

MORTGAGE CONTINGENCY CLAUSE

This contract is subject to the condition that purchaser be able to procure within _____ days a firm commitment for a loan to be secured by a mortgage or trust deed on the real estate in the amount of \$ _____, or such lesser sum as purchaser accepts, with interest not to exceed _____% a year to be amortized over _____ years, the commission and service charges for such loan not to exceed _____%. After making every reasonable effort, if purchaser is unable to procure such commitment within the time specified herein and so notified seller thereof within that time, this contract shall become null and void and all earnest money shall be returned to purchaser: provided that if seller, at his option, within a like period of time following purchaser's notice, procures for purchaser such a commitment or notifies purchaser that seller will accept a purchase money mortgage upon the same terms, this contract shall remain in full force and effect.

ADDENDUM TO AGREEMENT OF PURCHASE AND SALE

The undersigned parties to an Agreement of Purchase and Sale dated _____ between as Seller(s) and _____ as Buyer(s) on property known as _____ hereby mutually agree to amend such contract as follows:

CONDITION OF PREMISES: It is understood that the property being sold is not new, and Buyer hereby acknowledges that there has been no representation by the Seller or any agent of the Seller regarding the condition of premises or of any of the appliances that may be contained therein unless specifically set forth in said Agreement of Purchase and Sale. Buyer is further informed that Seller is unaware of any latent defects in the property, or any component thereof, including but not limited to the presence of urea formaldehyde insulation, plumbing, heating, air conditioning, and electrical systems, fixtures and appliances, roof, sewers, septic systems, soil conditions, foundation, structural conditions, and pool and related equipment, if applicable, unless otherwise mentioned in this agreement.

RIGHT OF INSPECTION: Buyer is hereby granted the right to inspect the premises, or to obtain inspection reports of qualified experts at his own expense. Should such reports reveal latent defects not discoverable by ordinary inspection, requested repairs, if any, must be submitted in writing to Seller or Seller’s Agent not later than _____ () days after Buyer executes this inspection addendum.

LIMITATION OF REMEDIES: Upon receipt of such notice, Seller may:

- a. Treat the condition and repair the damage at Seller’s own cost and expense, in which event Buyer shall consummate this transaction pursuant to the terms of the Agreement;
- b. Advise Buyer of the cost of the necessary repairs and, subject to the Agreement of Buyer, the amount to be credited to Buyer at settlement; or
- c. Terminate the Agreement and refund to the Buyer all sums paid by Buyer to Seller hereunder.

Seller shall advise Buyer of Seller’s intent to exercise any such option within ten (10) days of receipt of written notice of the defect.

Regardless of which alternative Seller chooses, Buyer shall have the option to proceed with the settlement, taking the property subject to such condition and damage as may exist and subject to The further terms and conditions of the Agreement (including the original purchase price), provided that written notice of such intention is delivered to Seller or Seller’s Agent within thirty (30) days after date Buyer executes this Inspection Addendum.

SETTLEMENT AS FINAL: Anything contained in the Agreement or the Addendum to the contrary notwithstanding, Buyer and Seller agree that delivery of the Deed at the settlement and acceptance thereof by Buyer shall constitute an acknowledgment by Buyer that the premises and the Contents were in satisfactory condition at the time of closing, and that Seller shall have no liability with respect thereto. This provision shall survive delivery of the Deed.

For purposes of this Inspection Addendum to Agreement, “TIME IS OF THE ESSENCE.”

Witness

Date

Purchaser

Witness

Date

Purchaser

Witness

Date

Purchaser

PEST INFESTATION INSPECTION

The buyer shall order an inspection of the property by an established pest control company for the presence of pest infestation to include wood-destroying pests and organisms, such as termites and carpenter ants. The inspection shall be made within twenty (20) days from the effective date of this contract. The buyer shall pay for the inspection. The seller shall make the property available for inspection upon reasonable notice.

The buyer shall give a copy of the written inspection report to the seller within five (5) days after the buyer receives it. The report shall include an estimate of the cost to eliminate any infestation found. If damage from past or present infestation is found, the buyer shall give the seller the estimate of an established contractor of the cost of repairing the damage.

If the estimated cost exceeds \$750, the buyer and the seller must meet (with or without their agents at the property within seven (7) days after the receipt by the seller of the inspection report and estimate to review, evaluate and discuss the inspection report and the estimate. If, after the meeting, the seller elects not to remediate the infestation or repair any of the damage, the buyer may cancel this contract within seven (7) days after the meeting.

The inspection report may reveal the presence of pest infestation, termites or other wood-destroying insects. If so, the seller shall hire an established and recognized pest control company to:

1. Chemically treat the building in a safe manner,
2. Eliminate the infestation, and
3. Issue a one-year guarantee to the buyer.

The inspection report may reveal damage caused by past or present infestation. If so, the seller shall hire an established contractor to repair all damage. All extermination and repair work shall be completed at the seller's expense before the closing.

The buyer gives up the right to cancel the contract under this pest infestation inspection clause if the buyer does not:

1. Have the property inspected within the time allowed or
2. Give a copy of the written inspection report to the seller within the time allowed.

RADON INSPECTION CONTINGENCY

Buyer, at Buyer's expense, has the option to obtain, from a certified inspector, a radon test of the Property, and will deliver a copy of the test report to Seller within DAYS (15 days if not specified) of the execution of this Agreement.

1. If the test report reveals the presence of radon below 0.02 working levels (4 picocuries/liter), Buyer accepts the Property and agrees to the RELEASE set forth in paragraph ____ of this Agreement.
2. If the test report reveals the presence of radon at or exceeding 0.02 working levels (4 picocuries/liter), Buyer will, within ____ DAYS of receipt of the test results:

Option 1

- a. Accept the Property in writing and agree to the RELEASE set forth in paragraph ____ of this Agreement, OR
 - b. Terminate this Agreement in writing, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID, OR
 - c. Submit a written, corrective proposal to Seller. The corrective proposal will include, but not be limited to, the name of the certified mitigation company; provisions for payment, including retests; and a projected completion date for corrective measures.
- (1) Within ____ DAYS of receiving the corrective proposal, Seller will:
- (a) Agree to the terms of the corrective proposal in writing, in which case Buyer accepts the Property and agrees to the RELEASE set forth in paragraph ____ of this Agreement, OR
 - (b) Not agree to the terms of the corrective proposal.
- (2) Should Seller not agree to the terms of the corrective proposal or if Seller **fails to respond within the time given**, Buyer will, within ____ DAYS, elect to:
- (a) Accept the Property in writing and agree to the RELEASE set forth in paragraph ____ of this Agreement, OR
 - (b) Terminate this Agreement in writing, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.

Option 2

- a. Accept the Property in writing and agree to the RELEASE set forth in paragraph ____ of this Agreement, OR
 - b. Submit a written, corrective proposal to Seller. The corrective proposal will include, but not be limited to, the name of the certified mitigation company; provisions for payment, including retests; and a projected completion date for corrective measures. Seller will pay a maximum of \$ toward the total cost of remediation and retests, which will be completed by settlement.
- (1) If the total cost of remediation and retests EXCEEDS the amount specified in paragraph 11(B) (Option 2) b, Seller will, within 5 DAYS of receipt of the cost of remediation, notify Buyer in writing of Seller's choice to:
- (a) Pay for the total cost of remediation and retests, in which case Buyer accepts the Property and agrees to the RELEASE set forth in paragraph ____ of this Agreement, OR
 - (b) Contribute toward the total cost of remediation and retests only the amount specified in paragraph ____ (Option 2) b.
- (2) If Seller chooses not to pay for the total cost of remediation and retests, or if Seller **fails to choose either option within the time given**, Buyer will, within ____ DAYS, notify Seller in writing of Buyer's choice to:
- (a) Pay the difference between Seller's contribution to remediation and retests and the actual cost thereof, in which case Buyer accepts the Property and agrees to the RELEASE set forth in paragraph ____ of this Agreement, OR
 - (b) Terminate this Agreement, in which case all deposit monies paid on account of purchase price will be returned promptly to Buyer and this Agreement will be VOID.