



PURCHASE AGREEMENT ADDENDUM No. _____

(May Also Be Used With Counter Offer) (C.A.R. Form PAA, Revised 4/08)

This is an addendum to the [] California Residential Purchase Agreement, [] Counter Offer No. _____, [] Other _____, ("Agreement"), dated _____, on property known as _____ ("Property"), between _____ ("Buyer"), and _____ ("Seller").

(The definitions in the California Residential Purchase Agreement are applicable to this Purchase Agreement Addendum.)

- 1. [] CANCELLATION OF PRIOR SALE; BACK-UP OFFER (If checked): This Agreement is in back-up position number _____, and is contingent upon written cancellation of any prior contracts and related escrows ("Prior Contracts") between Seller and other buyers. Seller and other buyers may mutually agree to modify or amend the terms of Prior Contracts. Buyer may cancel this Agreement in writing at any time before Seller provides Buyer Copies of written cancellations of Prior Contracts Signed by all parties to those contracts. If Seller is unable to provide such written Signed cancellations to Buyer by _____ (date), then either Buyer or Seller may cancel the Agreement in writing.
A. BUYER'S DEPOSIT CHECK shall be: (i) held uncashed until Copies of the written cancellations Signed by all parties to the Prior Contracts are provided to Buyer; OR (ii) (if checked) [] immediately handled as provided in the Agreement.
B. TIME PERIODS in the Agreement for Investigations, contingencies, covenants and other obligations (i) shall begin on the Day After Seller provides Buyer Copies of Signed cancellations of Prior Contracts; OR (ii) (if checked) [] all time periods shall begin as provided in this Agreement. However, if the date for Close Of Escrow is a specific calendar date, that date shall NOT be extended, unless agreed to in writing by Buyer and Seller.
2. [] SELLER TO REMAIN IN POSSESSION AFTER CLOSE OF ESCROW (If checked): This provision is intended for short-term occupancy (i.e. less than 30 Days). If occupancy is intended to be for 30 Days or longer, use Residential Lease After Sale (C.A.R. Form RLAS). Note: Local rent control or other Law regarding tenant's rights may impact Buyer's and Seller's rights and obligations.
A. TERM: Seller to remain in possession of Property for _____ Days After Close Of Escrow (or [] _____). Seller has no right to remain in possession beyond this term and may be responsible for court awarded damages if Seller does remain.
B. COMPENSATION: Seller agrees to pay Buyer (i) for the term specified in 2A, \$ _____ per Day (or [] _____), and (ii) a security deposit in the amount of \$ _____. Seller shall deposit such funds with escrow holder prior to Close Of Escrow or such funds shall be withheld from Seller's proceeds. At Close Of Escrow, security deposit will be released to Buyer (or [] held in escrow).
C. LATE CHARGE/NSF CHECKS: If any payment from Seller to Buyer is required outside of escrow, and any such payment is not received by Buyer within 5 (or [] _____) Days After date due, Seller shall pay to Buyer an additional sum of \$ _____ as a Late Charge. If a check is returned for non-sufficient funds ("NSF"), Seller shall pay to Buyer \$25.00 as an NSF charge. Seller and Buyer agree that these charges represent a fair and reasonable estimate of the costs Buyer may incur by reason of Seller's late or NSF payment. Buyer's acceptance of any Late Charge or NSF fee shall not constitute a waiver as to any default by Seller.
D. UTILITIES: Seller agrees to pay for all utilities and services, and the following charges: _____ except _____, which shall be paid for by Buyer.
E. ENTRY: Seller shall make Property available to Buyer for the purpose of entering to make necessary or agreed repairs, or to supply necessary or agreed services, or to show Property to prospective or actual purchasers, tenants, mortgagees, lenders, appraisers or contractors. Buyer and Seller agree that 24 hours notice (oral or written) shall be reasonable and sufficient notice. In an emergency, Buyer may enter Property at any time without prior notice.
F. MAINTENANCE: Seller shall maintain the Property, including pool, spa, landscaping and grounds, and all personal property included in the sale in substantially the same condition as on the date of Acceptance of the Agreement. Except as provided in the Agreement, Seller shall not make alterations to the Property without Buyer's written consent.
G. ASSIGNMENT; SUBLETTING: Seller shall not assign or sublet all or any part of the Property, or assign or transfer the right to occupy the Property. Any assignment, subletting or transfer of the Property by voluntary act of Seller, by operation of Law or otherwise, without Buyer's prior written consent shall give Buyer the right to terminate Seller's right to possession.
H. SELLER'S OBLIGATIONS UPON DELIVERY OF POSSESSION: Upon delivery of possession to Buyer, Seller shall deliver the Property in the condition and on the terms provided in the Agreement.
I. INSURANCE: Seller's personal property (including vehicles) is not insured by Buyer, and, if applicable, owner's association, against loss or damage due to fire, theft, vandalism, rain, water, criminal or negligent acts of others, or any other cause. Seller is to carry Seller's own insurance to protect Seller from such loss.
J. WAIVER: The waiver of any breach shall not be construed as a continuing waiver of the same or any subsequent breach.
K. OTHER TERMS AND CONDITIONS/SUPPLEMENTS: _____

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Buyer's Initials (_____) (_____)

Seller's Initials (_____) (_____)

Reviewed by _____ Date _____



PURCHASE AGREEMENT ADDENDUM (PAA PAGE 1 OF 2)

Agent: Gregg Watkins Phone: (858) 452 - 7788 Fax: (858) 622 - 6262 Prepared using WINForms® software
Broker: Watkins Realty Group 5703 Oberlin Dr., Ste 212 San Diego, CA 92121

3. **TENANT TO REMAIN IN POSSESSION** (If checked): Buyer shall take Property subject to the rights of existing tenants. Seller shall, within 7 (or _____) Days After Acceptance, deliver to Buyer Copies of all: estoppel certificates sent to and received back from tenants; leases; rental agreements; and current income and expense statements ("Rental Documents"). Seller shall give Buyer written notice of any changes to existing leases or tenancies or new agreements to lease or rent ("Proposed Changes") at least 7 (or _____) Days prior to any Proposed Changes. Buyer's approval of the Rental Documents and Proposed Changes is a contingency of the Agreement. Buyer shall, within 5 (or _____) Days After receipt of Rental Documents or Proposed Changes remove the applicable contingency or cancel the Agreement. Seller shall transfer to Buyer, through escrow, all unused tenant deposits. No warranty is made concerning compliance with governmental restrictions, if any, limiting the amount of rent that can lawfully be charged, and/or the maximum number of persons who can lawfully occupy the Property, unless otherwise agreed in writing.

4. **SECONDARY OR ASSUMED LOAN** (If checked): Obtaining the secondary loan or assumption below and approval of such financing is a contingency of this Agreement. Buyer shall act diligently and in good faith to obtain the designated financing.

A. SECONDARY LOAN:

(1) New second deed of trust in favor of LENDER encumbering the Property, securing a note payable at maximum interest of _____ % fixed rate or _____ % initial adjustable rate, with a maximum interest rate of _____ %, balance due in _____ years. Buyer shall pay loan fees/points not to exceed _____ . (These terms apply whether the designated loan is conventional, FHA or VA.)

(2) Within 17 (or _____) Days After Acceptance, Buyer shall, as specified in the Agreement, remove this contingency or cancel this Agreement; OR (if checked) secondary loan contingency shall remain in effect until the loan is funded.

B. ASSUMPTION OF EXISTING LOAN:

(1) Assumption of existing deed of trust encumbering the Property, securing a note payable at maximum interest of _____ % fixed rate or _____ % initial adjustable rate, with a maximum interest rate of _____ %, balance due in _____ years. Buyer shall pay loan fees/points not to exceed _____ .

Seller shall, within 5 (or _____) Days After Acceptance, request from Lender, and upon receipt provide to Buyer, Copies of all applicable notes and deeds of trust, loan balances and current interest rates. Differences between estimated and actual loan balances shall be adjusted at Close Of Escrow by cash down payment. Impound accounts, if any, shall be assigned and charged to Buyer and credited to Seller. If this is an assumption of a VA Loan, the sale is contingent upon Seller being provided a release of liability and substitution of eligibility, unless otherwise agreed in writing.

(2) Within 17 (or _____) Days After Acceptance, Buyer shall, as specified in the Agreement, remove this contingency or cancel this Agreement. However, if the assumed loan documents are not provided to Buyer within 7 Days After Acceptance, Buyer has 5 (or _____) Days After receipt of these documents, or the fixed time specified in 4B(2), whichever occurs last, to remove this contingency or cancel the Agreement; OR (if checked) assumed loan contingency shall remain in effect until the assumption is approved.

5. **COURT CONFIRMATION** (If checked): This Agreement is contingent upon court confirmation on or before _____ (date). If court confirmation is not obtained by that date, Buyer may cancel this Agreement in writing. Court confirmation may be required in probate, conservatorship, guardianship, receivership, bankruptcy or other proceedings. The court may allow open, competitive bidding, resulting in Property being sold to the highest bidder. Broker recommends that Buyer appear at the court confirmation hearing. Buyer understands that (i) Broker and others may continue to market the Property and (ii) Broker may represent other competitive bidders prior to and at the court confirmation.

By signing below Buyer and Seller acknowledge that each has read, understands, received a copy of and agrees to the terms of this Purchase Agreement Addendum.

Date _____

Date _____

Buyer _____


Seller _____

Buyer _____

Seller _____

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Reviewed by _____ Date _____