**RIDER 7**

**TO PURCHASE AND SALE AGREEMENT**

**[Provides for Insured Home Buyers Warranty]**

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| **DISCLAIMER: This Rider is not a final or complete instrument, and includes several options which may be included or deleted, and should not be executed in their present form. The HBAA and its local chapters do not assume any liability for damages arising from the use of this document and any exhibits and attachments thereto and give no opinion that any of the terms and conditions in this document or any exhibits and attachments should be accepted by the parties in a particular transaction. Terms and conditions should be negotiated between the parties based upon the respective interests, objectives, and bargaining positions of all interested parties. Seek specific legal advice from your lawyer.** |

The terms of this Rider (the “Rider”) are hereby incorporated into and made a part of the Purchase and Sale Agreement (the “Agreement”) dated the \_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_, 20 \_\_\_, by and between \_\_\_\_\_\_\_\_\_\_\_\_\_\_ (the “Seller”) and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (the “Buyer”). Defined terms as used herein shall have such meaning as may be ascribed to such terms in the Agreement. To the extent of any inconsistency in the terms and conditions of this Rider and the terms and conditions of the Agreement, the terms and conditions of this Rider shall control. Seller and Buyer further agree as follows:

1. Section 22 of the Agreement is hereby deleted in its entirety and the following is substituted in lieu thereof:

“22. Limited Warranty/Preoccupancy Inspection. Buyer and Seller agree to the terms and conditions of the ***[complete description of Home Buyers Warranty such as “set forth in the “Home Buyers Booklet Workmanship Systems and Structural Limited Warranty Coverage”]*** (“Limited Warranty Agreement”) attached hereto as Exhibit A and made a part of this Agreement. The terms and provisions of the Limited Warranty Agreement have been fully negotiated between Buyer and Seller as a part of the negotiation of the terms and provisions of this Agreement. A sample copy of the Limited Warranty Agreement has been signed by the Buyer simultaneously with the execution of this Agreement, and the terms and provisions thereof are an integral part of the terms and provisions of this Agreement. Buyer and Seller agree to execute, at the Closing, such documents as are necessary to cause the Limited Warranty Agreement to be in effect. Buyer and Seller agree to be fully bound by the terms and provisions of the Limited Warranty Agreement and agree that the Limited Warranty Agreement shall survive the Closing and the conveyance of title to the Property. Pursuant to the Limited Warranty Agreement, Buyer and Seller shall make a preoccupancy inspection of the Dwelling and shall either complete and execute the Preoccupancy Inspection Agreement attached to or incorporated into the Limited Warranty Agreement or execute, prior to the Closing, the Acknowledgment of Acceptance which is attached or incorporated in the Limited Warranty Agreement.”

1. Section 23 of the Agreement is hereby deleted in its entirety and the following is substituted in lieu thereof:

 “23. Duration of Limited Warranty. Seller and Buyer have negotiated and agreed upon the Limited Warranty Period, as defined in paragraph **[Match up this number with the number in the Limited Warranty Agreement]**, and acknowledge that the duration of the Limited Warranty Period, as negotiated between Seller and Buyer, has been material to the amount of the Purchase Price and the other terms and conditions set forth in this Agreement. In the event Seller has offered to agree to a Limited Warranty Period of greater duration than that which is set forth in paragraph **[Match up this number with the number in the Limited Warranty Agreement]** of the Limited Warranty Agreement, Buyer acknowledges that rather than accepting the longer duration of the Limited Warranty Period, Buyer has preferred to reduce the amount of the Purchase Price to the amount thereof which is set forth in this Agreement, and accept the Limited Warranty Period of the duration set forth in paragraph **[Match up this number with the number in the Limited Warranty Agreement]** of the Limited Warranty Agreement.”

All other terms and conditions of the Agreement shall remain the same and the parties hereto do ratify and affirm the Agreement as amended hereby.

 The parties hereto have initialed below evidencing and agreeing that this Rider is a part of the Agreement described above.

 **SELLER:**

 **\_\_\_\_\_\_\_\_\_\_\_\_**

 **\_\_\_\_\_\_\_\_\_\_\_\_**

 **BUYER:**

 **\_\_\_\_\_\_\_\_\_\_\_\_\_**

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