
CONTRACT SALES ADDENDUM**REO #: 515395956**

This Addendum is to be made part of, and incorporated into, the Real Estate Purchase Contract dated _____, 20__ (the "Contract"), between _____ THE BANK OF NEW YORK MELLON FKA THE BANK OF NEW YORK AS TRUSTEE FOR THE BENEFIT OF THE CERTIFICATEHOLDERS OF THE CWABS INC., ASSET-BACKED CERTIFICATES, SERIES 2006-SD4 ("Seller") and _____ ("Purchaser") for the property and improvements located at the following address: **1702 W 28th Street, San Bernardino, CA 92407** ("Property")

IN THE EVENT ANY PROVISIONS OF THIS ADDENDUM CONFLICT IN WHOLE OR IN PART WITH THE TERMS OF THE CONTRACT OF SALE OR ANY PRIOR ADDENDUM OR AMENDMENT THERETO (COLLECTIVELY, THE "CONTRACT"), THE PROVISIONS OF THIS ADDENDUM SHALL CONTROL.

1. Title to the property shall be conveyed by either Special Warranty Deed or Quit Claim Deed, or equivalent documents accepted where the Property is located. It is the intent of the Seller to deliver insurable title to the subject property through the conveyance of the Special Warranty Deed or comparable instrument. The comparable instrument, at a minimum, must contain the following language: "Grantor covenants that it is seized and possessed of the said land and has a right to convey it, and warrants the title against the lawful claims of all persons claiming by, through and under it, but not further otherwise".

2. Notwithstanding anything in the attached contract (hereinafter, the "Contract") to the contrary, the Special Warranty Deed to be delivered by the Seller at closing shall include the following "subject to" provisions:

The following reservations from and exceptions to this conveyance and the warranty of title made herein shall apply.

- a) All easements, rights-of-way and prescriptive rights whether of record or not, pertaining to any portion(s) of the herein described property (hereinafter, the "Property");
- b) All valid oil, gas and mineral rights, interests or leases, royalty reservations, mineral interest and transfers of interest of any character, in the oil, gas or minerals of record in any county in which any portion of the Property is located;
- c) All restrictive covenants, terms, conditions, contracts, provisions, zoning ordinances and other items of record in any county in which any portion of the Property is located, pertaining to any portion(s) of the Property, but only to the extent that same are still in effect;
- d) All presently recorded instruments (other than liens and conveyances by, through or under the Grantor) that affect the Property and any portion(s) thereof;
- e) Ad valorem taxes, fees and assessments, if any, for the current year and all prior and subsequent years, the payment of which Grantee assumes (at the time of transfer of title), and all subsequent assessments for this and all prior years due to change(s) in land usage (including, but not limited to, the presence or absence of improvements, if any, on the Property), ownership, or both, the payment of which Grantee assumes; and
- f) Any conditions that would be revealed by a physical inspection and survey of the Property.

Buyer's Initials _____

Seller's Initials _____

3. Seller shall select the title and closing agent. The Seller shall pay the title examination fee, the premium, and any other charges and fees for the owner’s title insurance policy. Because Seller agrees to pay the premium and any other charges and fees for the owner’s title insurance policy, Seller shall have the right to select the title company that shall issue the owner’s title policy. Buyer shall pay their customary closing fee to the closing/title agent. If Buyer obtains a mortgage loan in connection with this purchase, the Buyer will pay any premium of a mortgagee title policy. With respect to the purchase of any mortgagee title policy, Buyer specifically acknowledges:

- a) This Agreement in no way limits Buyer’s right to obtain a mortgagee’s title policy from any title company of Buyer’s choosing;
- b) Buyer understands Seller is obtaining an owner’s title policy and Buyer may, at his own option, incur less expense by obtaining a mortgagee title policy from the same title company;
- c) Any costs savings or other benefit that may accrue to Buyer as a result of Buyer’s purchase of a mortgagee’s title policy from the same title company selected by Seller to issue the owner’s title insurance policy in no way abrogates Buyer’s right to obtain mortgagee’s title insurance from any title company of Buyer’s choosing;
- d) Buyer has not been penalized or rewarded by Seller for Buyer’s decision to purchase a mortgagee’s title policy from any title company of Buyer’s choosing;
- e) Seller has not in any manner directly or indirectly required Buyer, as a condition of sale to purchase a mortgagee title policy from any particular title company.

The Buyer is entitled to legal representation at the closing and may elect to have such representation at the Buyer’s expense. All closing transactions will be held at the Title/Closing Agent selected by the Seller. It is Sellers intent to deliver owner’s title insurance policy in lieu of an abstract in the customary abstract states. The Buyer hereby accepts title insurance in lieu of an abstract if applicable. In the event there is a requirement for the abstract to be updated, the associated expense will be a Buyer expense on the HUD 1 Settlement Statement. As required by the Real Estate Settlement Procedures Act of 1974, Buyer acknowledges that Seller has not directly or indirectly required Buyer, as a condition of sale, to purchase a mortgagee title insurance policy from any particular title company. Buyer may elect to obtain such insurance from a company of Buyer’s choice and Buyer shall pay, at closing, the title insurance premium for such policy. Buyer further acknowledges that Buyer’s election to obtain such insurance from a company of Buyer’s choice has not been limited in any manner regardless of any discount or other cost savings that may accrue to Buyer by purchasing a mortgagee title policy from the same title company that issued the owner’s title policy.

4. The undersigned Buyer and Seller hereby:

- a) Authorize and direct any title company or closing agent providing services in connection with this transaction (the”Closing Agent”) to furnish a copy of any HUD-1 Settlement Statement generated in connection with the closing of this transaction, whether unsigned or signed by the parties, showing both the Buyer’s and Seller’s sides of the transaction to the closing representative for the Seller;
- b) Agree that the Closing Agent shall have no liability under the Gramm-Leach-Bliley Act, any other statute or regulation relating to privacy or information disclosure or otherwise as a result of its compliance with the direction to release aforementioned HUD-1 Settlement Statements to the closing representative for the seller; and
- c) Agree that the closing representative for the seller may furnish such HUD-1 Settlement Statements to any authorized agent of the Seller.

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Seller’s Initials _____

5. Corporate Disclosures:

- a) Seller acquired the Property either as a result of a foreclosure action, result of like or similar action, i.e. deed in lieu or as part of a purchase from a prior servicer and that the total price set forth in the contract may reflect deferred maintenance. Accordingly, Seller has not conducted their own inspections or has any personal knowledge of the condition of the property other than as may be disclosed in the Inspection Report (as hereinafter defined), if any, that has been prepared for the Property. Purchaser acknowledges that there has been no representation(s) by Seller, or any other person acting as Seller's representative and/or Purchaser's representative regarding the condition of the Property, any of the appliances or structural components that may be contained therein, its fitness for general or specific use, or any other matter affecting the Property. If an inspection report has been obtained by or on behalf of Seller or Seller's representative (the "Inspection Report"), such Inspection Report may be provided to Purchaser for Purchaser's information only and shall not be deemed a part of the Contract of Sale. If the Inspection Report has been provided to Purchaser, no representation or warranty is made as to the accuracy and completeness of such report.
- b) Neither Seller nor any person acting as Seller's representative has occupied the Property and neither warrants or represents that the Property or any alterations or additions which may have been made to the Property conform to local building codes, zoning requirements or any other applicable laws, rules or regulations.
- c) Purchaser acknowledges that Purchaser has the opportunity to inspect, examine and make a complete review of the Property prior to the close of escrow of the Contract. Purchaser will rely solely on Purchaser's inspection and review to evaluate the condition of the Property.
- d) Purchaser hereby acknowledges that Seller shall not be providing Purchaser with a Real Estate Transfer Disclosure Statement and/or a Certificate of Occupancy with respect to the Property. Purchaser hereby waives any requirement that Seller furnish Purchaser with any such disclosure statement and/or a Certificate of Occupancy and hereby releases Seller from any and all liability resulting from the non-delivery of such disclosure statement and /or a Certificate of Occupancy.
- e) Purchaser acknowledges that it is Purchaser's sole responsibility to obtain inspection reports by qualified professionals on the appliances, structural components, and alterations or additions to the Property and to determine the presence of any toxic or hazardous substances on the Property, including, but not limited to, mold, radon, asbestos and lead paint, that would make it uninhabitable or dangerous to the health of the occupants or otherwise not in compliance with law, or any other factors regarding the condition of the Property about which Purchaser may be concerned.
- f) **PURCHASER UNDERSTANDS, ACKNOWLEDGES, AND AGREES THAT NEITHER SELLER NOR ANY PERSON ACTING AS SELLER'S REPRESENTATIVE IS MAKING ANY WARRANTIES OR REPRESENTATIONS, EITHER EXPRESS OR IMPLIED, AS TO THE CONDITION OF THE PROPERTY. THE PROPERTY IS BEING CONVEYED TO PURCHASERS IN ITS "AS IS, WHERE IS" CONDITION. IT IS THE RIGHT AND RESPONSIBILITY OF THE PURCHASER TO INSPECT THE PROPERTY AND PURCHASER MUST SATISFY HIMSELF/HERSELF AS TO THE CONDITION OF THE PROPERTY.**

Buyer's Initials _____

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- g) Mold, mildew spores and/or other microscopic organisms and/or allergens (collectively referred to in this Agreement as "Mold") are environmental conditions that are common in residential

properties and may affect the Property. Mold, in some forms, has been reported to be toxic and to cause serious physical injuries, including but not limited to, allergic and/or respiratory reactions or other problems, particularly in persons with immune system problems, young children and/or elderly persons. Mold has also been reported to cause extensive damage to personal and real property. Mold may have been removed or covered in the course of any cleaning or repairing of the Property.

h) The Purchaser acknowledges that, if Seller, or any of Seller’s employees, contractors, or agents cleaned or repaired the Property or remediated Mold contamination, that Seller does not in any way warrant the cleaning, repairs or remediation. Purchaser accepts full responsibility for all hazards that may result from the presence of Mold in or around the Property. The Purchaser is satisfied with the condition of the Property notwithstanding the past or present existence of Mold in or around the Property and Purchaser has not in any way, relied upon any representations of Seller, Seller’s employees, officers, directors, contractors, or agents concerning the past or present existence of Mold in or around the property.

6. In states where applicable, Purchaser acknowledges that time is of the essence regarding the closing of this Contract. Should Purchaser, through no fault of Seller, fail to close upon the Property on or before the closing date stated in the Contract for any reason whatsoever, the Seller can agree to extend the Contract. Seller may assess a penalty of a daily per diem for each day beyond said closing date for which the Purchaser requests and Seller agrees or, demand escrow proceeds be non-refundable to Purchaser. Either penalty will be determined by the seller on a case by case basis. Any monies so paid must be paid no later than the original closing date and shall be paid to Seller as non-refundable earnest money. These monies shall be paid in addition to the purchase price and may not be credited in any way to the original amounts due to Seller.

7. This Section 7 shall be in effect and incorporated into the Contract only when initialed by both Purchaser and Seller:

Purchaser’s Initials: (_____) / (_____) Seller’s Initials: (_____) / (_____)

If the Contract of Sale is “Subject to Financing”, then Purchaser may obtain financing from the lender of purchaser's choice. However, within seventy-two (72) hours of the execution of the Contract of Sale, Purchaser agrees to provide evidence to Seller that a lender has pre-approved Purchaser for financing. Purchaser shall pay for and instruct the lender to which such mortgage application is made to order an appraisal immediately upon submission by Purchaser of an application for a mortgage loan.

Proof of lender’s Final unconditional commitment to lend must be provided to Seller within 21 days of execution of this Addendum to Contract of Sale.

8. Buyer(s) is purchasing the Property in its current “As Is” condition subject only to such repairs as may be expressly required under the Contract or agreed to in writing by Seller and Buyer(s) prior to closing. Should any lender or any insuring equity or agency require that certain repairs to the Property be made or that certain other conditions be met, the Seller, at its sole option, may comply with such requirement or terminate the Contract. Furthermore, should any FHA Conditional Commitment or VA Certificate of Reasonable Value vary from the agreed upon purchase price of the Property, then Seller, at its sole option, may terminate the Contract. Notwithstanding that repairs may be made to the Property pursuant to the terms of this Contract and prior to closing, Buyer(s) acknowledges that Seller has not made and shall not make any representations or warranties of any character as to the necessity for any such repairs, or the

Buyer’s Initials _____

Seller’s Initials _____

absence of any necessity therefore, or of the adequacy of any such repairs upon completion thereof. Buyer(s) agrees that it shall be solely the responsibility of Buyer(s) to inspect and verify, prior to closing, the completion and adequacy of any and all such repair.

9. Purchaser agrees to indemnify Seller and Seller's representatives and fully protect, defend and hold Seller and Seller's representatives harmless from and against any and all claims, liens, losses, damages, liabilities, costs, injuries, attorney's fees and expenses of every kind and nature that may be made against Seller or the Property for any liens on the Property, any damage to the Property or any injury to Purchaser or other persons that may arise from repairs, replacements or treatments made by or for the benefit of Purchaser prior to closing, and any failure of Purchaser to comply with the provisions of paragraph 13 hereof.

10. If a Survey is requested by Buyer(s) or Lender, Buyer agrees to pay for said survey. A survey is not a condition of this transaction.

11. Taxes:

a) **Sellers Right to Contest Taxes:** Seller shall have the unrestricted right to contest the amount of or obligation to pay any ad valorem real or personal property taxes, real or personal property assessments, or assessments or dues of any condominium, planned unit development or similar community or other homeowners' association, (collectively, "Taxes") for any calendar year, fiscal year, or other accounting period for which Taxes are assessed or levied (a "Tax Period") that includes the date of the close of escrow on the Property (the "Closing Tax Period") or that precedes the date of the close of escrow on the Property (the "Closing"). Seller may contest Taxes by any judicial, administrative, or other process that Seller chooses. If requested by Seller, Purchaser shall join in any proceeding to contest Taxes to the extent necessary to permit Seller to exercise its rights under this Agreement. Seller shall have no duty to contest Taxes, and may dismiss, settle, or otherwise resolve any matter relating to contested Taxes on whatever terms Seller chooses.

b) **Entitlement to Refund:** Any refund of contested Taxes for the Closing Tax Period or any prior Tax Period shall be paid to Seller, and Purchaser hereby irrevocably assigns to Seller any right, title, or interest it may have in any refund of contested Taxes for all such Tax Periods. If requested by Seller, Purchaser shall execute whatever endorsements or other documents may be necessary to accomplish the refund of such contested Taxes to Seller. Notwithstanding anything to the contrary in this Section 7.B., however, Seller shall not be entitled to any refund of Taxes that are attributable solely to any change in land usage or ownership of the Property occurring at or after Closing, all of which shall be paid by Purchaser.

c) **ADJUSTMENTS FOR CLOSING TAX PERIOD:** If a contest of Taxes by Seller is concluded before Closing, the proration of the contested Taxes as provided in Section 7.B. above shall be accomplished by taking into account any change in valuation of the Property or the amount of contested Taxes for the Closing Tax Period. If a contest of Taxes by Seller is concluded after Closing, then notwithstanding the provisions of Section 7.B. above, an appropriate adjustment payment shall be made by Purchaser or Seller to the other so that taking into account the adjustment payment, each will have paid (or been debited for) the revised amount of Taxes for the Closing Tax Period that results from Seller's contest in the proportion that the number of days in the Closing Tax Period before or after the close of escrow, as the case may be, bears to the total number of days in the Closing Tax Period. Notwithstanding anything to the contrary in this Section 7.C., however, no adjustment payment shall be made with respect to Taxes for the Closing Tax Period that are attributable solely to any change in land usage or ownership of the Property occurring at or after the close of escrow, all of which shall be paid by Purchaser.

Buyer's Initials _____

Seller's Initials _____

- d) **CONTEST COSTS:** Purchaser shall pay a share of Seller’s out-of-pocket costs (including legal fees and costs) of contesting Taxes for the Closing Tax Period in the proportion that the number of days in the Closing Tax Period after the close of escrow bears to the total number of days in the Closing Tax Period. If Seller’s out-of-pocket costs of contesting Taxes for the Closing Tax Period exceed the amount of any reduction in contested Taxes for the Closing Tax Period, Purchaser shall not be obligated to pay any share of the excess. If as part of the same proceeding Seller has also contested Taxes for Tax Periods before the Closing Tax Period, Seller’s out-of-pocket costs shall be allocated to the Closing Tax Period in the proportion that the amount of the reduction in contested Taxes for the Closing Tax Period bears to the aggregate amount of all reductions in contested Taxes resulting from the proceeding. Except as otherwise provided in this Section 7.D., any contest of Taxes by Seller shall be at Seller’s sole cost and expense.
- e) **PAYMENT PROCEDURE:** The amount of any adjustment payment pursuant to Section 7.C. and the amount of any cost-sharing payment pursuant to Section 7.D. shall be combined to determine a net settlement amount owed by Seller or Purchaser to the other. If the net settlement amount is owed to Seller, that amount shall be due and payable not later than thirty (30) days after Seller notifies Purchaser in writing of the amount due. If the net settlement amount is owed to Purchaser, that amount shall be due and payable not later than thirty (30) days after Seller’s receipt of any contested Taxes to be refunded to Seller or the conclusion of the contest of Taxes by Seller, whichever is later. Any notice or payment from Seller to Purchaser shall include a statement reflecting in reasonable detail how the net settlement amount was calculated and shall include copies of bills, invoices, or other reasonable documentation of any out-of-pocket expenses of Seller for which Purchaser is to pay a share.

12. The Purchaser shall not assign its rights under any part of the Contract without Seller's prior written consent.

13. Purchaser is responsible for the installation of new locks on the Property immediately after the closing, and purchaser shall hold Seller and Seller’s representatives harmless from and indemnify Seller and Seller's representatives against any and all damages, claims, liens, losses, liabilities, costs, injuries, attorneys fees and expenses of every kind and nature that may be made against Seller as a result of Purchaser's failure to install new locks on the Property.

14. The final acceptance of the Contract and the effectiveness thereof is subject to committee approval, which will be provided when Seller’s signature is affixed hereon and a fully executed counterpart of the Contract has been delivered to Purchaser.

15 . If for any reason, Seller is unable to deliver insurable title to Purchaser or is unable to cure any defects of title at the close of escrow and the close of escrow is not extended as set forth elsewhere, then Purchaser’s **SOLE AND EXCLUSIVE REMEDY** shall be to receive a return of Purchaser’s deposit and elect to terminate this Contract of Sale

16. Personal Property. Seller is not hereby conveying any personal property other than as provided in the Contract of Sale and makes no representations or warranties regarding same. Any items of personal property remaining after the sale of the property are deemed to add no value to the transaction and are not a part of the actual transaction, and are given to Purchaser in AS IS condition with no seller representation or warranty regarding condition or ownership. No bill of sale will be provided for such items.

17. It is agreed by buyer and Seller that if unforeseen judgments, liens or assessments result in negative sales proceeds to the Seller, the Seller reserves the right to cancel the contract and return any deposit monies to the buyer.

Buyer’s Initials _____

Seller’s Initials _____

18. Other Provisions:

Buyer's Signature:

Seller's Signature:

Print Name: _____

Print Name: _____

Date: _____

Title: _____

THE BANK OF NEW YORK MELLON FKA THE BANK OF NEW YORK AS TRUSTEE FOR THE BENEFIT OF THE CERTIFICATEHOLDERS OF THE CWABS INC., ASSET-BACKED CERTIFICATES, SERIES 2006-SD4

Buyer's Signature:

Date: _____

Buyer's Initials _____

Seller's Initials _____