
To the Buyer(s): This document contains important information concerning the referenced Property. You are urged to review its contents carefully.

File # **2655848**

Property Address:
2305 Pullman Lane, Unit B
Redondo Beach, CA 90278

This Addendum supersedes and overrides any conflicting clauses or statements in the Agreement between Buyer(s) and Seller with respect to the above property (the “Agreement”).

Ownership:

The terms and conditions of this agreement which apply to Seller are SUBJECT TO the Seller becoming owner.

Earnest Money; Default; Brokers:

In the event of a default in consummating this purchase by the Buyer(s), it is agreed that any earnest money or deposit shall be retained by the Seller as liquidated damages. Any provisions of the attached Agreement 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.

Insurance Premiums:

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

Taxes / Assessments / Bonds/ Homestead Exemptions:

Tax, assessment, and bond prorations shall be based on the last known bill or upon the tax assessor's latest valuation and the current tax or assessment rate, and shall be prorated at the time of closing. **If it is common practice and/or local custom to have no prorations at the closing there shall be no prorations.** There will be no re-proration or readjustment of taxes based on actual statements after the date of closing. The seller represents that it has no knowledge, actual or constructive, as whether or not a homestead exemption applies to the property.

This paragraph shall supersede and override any other clauses or statements in this agreement that concern taxes, assessments, bonds or homestead exemptions.

New Mortgage Information:

Mortgage discount points, if any, shall be paid by the (Buyer) (Seller), but are not to exceed \$_____ or ____ %. Should the lender's commitment be conditioned on any repairs, the Seller reserves the right to cancel this agreement, and return all earnest money deposits to the Buyer(s) with no further obligation by Seller. It is expressly agreed and understood that neither party will be required to complete this transaction should the (FHA Conditional Commitment) (Certificate of Reasonable Value) (Lender's Appraisal) vary from the agreed sales price. Buyers assume all risk of any changes in the interest rate and mortgage discount points, and agree to close this transaction, regardless of any such changes.

Arbitration:

Seller does not agree to participate in any arbitration, mediation or other such process in the event of any dispute arising from this transaction.

Disclosure:

Buyer(s) agree to execute the attached Cartus Corporation Seller's Real Estate Disclosure Acknowledgment, as a part of this agreement. At closing to confirm having had an opportunity to review their contents, Buyer(s) shall re-sign the Cartus Corporation Sellers Real Estate Disclosure Acknowledgment.

Condition:

Buyer(s) acknowledge that the property is the subject of a relocation transaction, and that Seller is not an occupant of the property and has limited first-hand knowledge of the property.

Neither Seller nor Seller's agent has made any warranties or representations, either expressed or implied (except as may have been given to the Buyer(s) in writing), as to the condition of the premises. No representations or warranties made by seller shall survive the closing. Buyer(s) acknowledge that they have the opportunity to inspect the property or have the same inspected by others on their behalf. Except for any repairs specifically required to be made by Seller in accordance with the terms of this Agreement, or attached hereto, Buyer(s) understand that they are purchasing the property in "As-Is" condition, subject only to any specific items set forth in this Agreement.

Naturally occurring radon, molds, fungi, spores, pollens and/or botanical substances, or other allergens (e.g., dust, pet dander, insect waste material, etc.) may be found in a home, including radon and mold. In addition, certain building materials (such as asbestos, urea-formaldehyde foam insulation ("UFFI") and drywall—also known as wallboard, gypsum board or plasterboard manufactured in China ("Chinese Drywall")) have been linked to health concerns and/or property damage. Collectively, these are all referred to as "Substances." Buyer(s) acknowledge and accept that Seller does not in any way disclose (except as expressly set forth in any other documents provided to you by Seller), warrant or indemnify indoor air quality conditions (including the presence or absence of Substances) at the property and is not responsible in any way for conditions that may exist at the property or health problems or property damage that might develop from or be related to such conditions. Buyer(s) agree to indemnify and hold Seller and prior owners, harmless from any claims raised after the closing transaction relating to the presence or non-disclosure of Substances in the property (said indemnity to include attorneys' fees). Buyer(s) are directed to consult the U.S. Environmental Protection Agency website at www.epa.gov or the equivalent state environmental/health services agency if additional information concerning indoor air quality and Substances is desired.

In order for the Buyer(s) to verify that the property is in the same physical condition, ordinary wear and tear excepted, as at the signing of this agreement, Buyer(s) have the right to make a final walk-through no later than seventy-two (72) hours prior to scheduled closing and shall inform Seller in writing of any objections within twenty-four (24) hours thereafter.

Closing:

Buyer(s) acknowledge that title to the property may be conveyed by someone other than Seller.

In connection with the purchase of the property, you may need to obtain title insurance and closing services.

If the buyer selects the settlement provider and pays for title insurance:

We recommend that you use our escrow company which is listed for your area on the Affiliated Business Arrangement Disclosure Form provided to you at the time you received Cartus' other disclosures. That company has already performed a title search on behalf of the Seller and is knowledgeable with respect to the uniqueness of the relocation process. Please note, however, that you are **NOT** required to use our escrow company as a condition for the purchase of this property. If you would like to use a different escrow company, please let us know in writing within 10 days. If you do not so inform us within that time, we will interpret your silence as your selection of our escrow company and place the title order with our escrow company accordingly.

If the seller customarily selects the settlement provider and pays for title insurance: If Seller pays for Buyer's owner's title insurance policy, Seller may choose the escrow agent to issue such policy. Buyer may elect either to use the same escrow agent to issue the lender's title insurance policy or to select an alternative title insurer or agent. If Buyer selects an alternative title insurer or agent to issue the lender's title insurance policy, Buyer should contact Seller to confirm the title insurance provider selected in accordance with the previous paragraph; and agrees to schedule the closing at a time and place convenient for Seller's closing representative. In cases where Seller agrees to pay for owner's title insurance policy, Seller does **NOT** agree to pay for other costs of the closing agent.

The closing of this sale and acceptance of a deed by Buyer(s) shall constitute acknowledgment that the condition of the premises and systems contained therein are acceptable and **Seller shall have no further responsibility or obligation concerning the property, and Buyer(s) waive all rights they may have concerning the condition of the property.**

Any and all credits granted by the Seller to the buyer must appear on the HUD-1 Closing Statement. Seller shall not have any obligation to grant any credit that does not appear on the HUD-1 Closing Statement.

Acceptance:

This Agreement is subject to Seller's approval, which shall be evidenced only by full execution of this Agreement.

Authorization to Disclose Information:

Seller and Buyer authorize any closing attorney, closing agent and/or escrow company to release and disclose any seller's and/or buyer's closing disclosure, settlement statement and/or disbursement summary, or any information therein to the parties to this transaction, the real estate agents and Buyer's lender(s).

Revisions to RPA-CA Revised 11/14 (or subsequent revision):

If the attached Agreement is on the California Association of Realtors Form RPA-CA, Revised 11/14, or subsequent revision, the parties agree to the following revisions to such form:

1. Sections A, B, and C of Paragraph 14 of said form are hereby deleted in their entirety and replaced with the following. All references in the Agreement to paragraph 14 shall be deemed to be references to paragraph 14 as amended by the following:

14. INSPECTIONS; TIME PERIODS; REMOVAL OF CONTINGENCIES; CANCELLATION RIGHTS.

A. INSPECTIONS.

BUYER UNDERSTANDS THAT ALTHOUGH CONDITIONS AND DEFECTS ARE OFTEN DIFFICULT TO LOCATE AND DISCOVER, ALL REAL PROPERTY AND IMPROVEMENTS CONTAIN DEFECTS AND CONDITIONS WHICH ARE NOT READILY APPARENT AND WHICH MAY AFFECT THE VALUE OR DESIRABILITY OF THE PROPERTY. BUYER IS ALSO AWARE OF BUYER'S AFFIRMATIVE DUTY TO EXERCISE REASONABLE CARE TO PROTECT HIMSELF OR HERSELF, INCLUDING THOSE FACTS WHICH ARE KNOWN TO OR WITHIN THE DILIGENT ATTENTION AND OBSERVATION OF THE BUYER (Civil Code 2079.5). BUYER IS STRONGLY ADVISED TO INVESTIGATE THE CONDITION AND SUITABILITY OF ALL ASPECTS OF THE PROPERTY.

Buyer has had, or will have prior to closing, an opportunity to perform Buyer's own inspections and to verify inspection reports and matter disclosed on the Real Estate Disclosure as provided by Seller. Buyer shall report to Seller in writing any defects disclosed by Buyer's inspection and supply Seller with a copy of the inspection report itself, not later than ten (10) days after acceptance of this Agreement. If Buyer fails to conduct the inspections or fails to so notify Seller in writing within ten (10) days of acceptance, Buyer shall be deemed to have waived all inspection rights and Buyer shall be obligated to accept the property in its then current, "AS IS" condition. In the event of any requests or demands by Buyer as a result of Buyer's inspections, Seller shall have the option of:

- (1) Making said items operational or functional, agreeing to the expense in writing, or
- (2) Giving Buyer a credit for items, agreeing to the credit in writing, or
- (3) Canceling this Agreement and refunding Buyer's earnest money deposit in full.

The conditions of this paragraph shall apply to all inspections conducted by the Buyer, including but not limited to, general home, termite and pest, well and septic, and radon inspections. Should any loan commitment be conditioned upon repairs to the property, the Seller reserves the right to either make the required repairs or cancel this Agreement and return all earnest money deposited to the Buyer with no further obligation by the Seller.

Any and all credits granted by the Seller in lieu of actual repairs must appear on the HUD1 Closing Statement.

In any case, Seller shall not be responsible for the quality of any repairs which may be required, and Buyer(s) agree to look solely to the person or company performing any such repairs. If a credit is given, purchase price reduced or repairs performed Buyer(s) agree to sign a release and hold harmless with respect to the condition of the Property. If Buyer and Seller cannot agree on the amount of the credit, Seller may elect Option 3. above and cancel this Agreement.

B. TIME PERIODS: The following time periods shall apply unless changed by mutual agreement:

BUYER HAS:

- (1) 10 days from acceptance by Seller of the offer to complete all inspections (including inspections for lead-based paint, if applicable, investigations and review of documents and other applicable information, and either

disapprove in writing any items which are unacceptable to Buyer or remove the contingency associated with such disapproval right, by the method specified in Paragraph 14C. EXCEPT that for GEOLOGIC INSPECTIONS, Buyer shall have an additional 7 days to complete these actions.

Buyer's Initials ____/____ Seller's Initials ____/____

(2) 5 days from receipt of each of the following items either to disapprove in writing any items unacceptable to Buyer or to remove the contingency associated with such disapproval right, by the method specified in Paragraph 14C: Preliminary (Title) Report, Geologic/ Earthquake/Seismic/Flood/State Fire Responsibility Zones/Areas Disclosures, Known Seismic Deficiency Disclosures, Condominium/Common Interest Subdivision Documents. Governmental Compliance Disclosures, Well System reports furnished by Seller.

SELLER: Promptly following their availability, Seller will provide to Buyer the following items: Seller's Real Estate Disclosure, Preliminary (Title) Report, Condominium/Common Interest Subdivision Documents, other items required by applicable law or regulation.

C. CONTINGENCY REMOVAL:

(1) **METHOD:** Contingencies and disapproval rights are removed automatically at the end of the time provided unless a written notice of disapproval or of inability to meet the contingency is given by the party who has the contingency or disapproval right. If Buyer does not give to Seller written notice of items reasonably disapproved, removal of contingencies or cancellation (based on any cancellation right of Buyer), within the strict time periods specified, Buyer shall be deemed to have removed or waived the contingency and the right to take those actions.

(2) **EFFECT OF CONTINGENCY REMOVAL:** If Buyer removes any contingency, Buyer shall conclusively be deemed to have: (a) completed all inspections, investigations, review of applicable documents and disclosures pertaining to that contingency; (b) elected to proceed with the transaction; and (c) assumed all liability, responsibility and expense for repairs or corrections pertaining to that contingency (or for inability to obtain financing, if the contingency pertains to financing) except for items which Seller has agreed in writing to repair or correct.

(3) **SELLER'S REAL ESTATE DISCLOSURE OR MELLO-ROOS DISCLOSURE:** If the Seller's Real Estate Disclosure Statement or Mello-Roos disclosure notice, or a supplemental or amended disclosure is delivered to Buyer after this offer is signed, Buyer shall have the right to terminate this Agreement within 3 days after delivery in person, or 5 days after delivery by deposit in the mail, by giving written notice of termination to Seller or Seller's agent.

2. Section 14. D. is amended to provide that any Buyer Notice to Seller To Perform ("NSP") must provide Seller with a five (5) business day period to perform.
3. Section 10. A. (7) is hereby amended to provide that Buyer shall have cancellation rights pursuant to said Section only if such subsequent disclosures reflect newly disclosed adverse information concerning the Property.
4. Section 20. B and 7.D are hereby amended to provide that Seller may pay any HOA fees directly or through Seller's listing agent; in such case, Seller shall not be required to pay any such fees into escrow.
5. Section 16 is amended to provide that Seller will provide to Buyer bids and invoices for repairs, but shall not be required to provide paid receipts.

