

ADDENDUM TO CONTRACT OF SALE



CRG File #

224583

Property Address

414 N. Maria Avenue , Redondo Beach, California 90277

This Addendum is to be made part of the purchase agreement ("Contract") dated \_\_\_\_\_, between Cornerstone Relocation Group LLC ("Seller") and \_\_\_\_\_ ("Buyer") relating to the real property located at: **414 N. Maria Avenue , Redondo Beach, California 90277** (the "Property".)

**IN THE EVENT THAT ANY PROVISION OF THIS ADDENDUM CONFLICTS IN WHOLE OR IN PART WITH THE TERMS OF THE CONTRACT OR ANY ADDENDA TO THE CONTRACT, THE PROVISIONS OF THIS ADDENDUM SHALL CONTROL.**

1. RELOCATION TRANSACTION, CONTRACT EFFECTIVE DATE.

Buyer acknowledges that Seller has or will acquire the Property in a relocation transaction and that Seller is not an occupant of the Property. Seller's obligations under the Contract are subject to Seller becoming the contractual owner of the Property. If Seller does not become the contractual owner of the Property on or before the Closing Date, the Contract shall be null and void. Both parties understand and agree that no binding and enforceable agreement exists between Seller and Buyer unless the Contract is fully executed by Seller, and Seller's execution date shall be the Contract "Effective Date".

2. PROPERTY CONDITION.

Buyer is aware and acknowledges that Seller is a third party relocation company and has never occupied the Property and that Seller's limited first-hand knowledge is based solely on inspections performed (if any) at the time of acquisition and property disclosures received (if any) from the previous homeowner. Buyer is aware that the 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, the presence or absence of toxic or hazardous substances or the presence or absence of any encroachments or unrecorded easements. If inspection report(s) have been obtained by Seller or Seller's representative, said inspection reports are being provided to Buyer for Buyer's information only and become part of the contract. Available inspection(s) and property disclosure(s) are attached hereto. Other than those (if any) specified in the provided inspection(s) and/or property disclosure(s), 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, electrical systems, fixtures, roof, sewers, septic systems, foundation, structural condition, pool, spa and related equipment. Naturally occurring radon gas, molds, fungi, spores, pollen or other allergens may be found in a home. Other than the attached (if any) Property air quality inspection(s), Seller has not tested and makes no warranties whatsoever as to the indoor air quality of the property. Buyers agree to indemnify and hold harmless Seller and prior owners from any claims (including attorney's fees) raised after the closing relating to the presence or non-disclosure of allergens in the Property, whether those conditions existed prior to Closing or developed thereafter.

3. PROPERTY SOLD "AS-IS".

Buyer acknowledges that Seller has never occupied the Property and neither Seller nor any of its representatives make and have not made any express or implied representations or warranties regarding its condition. Buyer acknowledges that has read and understands the disclosure documents provided by Seller and the sales price reflects the agreed-upon value of the property "AS-IS", inclusive of all disclosures. Buyer further acknowledges that the Property is being sold and Buyer accepts the Property in its present "AS-IS" condition as of the date of the Contract, with all its flaws and defects. Buyer is encouraged to conduct, at Buyer's expense, any property inspection deemed appropriate.



4. LOUISIANA PROPERTIES ONLY.

The property is sold "as-is, where is" without any warranties whatsoever as to fitness or condition, whether expressed or implied, and Buyer expressly waives the warranty of fitness and the guarantee against hidden or latent vices (defects in the property sold which render it useless or render its use so inconvenient or imperfect that Buyer would not have purchased it had he known of the vice or defect) provided by law in Louisiana, more specifically, that warranty imposed by Louisiana Civil Code art. 2520 et seq. with respect to Seller's warranty against latent or hidden defects of the property sold, or any other applicable law, not even for a return of the purchase price.

Buyer forfeits the right to avoid the sale or reduce the purchase price on account of some hidden or latent vice or defect in the property sold. Seller expressly subrogates Buyer to all rights, claims and causes of action Seller may have arising from or relating to any hidden or latent defects in the property. This provision has been called to the attention of the Buyer and fully explained to the Buyer, and the Buyer acknowledges that he has read and understands this waiver of all express or implied warranties and accepts the property without any express or implied warranties. Buyer expressly waives all rights in redhibition and reduction of the purchase price or otherwise, pursuant to Louisiana law.

5. PROPERTY INSPECTIONS.

"Buyer has the right and is strongly advised to investigate the condition and suitability of the Property by having the Property inspected by qualified, licensed professional inspectors. Seller authorizes Buyer, at Buyer's expense, to make a complete non-destructive inspection of the Property within ten (10) calendar days from the Effective Date of the Contract. The purpose of the inspection(s) will be to inform Buyer in a written report(s) if the Property is in a condition materially different than Buyer expected when making the offer to purchase other than cosmetic or normal wear. Buyer acknowledges that it is Buyer's sole responsibility to obtain surveys, tests or inspection reports by qualified professionals on, but not limited to: appliances, heating/cooling systems, plumbing, electrical systems, structural components, wood-destroying insects, pests and alterations or additions to the Property and to determine the presence of any environmental conditions affecting the Property and/or toxic or hazardous substances or allergens on the Property which would make it dangerous to the health of the occupants, or other factors regarding the Property about which Buyer may be concerned.

Failure of Buyer to complete inspection(s) and notify Seller of any defects during the ten (10) day Property Inspection due diligence period shall act as Buyer's waiver of any and all inspection and repair contingencies in the Contract and this Addendum and to affirm Buyer acceptance of the Property in its "AS-IS" condition.

Within said ten (10) day due diligence period Buyer shall deliver written notice to Seller that:"

- A. Buyer waives the right to obtain any additional inspections, accepts the property "AS-IS" and agrees to hold Seller, its employees and representatives harmless from any subsequent consequences that may result from Buyer's election not to conduct property inspections.
- B. Buyer is satisfied with the inspection results, waives all inspection and repair contingencies and accepts the Property in its then current "AS-IS" condition.
- C. In the event that inspections reveal material deficiencies not already disclosed by Seller, Buyer may submit written notice to Seller canceling the Contract or submit a list requesting repair of alleged deficiencies as well as a copy of the inspection(s) report(s) upon which the repair requests are made. Upon receipt of notice of requested repair issues, Seller shall have ten (10) days thereafter to respond to Buyer's repair demands. Seller is not responsible, and is not required to make any repairs but reserves the right, at its sole discretion, to:



1. Terminate the Contract and refund earnest money to Buyer.
2. Complete repair(s) in a timely fashion to a reasonably satisfactory condition. Seller is not liable for the quality of any repairs. Buyer agrees to look solely to the licensed contractor(s) performing such repair(s).
3. Negotiate the repair issues with Buyer including which items are to be repaired, the cost of such repair(s) and the time frame for completion.
4. Seller may give Buyer a credit at closing in lieu of all repair demands. If such credit is given, Buyer shall sign a Hold Harmless Agreement releasing Seller, prior owners of record and their employers from all liability related to the condition of the Property. Any closing credit must be applied to Buyer's closing expenses, be approved by Buyer's lender and appear on the HUD-1 Settlement Statement.

Buyer may conduct a walk-through inspection of the Property no later than two (2) business days prior to the close date for the sole purpose of determining that there has been no material change in the Property, ordinary wear and tear accepted, since the Contract execution. Buyer must immediately notify Seller of any new condition(s) that exists. Seller will not negotiate new repair requests at closing except to maintain the original conditions of the Property.

**IMPORTANT NOTICE - "BUYER BEWARE CLAUSE"**

**Buyer acknowledges that Seller has made no representation or warranty, express or implied, as to the Property or the improvements thereon or as to value, condition, state of maintenance or repair, fitness for use, habitability, compliance with law (including without limitation building codes, safety codes, zoning laws and ordinances and environmental laws) of the Property or improvements (collectively, the "Property Condition"). Buyer acknowledges that, pursuant to this Agreement, Buyer is being afforded the opportunity to inspect the Property and any and all legal records or files concerning the Property, either personally or through consultants selected by Buyer. Buyer agrees to conduct such inspections, and to retain such consultants, as are necessary or appropriate in order to furnish Buyer with an understanding of the condition and status of the Property. Buyer represents that it will rely solely upon the results of such inspections with respect to the Property Condition. Buyer agrees that, if Buyer fails to conduct any such inspections, Buyer will nonetheless be deemed to have knowledge of any defects in the condition or status of the Property which would have been discovered if such inspections had been conducted. The provisions herein shall survive closing and delivery of the deed. The closing of this transaction shall constitute Buyer's full and complete acceptance and release of claims for all Property Condition and inspection matters herein.**

6. TAX AND OTHER PRORATIONS

Prorations Tax pro-rations and assessments, if any, shall be based upon the last actual Tax Bill of record. Consumer/Buyer and Seller agree that no further adjustments will be made after the date of closing. Consumer/Buyer agrees and is hereby on notice that any statements of taxes due and payable after the day of closing are the responsibility of the Consumer/Buyer. Consumer/Buyer agrees to credit Seller for any fuel oil remaining, if any, based on a fuel oil reading by a fuel oil company. Any confirmed and levied special assessments, whether governmental or association based, or special service area fees, shall be prorated and paid current through the time of closing only. There will be no prorations provided for future unconfirmed or impending special assessments or special service area fees, as of the date of closing. Settlement shall be final and this provision shall survive delivery of the deed.



7. INSURANCE PREMIUMS.

Insurance premiums shall not be prorated. All existing insurance policies will be cancelled at the time of closing.

8. EARNEST MONEY, DEFAULT, LIMITATION OF DAMAGES, ARBITRATION, BROKERS.

It is agreed and understood that Buyer's earnest money deposit shall be made payable to and held in escrow by the listing broker unless Seller has agreed otherwise. Notwithstanding any provisions in the Contract, in the event of Seller's default, Buyer's sole remedy shall be the right to the return of Buyer's earnest money deposit and the Contract shall then be terminated. In the event of Buyer's default, Seller agrees that Seller's sole remedy shall be to retain the Buyer's earnest money as liquidated damages, and the Contract shall then be considered null and void. Seller does not agree to arbitration and any Contract provision related to mediation, arbitration, conflict resolution, specific performance or other remedies in law or in equity shall be deemed stricken. Any Contract provisions with respect to any payments or amounts due to brokers are null and void. Broker compensation is governed exclusively by the Listing Agreement between Seller and listing broker. Seller is a licensed real estate broker.

9. CLOSING, TITLE, POSSESSION.

Seller will not provide a policy of title insurance to Consumer/Buyer at Seller's expense unless the subject property is in a jurisdiction where it is customary for a Seller of residential property to do so and, in that event, Seller reserves the right to select the title insurer/agent. Notwithstanding the foregoing, Consumer/Buyer acknowledges that Consumer/Buyer is not required to purchase settlement services, including title insurance, from any particular company as a condition of sale. Seller has already completed preliminary title work on the subject property. The local closing office will be assigned by Morreale Real Estate Services, Inc. Please contact Morreale Real Estate Services, Inc. directly at 630-545-5300 for local closing office information. In the event Consumer/Buyer's Lender requires the use of a different title or settlement company that was not previously assigned by Morreale Real Estate Services, Inc., Seller will agree to use said company provided that Seller will not be responsible for any additional or duplicate title or closing fees. Seller shall deliver possession of the Property upon closing and funding. Buyer may not occupy the Property or store personal property in the Property before closing and funding. Buyer acknowledges and agrees that title to the property may be conveyed by someone other than Seller.

10. TIME IS OF THE ESSENCE.

The final settlement/closing shall occur on or before \_\_\_\_\_. Closing figures must be received by Seller no later than 24 hours prior to closing or Seller shall have the option to delay closing and extend Contract until figures are received and approved. If this transaction fails to close on or before the specified date through no fault of Seller, Seller shall have the option of canceling the Contract or charging Buyer 0.05% of the purchase price per day toward Seller's carrying costs through and including the new closing date specified in the closing extension. This penalty is not enforceable if the delay is caused by no fault of Buyer.

11. MORTGAGE FINANCING.

If Contract is contingent on obtaining financing, an application for mortgage financing shall be made within two (2) business days from Contract Effective Date. Buyer shall obtain a written loan commitment from Buyer's lender and provide a copy to Seller on or before 10 calendar days from the Effective Date of the Contract.

In the event the Buyer's financing is denied, Buyer shall provide a written letter from Buyer's lender to support any request to terminate the contract. In the event Buyers are unable to obtain with the lender of their choosing, Cornerstone Relocation Group reserves the right to pursue financing through Cornerstone Relocation's lenders. In the event Cornerstone Relocation Group is able to secure Buyer's financing upon terms and conditions comparable to



those identified in the contract, Buyer's agree to close as provided in the contract. Buyer agrees to cooperate fully with any such financing.

12. OTHER.

- A. **Risk of Loss.** If after the Effective Date of this Contract and prior to closing, any part of the Property is damaged or destroyed by fire or other casualty loss and the cost or replacement or repair is in excess of five percent (5%) of the Sales Price, Buyer and Seller may renegotiate the Sales Price or terminate the Contract. If the Contract is terminated, any earnest money shall be refunded to Buyer.
- B. **Survey.** 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. The cost of the survey will be a Buyer's expense. Seller will not provide an existing survey and will not sign a survey affidavit.
- C. **Appraisal Contingency.** Notwithstanding any provision(s) of Contract, if this Contract is "contingent on the Property's appraisal and should the Property appraise for less than the Sale Price; (i) Buyer may proceed with the Contract at the originally agreed Sale Price; (ii) the parties may renegotiate all terms; (iii) either Buyer or Seller may cancel the Contract. Buyer and Seller are individually responsible for any costs incurred by each party."
- D. **Severability.** In the event that any provision of this Addendum conflicts with the applicable law of the jurisdiction in which the Property is located, such conflict shall not affect other provisions of this Addendum which can be given effect without the conflicting provision.
- E. **Assignment.** Buyer may not assign nor record Contract or this Addendum.
- F. **Disclosures.** Buyer shall acknowledge receipt of the Disclosure Documents by initialing each document and signing the Disclosure Statement.
- G. **Consult an Attorney.** If Buyer does not understand the effect of this Contract or Addendum, Buyer should consult an attorney before signing.
- H. Seller does not participate in 1031 exchange transactions.

ADDENDUM TO CONTRACT OF SALE



13. ADDITIONAL PROVISIONS:

The provisions of this Addendum shall survive the final settlement closing and delivery of the deed and shall supersede and override any conflicting clauses or statements of the attached Contract, other addenda, and/or escrow instructions. This Addendum is controlling in the event of any inconsistency between Addendum and the Contract to which it is annexed.

The closing of this transaction and acceptance of the deed to the Property by Buyer constitutes Buyer's acknowledgement that the condition of the Property and all systems, fixtures, equipment and appliances on the Property are acceptable to Buyer. Seller shall have no further responsibility or obligation concerning the Property after closing. By closing, Buyer waives all rights Buyer may have against Seller concerning the condition of the Property. This provision shall survive closing.

\_\_\_\_\_  
Buyer Date

\_\_\_\_\_  
Buyer Date

\_\_\_\_\_  
Cornerstone Relocation Group, LLC (Seller) Date

*NWRE Brokers*

\_\_\_\_\_  
Listing Broker Company Name

\_\_\_\_\_  
Selling Broker Company Name

*[Signature]*

\_\_\_\_\_  
Listing Agent

*5/1/19*

\_\_\_\_\_  
Date

\_\_\_\_\_  
Selling Agent

\_\_\_\_\_  
Date

