

# Non-Refundable Construction Deposit for New Home Purchase and Sale Agreement ADENDUM C

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This Exhibit is part of the New Home Purchase and Sale Agreement ("Agreement") between Hamlet Homes, LLC ("Seller") and \_\_\_\_\_ ("Buyer") relating to the Property located at \_\_\_\_\_, \_\_\_\_\_, CT, \_\_\_\_\_, which Property is more particularly described in the Purchase and Sale Agreement. If conflicting with the Agreement, the terms of this Exhibit will control.

1. Buyer has requested that Seller construct and or make the following customized improvements ("Customized Improvements") to the Property (See Purchase and Sale Agreement).
2. Because of the construction process or customized and personalized nature of the Customized Improvements, Seller will not be able to get fair compensation for them from another purchaser of the Property if Buyer does not close on the purchase of the Property.
3. To protect Seller from losses relating to the Construction, Buyer has paid a Non- Refundable Construction Deposit ("Deposit") of \$ \_\_\_\_\_. The Deposit has been paid to Seller.

The Deposit has been paid in the form of  cash or  check. (If any check is not honored, Seller may terminate the Agreement by notice to Buyer and Brokers.

In the case of an escrow/trust account, the Deposit will thereafter be held in that account. In the case of Seller's general account, the funds will not be segregated, and Seller may use them for any purpose. Brokers have no responsibility for the Deposit if deposited with Seller. The Deposit may be deposited in an interest-bearing account and the holder of the funds may retain the interest if allowed by law.

4. Seller is entitled to retain the Deposit unless Buyer does not consummate the purchase of the Property because of Seller's inability, failure or refusal to perform any of Seller's covenants in the Agreement. Notwithstanding anything in the Agreement to the contrary, no financing contingency will apply to the Deposit, meaning that the Deposit is non-refundable even if Buyer does not get financing.
5. The Parties agree that:
  - a. It is very difficult to ascertain actual damages that will be suffered by Seller relating to the Customized Improvements if Buyer does not consummate the purchase of the Property for any reason other than Seller's inability, failure or refusal to perform any of Seller's covenants in the Agreement;
  - b. The amount of the Deposit is a fair and reasonable estimate by the Parties of the actual damages relating to the Customized Improvements that will be suffered by Seller under those circumstances; and



- c. The Deposit is not intended as a penalty, but instead, as full liquidated damages to Seller under such circumstances relating to the Customized Improvements.
6. The Deposit is intended by the parties to cover damages relating to the Construction and Customized Improvements only. As an alternative to retaining the Deposit as damages, Seller may seek specific performance of the Agreement. If specific performance is granted, the Deposit will be applied to the purchase price at closing.
7. If Buyer consummates the purchase of the Property, the amount of the Deposit will be applied to the purchase price at closing.

**Selling Broker's Signature:** \_\_\_\_\_

**Listing Broker's Signature:** \_\_\_\_\_

**Seller's Signature:** \_\_\_\_\_

Date: \_\_\_\_\_

**Buyer's Signature:** \_\_\_\_\_

Date: \_\_\_\_\_