e., poor quality or substandard workmanship), and negative site conditions whether such claims are based on tort, strict liability, statute, breach of contract or breach of express or implied warranty claims. ALL EXPRESS OR IMPLIED WARRANTIES ARE HEREBY DISCLAIMED (INCLUDING WITHOUT LIMITATION ANY WARRANTIES SET FORTH UNDER 706.10(7) OF THE WISCONSIN STATUTES). BUYER WAIVES ANY AND ALL CLAIMS FOR INCIDENTAL



AND CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO CLAIMS BASED ON TORT, STRICT LIABILITY, STATUTE, BREACH OF CONTRACT, AND BREACH OF EXPRESS AND IMPLIED WARRANTIES.

12. NOTICE CONCERNING CONSTRUCTION DEFECTS

Wisconsin law contains important requirements you must follow before you may file a lawsuit for defective construction against the contractor who constructed your dwelling or completed your remodeling project or against a window or door supplier or manufacturer.

Section 895.07 (2) and (3) of the Wisconsin statutes requires you to deliver to the contractor a written notice of any construction conditions you allege are defective before you file your lawsuit, and you must provide your contractor or window or door supplier the opportunity to make an offer to repair or remedy the alleged construction defects. You are not obliged to accept any offer made by the contractor or window or door supplier. All parties are bound by applicable warranty provisions.

Buyer acknowledges receipt of the Notice Concerning Construction Defects and the brochure prepared by the Wisconsin Department of Commerce titled "Wisconsin's Framework for Successful Communications Between Consumers and Contractors."

REMINDER: Seller must provide brochure "Wisconsin's Framework for Successful Communications Between Consumers and Contractors."

13. ARBITRATION

- If this section is marked, then any dispute or controversy between Seller and Buyer arising out of or related to the Contract or Buyer's claim of Construction Defect(s) shall be decided through binding arbitration, based on the final decision of a neutral arbitrator agreed to by the parties. If the parties cannot agree on an arbitrator, each party shall name one attorney unrelated to this matter (an attorney not representing either party) who is a member of the Wisconsin State Bar. The two named attorneys shall then select another attorney who is experienced in construction law to act as the arbitrator. Judgment on any arbitration award may be entered in any court of competent jurisdiction. Once an arbitrator is selected, the parties shall agree to rules to govern the arbitration; provided, however, if the parties cannot agree to such rules, then the rules and procedures set forth under Wis. Stat. ch. 788 shall be followed. If either party refuses to submit a claim to arbitration, or fails to abide by all of the rules adopted, the non-breaching party shall be entitled to recover all costs, including reasonable, actual attorneys' fees, incurred in seeking further action to enforce the terms of this provision and/or to compel arbitration. Nothing in this section precludes or requires the parties to mediate this matter prior to invoking their right to arbitration.

14. NOTICE OF LIEN

AS REQUIRED BY THE WISCONSIN CONSTRUCTION LIEN LAW, CLAIMANT HEREBY NOTIFIES BUYER THAT PERSONS OR COMPANIES PERFORMING, FURNISHING OR PROCURING LABOR, SERVICES, MATERIALS, PLANS, OR SPECIFICATIONS 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 CLAIMANT, ARE THOSE WHO CONTRACT DIRECTLY WITH THE BUYER OR THOSE WHO GIVE THE BUYER NOTICE WITHIN 60 DAYS AFTER THEY FIRST PERFORM, FURNISH, OR PROCURE LABOR, SERVICES, MATERIALS, PLANS, OR SPECIFICATIONS FOR THE CONSTRUCTION. ACCORDINGLY, BUYER PROBABLY WILL RECEIVE NOTICES FROM THOSE WHO PERFORM, FURNISH, OR PROCURE LABOR, SERVICES, MATERIALS, OR SPECIFICATIONS FOR THE CONSTRUCTION, AND SHOULD GIVE A COPY OF EACH NOTICE RECEIVED TO THE MORTGAGE LENDER, IF ANY. CLAIMANT AGREES TO COOPERATE WITH THE BUYER AND THE BUYER'S LENDER, IF ANY, TO SEE THAT ALL POTENTIAL LIEN CLAIMANTS ARE DULY PAID.



15. INSURANCE

Seller and Buyer shall each obtain the insurance coverage set forth in Attachment 3. Seller and Buyer shall each be named as an additional insured on each policy where applicable.

16. BREACH

- A. **Breach by Seller.** In the event that Seller breaches the terms of this Contract, Buyer shall be entitled to recover Buyer's actual damages incurred as a result of Seller's breach subject to the terms and conditions of the Warranty set forth under Section 11.
- B. **Breach by Buyer.** In the event that Buyer breaches the terms of this Contract, Seller shall be entitled to recover Seller's actual damages, including without limitation, Seller's lost profit, incurred as a result of Buyer's breach.

All sums due and owing more than fifteen (15) days from the due date shall bear interest at an annual rate of twelve percent (12%). Seller shall have the right to collect amounts due hereunder pursuant to all remedies available by law. To the extent not prohibited by law, Buyer shall pay all reasonable costs and expenses of collection, including without limitation, reasonable, actual attorneys' fees and other legal expenses, incurred by the Seller in the enforcement of this Contract.

17. SIGNATURES

The signature of either Buyer (if more than one) subsequent to the signing of this Contract shall be sufficient for all purposes under the Contract, including without limitation Change Orders, if any.

18. COPYRIGHT NOTICE

Buyer represents and warrants to Seller that any plans, specifications, drawings and/or blueprints submitted to Seller by Buyer for use in constructing the Project or any work that is the subject of this Contract are either owned by the Buyer or have been properly obtained by the Buyer for use by the Seller. Buyer agrees to indemnify, defend and hold harmless the Seller against any and all claims, debts, obligations, costs, expenses, including without limitation, reasonable, actual attorneys' fees arising out of or in any way related to any claims relating to said materials or their use, including, but not limited to, copyright infringement, unfair competition and unjust enrichment.

19. CONTRACT DOCUMENTS

The following documents are incorporated into this Contract (mark appropriate box(es)):

- Plans and Specifications
- Schedule of Allowances (Attachment 1)
- Buyer's Work (Attachment 2)
- Insurance (Attachment 3)
- Other: _____
- Other: _____

20. ELECTRONIC DELIVERY AND SIGNED COUNTERPARTS

The parties agree that this Contract, any Change Order, or any other notice or document related to this Contract may be delivered by electronic means including, without limitation, by facsimile or email. The Contract and any other document



contemplated by this Contract may be signed in any number of counterparts, which counterparts together shall constitute a fully executed instrument.

21. CHOICE OF LAW

This Contract shall be interpreted and governed by the laws of the State of Wisconsin.

22. FINAL AGREEMENT

This Contract expresses all agreements between the parties concerning the subject matter hereof and supersedes all previous agreements, communications or understandings relating thereto, whether oral or written, including proposals, draft plans and specifications, brochures and other information. BY AGREEING TO THIS SECTION, THE PARTIES ARE WAIVING RIGHTS THAT THEY MAY OTHERWISE HAVE UNDER THIS CONTRACT AND OUTSIDE OF THIS CONTRACT TO ASSERT CLAIMS FOR CONTRACTUAL BREACH OF REPRESENTATIONS OR WARRANTY, MISREPRESENTATIONS AS A TORT, FRAUD, AND OTHER CLAIMS.



ATTACHMENT 3

INSURANCE

CAUTION: THE BELOW COVERAGE IS THE DEFAULT COVERAGE. THE SELLER AND BUYER SHOULD REVIEW THE COVERAGE WITH THEIR INSURANCE AGENTS TO CONSIDER MODIFICATIONS OR ADDITIONS.

SELLER'S POLICIES

Commercial General Liability and Worker's Compensation.

Prior to commencing the Work under this Contract, Seller shall maintain Commercial General Liability, Automobile Liability and Worker's Compensation insurance as required by the State of Wisconsin under its Dwelling Contractor Certification. Insurance coverage and certificates shall be provided prior to the commencement of any work.

Builder's Risk Insurance (project site property coverage)

Seller shall, prior to commencement of the Work and until the formal closing of the described dwelling, shall keep the Project insured by a Builder's Risk Policy, Special Form, including hydrostatic and collapse coverage, in an amount not less than the Construction Price (if the Construction Price includes the cost of the real property (i.e., the lot), then the real property cost shall be excluded from the coverage amount). Buyer shall pay to Seller the cost of the Builder's Risk Insurance Coverage in addition to the Construction Price.

BUYER'S POLICY

Homeowner's Insurance.

Buyer shall obtain liability insurance for the Project Site on which the Work will be done. This coverage can be purchased via a standalone general liability policy or Owner's current homeowner's policy can be endorsed to extend liability coverage for the Project Site.

