

**CAPSTONE HOMES PURCHASE PROTECTION PLUS  
ADDENDUM TO RESIDENTIAL REAL ESTATE  
PURCHASE AND SALE AGREEMENT**

THIS CAPSTONE HOMES PURCHASE PROTECTION PLUS ADDENDUM TO RESIDENTIAL REAL ESTATE PURCHASE & SALE AGREEMENT ("Addendum"), is a part of that Residential Real Estate Purchase and Sale Agreement ("Agreement") dated \_\_\_\_\_, 20\_\_\_\_ between CAPSTONE HOMES, INC., a Washington corporation ("Capstone Homes" or "Seller"), and \_\_\_\_\_ ("Buyer"), for the real property ("Property") known as \_\_\_\_\_ ("Property"), and legally described in the Agreement.

Seller and Buyer agree that the following is a part of the Agreement:

1. Capstone Homes Purchase Protection Plus. On Buyer's written request during the first twenty-four (24) months after closing, Capstone Homes will repurchase the Property from Buyer under the conditions specified in this Addendum ("Buyer's Repurchase Right"). If Capstone Homes repurchases the Property, the repurchase price Capstone Homes will pay Buyer for the Property will be equal to the purchase price paid by Buyer under this Agreement less any part of such purchase price identified under this Agreement as paid for "Buyer upgrades" and less six percent (6%) of such purchase price (representing the typical amount a seller pays for real estate commissions).
2. Repurchase Conditions. The following are conditions precedent to Capstone Homes' obligation to repurchase the Property:
  - 2.1 Buyer's Attempt to Sell. Buyer shall first attempt to sell the Property by actively listing the Property with a "full service" real estate brokerage and continuously advertizing the Property for sale on the Northwest Multiple Listing Service ("NWMLS") for at least four (4) consecutive months.
  - 2.2 Condition of House. Capstone Homes has determined, in its reasonable discretion, that the condition of the Property has not significantly deteriorated since the date of closing, reasonable wear and tear excepted. This means that, on the date Buyer delivers a Claim Notice (as defined below), the Property (a) has not suffered significant damage or destruction by a casualty event; (b) has not been significantly remodeled or is not in the process of being remodeled; or (c) is not unreasonably deteriorated due to Buyer's failure to perform maintenance or repair work.
3. Claim Notice; Claim Procedure. Buyer must deliver written notice (the "Claim Notice") to Capstone Homes of its election to exercise the Buyer's Repurchase Right, if at all, by on or before the expiration of twenty-four (24) months following the closing date ("Claim Notice Deadline"). The Claim Notice must be accompanied by proof of Buyer's efforts to sell the Property.
4. Assignment; Termination; Survival; Attorneys Fees. Buyer's Repurchase Right is personal to Buyer and may not be assigned or transferred without Capstone Homes' prior written consent, which may be withheld in its sole discretion. Buyer's Repurchase Right will automatically terminate and be of no further force or effect on the earlier of: (i) twenty-four (24) months after the closing date under the Agreement, and (ii) the date on which Buyer sells or transfers any interest in the Property. The provisions of this Addendum shall survive the closing. The prevailing party in any litigation or other proceeding arising out of this Addendum shall be entitled to reasonable attorneys' fees and other costs incurred at trial or in any appeal or rehearing thereof. Except as expressly amended herein, the terms and conditions of the Agreement remain unchanged.

EXECUTED as of the date first indicated above.

Buyer: \_\_\_\_\_  
\_\_\_\_\_ (print name)

\_\_\_\_\_ (print name)

Seller: CAPSTONE HOMES, INC., a Washington corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_