

DEVELOPER'S RIDER A

This Rider is attached to and made a part of the Real Estate Contract dated _____ between _____, as Purchaser, and Hughes Development Company, as Seller, for Unit _____ of Village Walk Townhomes, 320 S. Maple Ave, Oak Park, Illinois 60302.

1. Construction/Upgrades. Notwithstanding any upgrades that Purchaser has selected at additional cost, the dwelling unit will be finished substantially in accordance with the model unit # _____, taking into account that some of the finishes in the model have been identified as upgrades and available to the Buyer at an additional cost. Purchaser shall have the right, if done so in a timely manner, to make selection of colors, finishes and materials from among the samples provided by Developer. If Purchaser fails to make all or any part of such color, finishes and/or material selections within seven (7) days after being requested to do so by Developer, Developer reserves the right, upon prior notice to Purchaser, to make such color and material selections for Purchaser to avoid delay in the completion of the unit and, in such event, Purchaser hereby agrees to accept such selections made by Developer.

If buyers shall choose any upgrades when they make their selections, all such upgrades shall be set forth on the Developer's Rider B. An amount of one hundred percent (100%) of the upgrade costs shall be paid by the Buyers at the time of selection.

In the event of the inability of Developer to obtain certain colors or materials contained in the design plan or specifications, Developer shall have the right, without notice to Purchaser and in the Developer's sole discretion and reasonable judgment, to substitute other materials or brand names of similar quality, utility or color. Consultation with Purchaser with respect to the specifications of the unit to be built shall not, in any case, be deemed waiver of Developer's right to make any such changes as are herein provided.

In order to control the overall design and appearance of the building, Seller reserves the right to select exterior colors and finishing materials for any part of the purchased unit, visible from the exterior or common areas.

This provision is only relevant if the unit has not been completed prior to sale.

2. Access During Construction. Purchaser understands and agrees that, due to the Developer's insurance regulations and potential hazardous operations being performed during the construction process, Purchasers are prohibited to visit a unit under construction without being accompanied by a representative of Developer. Purchaser shall cause no interference, delay or disruption in the Developer's work or schedule of work. If Purchaser visits the unit during construction, Developer shall not be responsible for any injury to person or property sustained by

Purchaser and Purchaser releases and agrees to indemnify and hold harmless Developer from any claims or liability with respect thereto.

3. Closing. Notwithstanding any language set forth in the contract, the contract is amended to add the following language: "The time of closing shall be twenty (20) days after notice from Developer to Purchaser that the dwelling unit is substantially completed and ready for occupancy." The following shall also be added: "This sale shall be closed at First American Title Company, 1049 W. Lake St., Oak Park, Illinois 60301, or at other such location that the Developer should choose"

4. Mortgage Interest Rate. The interest rate noted in the, Mortgage Contingency Clause of the contract , shall be changed to "current rate at time of closing."

5. Assessments. The Purchaser shall pay at closing an amount equal to two (2) months' assessments, as provided in the Declaration of Easements, Restrictions and Covenants, for the Townhome Association (Declaration). The sum deposited shall be used by the Condominium Association ("Association") as a working capital fund for operation and management as provided in the Declaration. Developer shall require an amount equal to two (2) months' assessment to be paid to the Association by all other initial purchasers of a unit ownership. In addition, Purchaser shall pay to the Association, at closing, Purchaser's pro rata share of the assessment payable for the month during which the closing occurs.

6. Declaration; Condominium Documents. Before Closing, Developer shall cause the Declaration to be recorded in the Office of the Recorder of Cook County, Illinois. Before closing, Purchaser shall receive a copy of the Declaration or proposed form thereof, along with a copy of the Bylaws of the Association ("Bylaws"), the floor plan of the purchased unit, the proposed Articles of Incorporation of the Association, including amendments and all other documents required by the Act. The Declaration, Bylaws, Budget and proposed Articles of Incorporation of the Association are herein collectively called "Townhome Documents." Developer reserves the right, in its sole discretion, to amend the Documents before the closing to the extent permitted by the Act and Code, provided, however, that Purchaser is notified of any material changes. This sale and Purchaser's title to the unit ownership are subject to the terms and conditions of the Act, Code, and Condominium Documents. Purchaser agrees that from and after the Closing, he will comply with the provisions of the Documents, as they may be amended from time to time, and to perform the obligations imposed on unit owners hereunder.

7. Real Estate Taxes. As the bill for general real estate taxes has not been previously divided into individual parcels, general real estate taxes shall be paid and prorated in the following manner.

There shall be no prorations for real estate taxes at the time of Closing. The Seller shall be responsible for all 2008 real estate taxes and shall pay the taxes to the county when the bills are due and payable. There shall be no proration at Closing for 2009, the year of Closing either, however the Seller shall be responsible for a prorate share of the taxes from the first of the year

through the date of Closing and the Buyer shall be responsible for a pro rata share of the taxes from the date of Closing through the last day of the year. When the bills are issued by the county the Seller shall be responsible for his portion and the Buyer shall be responsible for their portion. Being that the tax bills issued for 2009 will be undivided, the amounts will be based upon the percentage interest that goes with the unit. The Seller shall tender a copy of the tax bill to the Buyer upon issuance by the county and notify the buyer as to how much each party owes. The Buyer shall pay the seller their amount owed without delay.

8. Inspection.

Prior to the date of closing, Purchaser shall have the right to inspect the unit with an authorized representative of Developer for the purpose of agreeing upon a punch list of items not yet completed, which items shall be completed by Developer within a reasonable time after closing. A standard of reasonableness will be applied to any and all punch list items. Purchaser's refusal to close under this Contract because of (a) Purchaser's failure to make such an inspection prior to closing, or (b) Developer's failure to complete all items on the punch list prior to closing, shall constitute a default by Purchaser hereunder. There shall be no "holdbacks" or other credits against, or reduction of, the purchase price for the unit as a result of any such incomplete items. All other terms and conditions in this contract relating to punch list items and closing on the unit remain in full force and effect.

9. Warranties.

- A. At closing, Developer shall deliver to Purchaser a "Certificate of Limited Warranty" limited to the construction of the dwelling unit. A copy of which has been attached hereto as Exhibit "A". **EXCEPT AS EXPRESSLY PROVIDED HEREIN, DEVELOPER HEREBY EXPRESSLY DISCLAIMS AND EXCLUDES, AND PURCHASER HEREBY EXPRESSLY WAIVES, ANY AND ALL WARRANTIES REGARDING THE DWELLING UNIT, EITHER EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF HABITABILITY, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE. FURTHERMORE, DEVELOPER HEREBY DISCLAIMS AND EXCLUDES AND PURCHASER HEREBY EXPRESSLY WAIVES ANY LIABILITY OF DEVELOPER FOR CONSEQUENTIAL OR INCIDENTAL DAMAGES.**
- B. Personal Property. At closing, Developer shall deliver to Purchaser a Bill of Sale for personal property and will also assign and transfer to Purchaser, without recourse, any manufacturer's warranty that Developer receives covering the personal property. **AS TO SUCH PERSONAL PROPERTY AND AS TO ANY CONSUMER PRODUCT (AS THAT TERM MAY BE DEFINED UNDER APPLICABLE FEDERAL, STATE OR LOCAL LAWS) THAT MAY BE CONTAINED IN THE PURCHASED UNIT, DEVELOPER**

NEITHER MAKES NOR ADOPTS ANY WARRANTY WHATSOEVER AND SPECIFICALLY EXCLUDES AND DISCLAIMS EXPRESS OR IMPLIED WARRANTIES OF ANY NATURE, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

10. Phone Jacks, Cable Lines. Purchaser understands and agrees that all phone jacks and cable lines existing in the unit are "as-is" and that no changes will be made by the Developer. The Purchaser is responsible for any changes to phone jacks and/or cable lines.

11. Remedies. Purchaser understands and agrees that, in the case of breach of the Contract by the Developer, Purchaser's sole remedy is the return of Purchaser's earnest money.

12. Rider Controls. In the event of conflict between the provisions of the Contract and those of this rider, the provisions of this rider will control.

Date: _____

HUGHES DEVELOPMENT COMPANY

PURCHASER(S):

SELLER:

By: _____

Its: _____

EXHIBIT "A"

CERTIFICATE OF LIMITED WARRANTY

Unit # _____
320 S. Maple, Oak Park, IL 60302

Hughes Development Company ("Seller") warrants to Buyer that for a period of one (1) year from the date hereof Seller will correct any defect(s) due to faulty construction and or defection materials installed in the residence, constructed by Seller at 320 S. Maple, Oak Park, Illinois brought to the Seller's attention, in writing, during the period of one year from date of closing. Seller does not assume responsibility for any secondary or consequential damage caused by defect (s). No steps taken by Seller to correct defect (s) shall act to extend the warranty period beyond the initial one year term. This warranty is applicable only to those matters warranted herein, and only the defect(s) that are reported in writing before the end of the warranty year, as aforesaid. The warranty shall not apply if the defective work or material has been subjected to more than normal use. The warranty shall not apply to any work or material after it has been modified or worked upon by anyone other than Seller or someone acting for Seller. Buyer shall not be entitled to exercise self-help and any such exercise shall nullify the warranty as to the work or materials involved.

The within warranties are subject to the following additional specific exclusions and limitations:

(A) Warranty Exclusions:

- (i) Correction of latent defects which were not discovered at the time of the preoccupancy inspection will be made within a reasonable time after Seller is notified, in writing, during the warranty period. No correction will be made for defects (latent or patent) first claimed or discovered after the expiration of the applicable warranty period.
- (ii) All chips, scratches, or mars on such items as tile, woodwork, kitchen cabinets, mirrors, walls porcelain, glass (including breakage or cracks), plumbing fixtures, plastic laminate counter tops, cultured marble table tops, lighting fixtures, doors or kitchen appliances must be noted on Seller's preoccupancy inspection reports, or they will not be covered under this warranty.
- (iii) The warranty shall not apply to defects resulting from ordinary wear and tear, misuse or neglect, or failure to provide proper maintenance. Seller does not warrant any items which are installed pursuant to the direct contract or agreement between Buyer and any party other than Seller.

- (iv) Seller does not warrant against cracking or scaling of the concrete flat work (which includes, but is not limited to, sidewalks, patios, basement and garage floors) or to the foundation walls. Cracks in foundation walls, if any, will be repaired only if infiltration of free water exists and is noticed to Seller, as aforesaid, during the applicable warranty period.
- (v) Cracks may develop in concrete patios, walks, driveways, porches, basements, floors or foundations due to expanding and contraction of concrete from change in temperature and compacting of the soil on which the concrete is placed. There is no known way of completely eliminating these conditions and characteristics inherent to concrete, and the warranty is not applicable thereto, except as provided in paragraph (iv) above.
- (vi) The using of de-icing or other chemicals can cause flaking of concrete surfaces and should be avoided as much as possible. If the flaking process should appear, there is no known cure for it. However, the structural value of the concrete is not affected. De-icing compounds picked up on the village streets due to normal winter driving and carried onto drives and garage floors may also cause flaking. Occasional washing down of these areas in thaw periods will minimize this damage. The warranty does not apply to flaking.
- (vii) Temperature, humidity, or slight variation in the composition will very often affect the color of the concrete surface. The final strength of concrete is not affected thereby. The warranty does not apply to color so affected.
- (viii) Cracks may develop in mortar used for bonding bricks together due to shrinkage in either the mortar or the brick. This is a normal condition and the warranty does not apply thereto. Note: Fireplace mortar is "green" and needs to be cured and tempered before being subjected to severe heat.
- (ix) Seller does not warrant against the normal effects of settlement, expansion, contraction or warping of materials that may occur in walls, floors (to include grout), ceilings, doors, windows, etc.
- (x) Structural wood members will shrink during the drying out process, and it is a natural characteristic of wood to continue to expand and contract with the changing humidity. The joints of paneled doors, mitered casings, hardwood flooring and solid paneling may open up. This is normal and will not affect the Residence structurally and the warranty does not apply thereto. Restoration is a function of homeowner maintenance and is the sole responsibility of Buyer.
- (xi) Drywall cracks, nail pops or seams may show in the residence because of drying out and normal expansion and contraction of the wood or masonry to which has

been secured. These items can be easily repaired by Buyer at the time of redecorating. The warranty does not apply to any of these conditions.

- (xii) Extensive studies on the subject of floor squeaks conclude that much has been accomplished in eliminating floor squeaks, but complete avoidance is impossible. Generally, these will appear and disappear with changes in weather conditions. The warranty does not apply thereto.
- (xiii) The grounds around the residence must be graded so that the earth slopes away from the structure. Sometimes the Buyer, in planting around the residence, will dig near the foundation and form a low spot, not realizing that he is creating a dangerous condition. The warranty shall not apply to any defects resulting there from. Seller is not responsible for, and the warranty shall not apply to top soil wash-out, and existing natural trees and shrubbery are not within the scope of the warranty.

(B) APPLIANCES:

Appliances, equipment, and fixtures which are consumer products such as oven, range, dishwasher, or heating or air conditioning equipment are not warranted by the Developer. The manufacturer's instruction pamphlets should be read and followed by Buyer. In the event of operational defects, Buyer must contact the manufacturer's service organization directly. Seller makes no warranty either express or implied as to such appliances.

(C) OTHER TERMS:

- (i) No representative of Seller has the authority to enlarge this warranty or to make verbal agreements. Buyer shall be present at all times when the work, pursuant to this warranty, is being performed on the residence so as to maintain responsibility for all personal property. Seller's warranty obligations are not transferable and terminate when residence ceases to be occupied by the original buyer, defined in the Purchase Agreement.
- (ii) **NO WARRANTY, GUARANTY OR UNDERTAKING, EXPRESSED OR IMPLIED WARRANTY OF HABITABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO THE CONSTRUCTION OF THE BUILDING, EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, SHALL BIND OR OBLIGATE THE SELLER.**

EXCEPT TO THE EXTENT PROVIDED IN THIS CERTIFICATE OF LIMITED WARRANTY, THE SELLER EXCLUDES ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR HABITABILITY AND TO THE CONDITION AND CONSTRUCTION OF THE

PROPERTY SHALL BE LIMITED TO THE FULFILLMENT OF SELLER'S OBLIGATIONS UNDER THIS CERTIFICATE OF WARRANTY.

ACCEPTED:

Date: _____

SELLER
HUGHES DEVELOPMENT, INC.

PURCHASER(S):

By: _____

Its: _____

VILLAGE WALK TOWNHOMES

**RIDER B
TO REAL ESTATE SALES CONTRACT**

Construction Upgrades

UNIT # _____

This Rider is made a part of the Real Estate Sales Contract dated _____
Between Seller, **Hughes Development Company**, an Illinois Corporation,
and Buyer(s), _____

The following items are Upgrades, as defined in paragraph 1 of the Developers Rider. The prices listed opposite each such item are excluded from the price listed in paragraph ___ of the Real Estate Sales Contract and are an additional cost. Any further Upgrades agreed to between Buyer and Seller shall be subject to further written agreement. Where zero cost is indicated opposite an item, then this item shall be deemed to be included in the purchase price as per paragraph ___ of the Real Estate Sales Contract.

Buyer agrees to pay Hughes Development Company the amounts listed below, at the date of this Rider. If buyer fails to make said payment, then this Rider will be null and void, and Seller and Purchaser will proceed with the transaction as agreed to in the Contract.

Notwithstanding anything to the contrary in the Sales Contract, in the event that Buyer fails to close this transaction for any reason other than Seller's fault, including Buyer's failure to obtain mortgage financing prior to the satisfaction of the mortgage contingency, then Seller may retain all payments which Buyer has made in regards to the Upgrades, which will equal Seller's costs and expenses for labor and materials. Buyer's total liability under this Rider only will not exceed the amounts disclosed herein for the requested Upgrades.

The following is a list of Upgrades hereby requested by Buyer and agreed to by Seller, in accordance with this Rider.

See Attached List of Upgrades

VILLAGE WALK TOWNHOMES

**RIDER B
TO REAL ESTATE SALES CONTRACT**

**Construction Upgrades
UNIT #_____**

Item #	Location	Item	Cost

This Rider is hereby agreed

Buyer _____ **Date** _____

Buyer _____ **Date** _____

Seller Hughes Development Co

By: _____ **Its:** _____ **Date** _____