

PACIFIC MODERN HOMES, INC.

OFFICE & FACTORY ◆ 9723 Railroad Street ◆ Elk Grove, CA 95624

MAIL ◆ Post Office Box 670 ◆ Elk Grove, CA 95759-0670

TELEPHONE ◆ (916) 685-9514 FAX ◆ (916) 685-1306

E-MAIL ◆ info@pmhi.com WEBSITE ◆ www.pmhi.com

SUPPLYING QUALITY HOME PACKAGES TO THE WORLD SINCE

Early Contracting Helps March 10, 2011

Pacific Modern Homes, Inc. (PMHI) and its Dealers always enjoy having customers contract for their package purchase early in the sales process.

When a customer is willing to sign the Purchase Contract and place their deposit early, they may have questions about what happens should the project not come together. To help the customer and our energetic Dealers, **only*** the following phrases written on the Purchase Contract will be recognized by PMHI as valid contingencies to protect the customer from the contract's 5% cancellation fee.

- 1. "Contract is subject to securing a Building Permit."
- 2. "Contract is subject to obtaining a Construction Loan."
- 3. "Contract is subject to Customer approval of any price increase(s)."

These above contingency phrases will protect the customer from the 5% cancellation fee. However, PMHI reserves the right to review any canceled Purchase Contract and may request written confirmation from the Building Department or Construction Lender to validate the appropriate contingency.

We hope this gives you a better idea of how to write early contracts and protect the customer at the same time.

*Any other contingency must be pre-approved by PMHI.