

**ADDENDUM TO CONTRACT FOR SALE**

**The contract is not effective until this document is signed by buyer and returned, without alterations, to Seller for signature.**

THIS ADDENDUM IS MADE PART OF THE CONTRACT FOR SALE DATED \_\_\_\_\_, 2009 BETWEEN Specialized Loan Servicing, Inc (SELLER) AND THE UNDERSIGNED PARTIES (BUYERS) CONCERNS THE PROPERTY LISTED BELOW:

\_\_\_\_\_  
Buyer's Name

\_\_\_\_\_  
Buyer's Name

\_\_\_\_\_  
Property Address

\_\_\_\_\_  
County

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
Zip

**IN THE EVENT ANY PROVISION OF THIS ADDENDUM CONFLICTS IN WHOLE OR IN PART WITH THE TERMS OF THE CONTRACT FOR SALE TO WHICH IT IS ATTACHED, OR ANY ADDENDA TO THE CONTRACT, THE PROVISIONS OF THIS ADDENDUM WILL PREVAIL UNLESS SUCH PROVISIONS ARE CONTRARY TO ANY LAWS OR OTHER APPLICABLE LEGAL PROHIBITIONS, IN WHICH CASE THE CONTRACT FOR SALE SHALL GOVERN ONLY TO THE LIMITED EXTENT NECESSARY FOR COMPLIANCE WITH THE SAME.**

**Hereafter the Contract for Sale and the Addendum shall be referred to together as the Contract.**

- PRICE:** Total Purchase Price shall be \_\_\_\_\_.
- CLOSING:** The closing shall be on or before \_\_\_\_\_ (Closing Date) at the place of Seller's choice. The Seller or Seller's representative is to be notified immediately if Buyer wishes to delay the closing for ANY reason. By written request and mutual consent of Buyer and Seller, such closing may be extended for up to fifteen (15) days. In the event Seller agrees to such an extension, Buyer shall, as a condition of Seller's agreement to such extension, pay the sum of \$250.00 for the extension period. The \$250.00 will be paid as an additional fee (all extensions are subject to this fee). If seller requests an extension: seller will pay no fee or credit. Should the closing not occur as scheduled because of the failure or default of Buyer in the performance of Buyer's obligations in accordance with the contract, Seller shall be entitled to the earnest money deposit (including additional fees) made by Buyer as liquidated damages pursuant to the provisions in paragraph 13 hereof. **TIME IS OF THE ESSENCE IN THE CONTRACT.**
- TITLE AND CONVEYANCE:** Title to the Property shall be conveyed to Buyer on Closing Date via **Seller's form of Special Warranty Deed, Quitclaim Deed, Limited Warranty Deed or other deed (the "Deed")**, as appropriate for the jurisdiction where the Property is located, and without general warranty covenants, whereby Seller will warrant and defend title against the lawful claims of all persons claiming by, through, or under Seller, but against none other, executed by Seller, conveying the Property to Buyer, subject to the permitted exceptions, any other exceptions waived or deemed waived by Buyer as provided below and subject to all other matters of record affecting the Property. Unless otherwise indicated below, Seller shall furnish Buyer, at Seller's expense, a fee title policy from a title company chosen by Seller and designated below, with coverage in the amount of the purchase price.

\_\_\_\_\_ **(Buyer must initial here, if applicable)** I/We will obtain a new title policy and/or title exam at my/our expense.

In the event Buyer chooses to obtain their own fee policy and/or title exam, they shall order the same within three days of Seller's execution of this Addendum. Buyer must notify Seller's attorney of any and all title objections at least ten days before closing, or all objections to title shall be waived. If Seller cannot cure said objections after a good faith effort, or to do so would delay the closing beyond the original or any extended Closing Date, Buyer agrees to accept a fee title policy, as stated above, at Seller's expense. Seller is under no obligation to use extraordinary measures, to bear any expense, or to bring any action or proceeding in order to deliver insurable title. If for any reason, Seller is unable to deliver insurable title to the subject property, then Buyer's sole and exclusive remedy shall be to receive a return of any earnest money deposit and to a cancellation of the Contract, which shall be rendered null and void.

If Seller provides title insurance as agreed to above, title insurance shall be obtained from Seller's choice of insurer, whose identity will be supplied to Buyer after the insurer's agreement to insure title.

**4. CORPORATE DISCLOSURE:**

The undersigned Buyer is aware and acknowledges that Seller acquired the Property through foreclosure proceedings or other conveyance and that Seller has not occupied such Property and is not familiar with the condition of the Property. Buyer is aware that the subject property is not new and further acknowledges that there has been no representation(s) by Seller, or any other person acting as Seller's representative and/or Buyer's representative regarding the condition of the Property or of any of

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the appliances or structural components that may be contained therein. If inspection report(s) have been obtained by Seller or Seller's representative, said inspection report(s) are being provided to the Buyer for Buyer's information only and become a part hereof. Seller or Seller's representative make no representations or warranties to the truth or validity of any certifications or warranties that may be contained in such report(s) and said certifications and warranties are for Buyer's information only.

The following inspections are attached:

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Unless otherwise specified in a report referenced above, neither Seller nor Seller's representative has actual knowledge of any latent defects in the Property or any component thereof, including, but not limited to: plumbing, appliances, heating, air conditioning and electrical systems, fixtures, roof, sewers, septic systems, well and other water supply systems, drainage or other moisture conditions, damage by pests or other organisms, foundations, structural condition, pool, spa and related equipment.

Buyer acknowledges and agrees that Seller has not made and hereby specifically disclaims any warranty, guaranty, or representation, oral or written, past, present, or future, of, as to or concerning:

- A. The nature, square footage, condition, value, or quality of the Property, including but not by way of limitation, the water, the soil and geology, and the suitability thereof for any and all activities and uses which Buyer may elect to conduct thereon,
- B. The manner, construction, condition, quality, the state of repair or lack of repair of any of the Property,
- C. Except for any warranties contained in the deed, the nature and extent of any right-of-way, lease, possession, lien encumbrance, license, reservation, condition, or otherwise,
- D. The compliance of the Property or its operation with any laws, rules, ordinances, or regulations of any government or other body, and
- E. The income to be derived from the Property.
- F. Personal property or fixtures remaining on the Property.

Buyer hereby expressly acknowledges and agrees that Buyer has thoroughly inspected and examined the Property to the extent deemed necessary by Buyer in order to enable Buyer to evaluate the purchase of the Property. Buyer hereby further acknowledges and agrees that Buyer is relying solely upon the inspection, examination, and evaluation of the Property by Buyer and that Buyer is purchasing the Property on an "**AS-IS, WHERE-IS**" and "**WITH ALL FAULTS**" basis and not on any information provided or to be provided by Seller. Buyer expressly acknowledges that, in consideration of the agreements of Seller herein, Seller makes no warranty or representation, express or implied, or arising by operation of law, including, but in no way limited to any warranty of condition, habitability, merchantability, or fitness for a particular purpose. Except as otherwise specified herein, it is further agreed that Seller has not warranted, and does not hereby warrant that the Property or any improvements located thereon now or in the future will meet or comply with the requirements of any safety code or regulation or building code of the state, city or county where the Property is located, or of any other authority or jurisdiction.

With respect to any personal property or fixtures remaining on the Property, Seller makes no warranty or representation, express or implied, or arising by operation of law, including, but in no way limited to any warranty of title, condition, merchantability, or fitness for a particular purpose.

Unless otherwise specified in a report referenced above, neither Seller nor Seller's representative has actual knowledge of nor have inspections been made to determine whether the Property is located on or near a toxic or hazardous waste site as defined by state and / or federal law and has no knowledge whether said Property is listed on, or is subject to being listed on, the most recently published national priorities list issued by the Federal Environmental Protection Agency or any list published by a state agency responsible for regulating toxic and hazardous waste control legislation. It is further agreed that Seller does not make any representations or warranties regarding environmental protection, pollution, or land use laws, regulations, orders or requirements. Buyer hereby assumes all risks and liability and agrees that Seller shall not be liable for any special, direct, indirect, consequential, or other damages resulting or arising from or relating to the ownership, use, condition, location, maintenance, repair or operation of the Property.

Unless otherwise specified in a report referenced above, neither Seller nor Seller's representative has actual knowledge of urea-formaldehyde foam or asbestos insulation, radon gas, lead paint, mold, mildew, spores or other microscopic organisms, which would render the Property uninhabitable or dangerous to the health of the occupant(s). If certification or warranties have been provided to Seller or Seller's representative by the prior owner or other parties as to the existence or non-existence of hazardous or toxic waste, radon gas, urea-formaldehyde foam or asbestos insulation, lead paint, mold, mildew, spores or other microscopic organisms which would render the Property uninhabitable or dangerous to the health of the occupant(s), Seller or Seller's representative has attached said certificates or warranties to this addendum. Seller or Seller's representative make no representations or warranties to the truth or validity of the certifications or warranties and said certifications and warranties are for Buyer's information only.

Buyer acknowledges and agrees that Seller has owned the Property only since the date of foreclosure or other conveyance and has never occupied said Property and therefore is not in a position to make any representations or warranties, expressed or implied, as to the Property. Seller is not liable or bound in any manner by any verbal or written statements, representations or warranties, expressed or implied, as to the Property. Seller is not liable or bound in any manner by any verbal or written statements, representations or information pertaining to the Property, or the operation thereof, furnished by any real estate broker, agent, employee or other person.

Buyer acknowledges that he/she has been advised that it is Buyer's sole responsibility to obtain inspection reports by qualified professionals on the appliances, structural components, and alterations or additions, presence of urea-formaldehyde foam or asbestos insulation, radon gas, lead paint, toxic or hazardous waste, mold, mildew, spores or other microscopic organisms, or any substances on the Property which would make it uninhabitable or dangerous to the health of the occupants(s), or any other factors regarding the condition of the Property about which Buyer may have questions.

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~~If Buyer elects to obtain inspections, the sale of the Property may be contingent upon Buyer's acceptance of the Property following said inspections in accordance with Subsection 5D. If the Seller is not notified by Buyer, in writing, to the contrary on or before seven (7) calendar days from the effective date of this Addendum, then this contingency shall be deemed removed.~~

Buyer may walk through the home no less than 2 days prior to Closing Date for the sole purpose of determining that there has been no material change in the condition of the Property since Buyer's acceptance of this Addendum. Notwithstanding the foregoing, a closing on the above described Property will constitute an acknowledgment by the Buyer that the Property, appliances and structural components, as described above, were acceptable to Buyer at the time the sale was consummated. The provisions of this section shall survive the closing.

5. **REPAIRS AND REPORTS:**

- A. Except as provided in subsection 5B or 5C below, Seller requires Buyer, at Buyer's expense, to have any inspections, including any required certificate of occupancy inspection, completed within seven (7) working days from the effective date of this Addendum.
- B. Seller will not pay for a termite inspection even if it is customary for sellers to obtain and pay for such an inspection in the area where the Property is located. Buyer will pay for any such termite inspection. Except as provided in subsection 5C or 5D below, Seller shall not be responsible for any repairs.
- C. For FHA or VA guaranteed loans, Seller accepts responsibility for repairs required as a condition of the FHA/VA loan commitment provided the cost of such repairs does not exceed \$ 500.
- ~~D. If (i) any repairs required under subsection 5C exceed the amount designated in that subsection or (ii) a third party inspection report obtained by Buyer discloses a previously unknown defect that (in the reasonable opinion of the inspector) would make the property unsafe or (in the reasonable opinion of the inspector) would likely cause Buyer to incur repair costs of more than \$5,000 within one year after closing, and Seller does not elect to pay for such repairs, the Buyer, at Buyer's option, may elect either to pay for the repairs or terminate the Contract by providing written notice to Seller within 7 days of the effective date of this Addendum, at which time the Contract shall be NULL and VOID, and Buyer shall be entitled to all earnest money paid hereunder.~~

6. **MORTGAGE FINANCING:** (PUT A CHECKMARK NEXT TO THE applicable section below)

Cash offer: The Contract is a cash transaction. Verification of funds required to close shall be provided to Seller within two (2) business days of the effective date of this Addendum or the Seller may, at its option, terminate the Contract by providing written notice to the Buyer, at which time the Contract shall be NULL and VOID.

Mortgage offer: An application for mortgage financing shall be made within two (2) business days of the effective date of this Addendum. Proof of such application shall be provided to Seller within 5 days of the effective date of this Addendum. Evidence of loan approval shall be provided to Seller within the sooner of the date 20 days after the effective date of this Addendum or 10 days prior to the closing Date.

- 7. **CLOSING COSTS:** Buyer and Seller agree to pay the closing costs which are customarily paid by each in the area where the Property is located including but not limited to all lender's fees in connection herewith, buyer's escrow fees (if any), document preparation and recording fees, notary fees, recording charges except those incident to clearing existing encumbrances or title defects, the premiums for flood, fire and hazard insurance, appraisal fees and customary settlement costs and accruals. Notwithstanding the foregoing, Seller's responsibility for closing costs, including discount points (if applicable) if agreed to in the contract or counter. Seller shall not be liable for the payment of any assessments of other charges against the Property made by a municipality, city, county, state or other entity, as of the Closing Date or going forward, and Buyer shall assume the payment of any such assessments or other charges against the Property; however, if existing payment obligations are not assumable, Seller shall negotiate such payment with Buyer. Buyer is responsible for verification of outstanding bills and transfer of utilities, including but not limited to: water, sewer, electric, natural gas, propane, fuel oil, telephone.
- 8. **SURVEY AND OTHER COSTS:** If a survey is required to close, it will be the sole responsibility of Buyer to obtain a survey acceptable to the Title Company and any lender within stated closing period herein and will be at the Buyer's expense. Additionally, if a buyer elects to have attorney representation at closing, it will be at the expense of Buyer.
- 9. **PROPERTY TAXES:** Pro-rations for taxes shall be based on the last available tax bill or upon the Tax assessor's latest valuation and the current tax rate. **THE SELLER WILL NOT BE RESPONSIBLE FOR ANY ADJUSTMENT OF TAXES AFTER CLOSING.**
- 10. **POSSESSION:** Possession shall be granted only upon funding of closing or passing of title deed to Buyer.
- 11. **INSURANCE:** Upon Closing, Seller shall be relieved of all responsibility and liability for maintaining hazard, flood (if applicable), and title insurance on the Property. All hazard, flood (if applicable) and title insurance policies shall be terminated by Seller immediately upon Closing. Buyer shall be responsible for obtaining any required hazard, flood (if applicable) and mortgagee title insurance if lender so requires prior to Closing.
- 12. **RISK OF LOSS:** Seller shall maintain the Property until transfer of title in materially the same condition as of the effective date of this Addendum, except for ordinary wear and tear. If, prior to closing, the Property is damaged in an amount of not more than 5% of the selling price, Seller may make the said repair to restore it to the same condition that it was on the effective

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date of this Addendum. If the damage shall exceed such sum, or seller elects not to repair, Seller shall promptly notify Buyer in writing of the damage and the Contract and this Addendum may be canceled at the option of Buyer or Seller, in which case earnest money shall be returned to the Buyer.

13. **DEFAULT:** Buyer and Seller are required and agree to make full settlement in accordance with the terms of the Contract and acknowledge that failure to do so constitutes a breach hereof. If Buyer fails to make full settlement or is in default due to Buyer's failure to comply with the terms, covenants and conditions of the Contract, the Seller shall immediately terminate the Contract and the earnest money deposit and any subsequent deposits paid shall be released and surrendered to the Seller, as agreed by all parties, as liquidated damages, not as a penalty, to defray carrying costs and lost marketing time.

If Seller fails to make full settlement or is in default due to Seller's failure to comply with the terms, covenants and conditions of the Contract, Buyer shall be entitled to a return of any earnest money as its sole and exclusive remedy and to a cancellation of the Contract, which shall be rendered NULL and VOID.

14. **ARBITRATION CLAUSE:** Any controversy or claim arising out of or relating to this contract, or the breach thereof, shall be settled by arbitration administered by the American Arbitration Association in accordance with its commercial arbitration rules and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. The place of arbitration shall be a location acceptable to each of the parties. If Buyer and Seller cannot determine a mutually acceptable location, the locale will be determined in accordance with the commercial arbitration rules. The parties may, without waiving any remedy under the Contract, seek from any court having jurisdiction any interim or provisional relief that is necessary to protect their rights or property, pending the arbitral tribunal's determination of the merits of the controversy. Each party shall bear its own costs and expenses and an equal share of the arbitral tribunal fees and administrative fees. The award shall be in writing, shall be signed by a majority of the arbitrators in the tribunal, and shall include a statement regarding the reasons for the disposition of any claim. Judgment on the award rendered by the arbitral tribunal may be entered in any court having jurisdiction thereof. Except as may be required by law, neither party nor an arbitrator may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of all parties.

15. **ASSIGNMENT:** The Buyer shall not assign the Contract.

16. **ADDITIONAL PROVISIONS:** Seller recommends that Buyer, at Buyer's expense, have the Property professionally inspected at Buyer's expense prior to Closing. The inspections recommended include, but are not limited to the following: a survey, flood certification, termite letter, home warranty, general home inspection and a structural report. Seller advises Buyer to seek advice of an attorney prior to executing this document if any of the stated terms and conditions are not understood.

17. **ENTIRE AGREEMENT:** The Contract for Sale, this Addendum and any addenda attached hereto contain the final and entire agreement between the parties, and neither they nor their agents shall be bound by any terms, conditions, statement, warranties or representations, oral or written, not herein contained. NO ORAL STATEMENT, REPRESENTATION, PROMISE OR INDUCEMENT SHALL HAVE ANY VALIDITY NOR SHALL BE A PART OF THE CONTRACT. All covenants, promises, and understandings written herein survive the Closing. The parties to this Contract mutually agree that it is binding upon them, their heirs, executors, administrators, personal representatives, successors and assigns, if permitted as interpreted and construed in accordance with the laws of the State where the property is located. It is further agreed that this Contract may be executed in counterparts, each of which when considered together shall constitute the original Contract.

18. **RELEASE:** Buyer hereby releases, and forever discharges SELLER, its parent company and other affiliated companies, their AGENTS, any OFFICER director or employee of any one of them and any other PERSON, FIRM or COMPANY who may be liable by or through them, from any and all claims, losses or demands, including, but not limited to, personal injuries and property damage arising from or in any way related to lead-based paint hazards, environmental hazards, mold hazards, any defects in the individual on-lot sewage disposal system or deficiencies in the on-site water service system, or any other defects or conditions on the Property. This release shall survive the Closing.

**SELLER:**

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

BUYER: \_\_\_\_\_

Signature

BUYER: \_\_\_\_\_

Print Name

BUYER: \_\_\_\_\_

Signature

BUYER: \_\_\_\_\_

Print Name

DATE: \_\_\_\_\_

\_\_\_\_\_  
LISTING REALTOR                      DATE

\_\_\_\_\_  
CO-OPERATING REALTOR                      DATE

***The contract is not effective until this document is signed by buyer and returned, without alterations, to Seller for signature.***

THIS Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards is attached on a separate sheet of paper to the Contract for sale, between the undersigned Seller, and Buyer (s).

## LEAD WARNING STATEMENT

Every purchaser of any interest in residential real Property on which a residential dwelling was built before 1978 is notified that such Property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The Seller of any interest in residential real Property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the Seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended before purchase.

## SELLER'S DISCLOSURE

1. Presence of lead based paint and / or lead-based paint hazards (check item "a" or "b" below):
  - a. \_\_\_\_\_ Known lead-based paint and/or lead-based paint hazards are present in the housing. If checked, the following explanation is provided: \_\_\_\_\_
  - b. \_\_\_\_\_ Seller has no knowledge of lead-based paint and/or lead based paint hazards in the housing.
2. Records and reports available to Seller (check item "a" or "b" below):
  - a. \_\_\_\_\_ Seller has provided Buyer with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing. If checked, the following documents were provided: \_\_\_\_\_
  - b. \_\_\_\_\_ Seller has no reports or records pertaining to lead-based paint and / or lead-based paint hazard in the housing.

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## BUYER'S ACKNOWLEDGMENT

### BY BUYER'S EXECUTION BELOW, BUYER ACKNOWLEDGES THAT:

1. Buyer has read the Lead Warning Statement above and understands its contents, and has received copies of all information listed above.
2. Buyer has received the pamphlet *Protect Your Family from Lead in Your Home*.
3. Buyer has either:
  - a. \_\_\_\_\_ Received a 10-day opportunity (or mutually agreed-upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or
  - b. \_\_\_\_\_ Waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

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## AGENT'S ACKNOWLEDGMENT

### BY AGENT'S EXECUTION BELOW, AGENT ACKNOWLEDGES THAT:

Agent has informed Seller of Seller's obligations under 42 U.S.C. §4852d and is aware of his or her responsibility to ensure compliance.

## CERTIFICATION OF ACCURACY

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information they have provided is true and accurate. Each of the following parties has duly executed and delivered this attachment before the execution and delivery of the above-referenced contract of even date herewith.

### SELLER:

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

Title: Asset Manager

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

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

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

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