

**ADDENDUM AND ADDITIONAL TERMS TO
THE RESIDENTIAL PURCHASE AGREEMENT**

This **ADDENDUM AND ADDITIONAL TERMS TO THE RESIDENTIAL PURCHASE AGREEMENT** ("ADDENDUM") is hereby entered into by _____ ("Buyer") and _____ ("Seller") and the terms and conditions made herein are to be incorporated into, and to be made a part of, the Residential Purchase Agreement dated _____ between Buyer and Seller for the sale of the real property located at _____ ("Subject Property").

1. **Inspection Reports:** Seller agrees to provide Buyer with any and all reports in the Seller, or their Agent's/Broker's possession, which have been made concerning the Subject Property including, but not limited to, wood destroying pest (termite) inspections, property inspection(s), natural hazard disclosure(s) reports, or any other inspections concerning the subject property. Buyer understands that the information contained in the reports provided are beyond the scope of knowledge of the Broker/Agent. As such, buyer should consult with a licensed professional applicable to each inspection report concerning the Subject Property.
2. **Inspections:**
 - A. **Square Footage:** Buyer has been advised that it is in Buyer's best interest to confirm the square footage of all structures, land, lots, and parcel(s) of the Subject Property. Beverly & Company, Inc. ("Broker") highly recommends that Buyer measure the entire Subject Property to personally certify the accuracy of the square footage of the land and improvements that may be marketed, disclosed, represented to be for sale, or advertised, marketed by Broker, Seller, Tax Assessors' Office, or any other entity. Buyer agrees that Broker and Seller do not warrant or guarantee or make any representation concerning the accuracy of the stated or advertised square footage of the Subject Property, as it is obtained from sources that can be reliable but are certainly not guaranteed.
 - B. **Roof Inspection:** Buyer herein affirms that Broker is not a licensed contractor. Roofing may have damage or even leak for various reasons, including, but not limited to, damage, neglect, disrepair, wind, rain, weather damage, act-of-God, sun damaged, age, construction defect, improper maintenance, or various other reasons. Buyer is advised to obtain an inspection of the roof from a licensed and insured roofing professional in addition to the Buyer's physical inspection of the Subject Property.
3. **Disclosures:**
 - A. **Price and Value:** Buyer and Seller affirm and agree that all information provided to them concerning the market value or price of the Subject Property is subjective and is considered to be an estimate, but is not a guarantee by the Broker/Agent of the current market value of the Subject Property. It is understood that the value of real estate properties fluctuate and may increase or decrease based on a number of factors. Therefore, Seller and Broker(s)/Agent make no representation conserving the real estate market, or the future value of the Subject Property.
 - B. **Waste/Landfill/Toxic Land Disclosure:** Buyer is advised and acknowledges that the Subject property may be near, on, or in the close proximity to a landfill, land containing harmful contaminants, or other waste dump site(s). Buyer agrees to inspect the effects, impact, potential repercussions, value on the Subject Property, and the impact this can have on the Buyer's use and enjoyment on the Subject Property.
 - C. **Covered Flooring:** Buyer affirms and understands it shall be their responsibility to perform an independent inspection of the flooring during Buyer's inspection of the Subject Property. Buyer will not perform any inspection that causes any damage the existing floor or floor covering. Buyer affirms that Seller is not responsible to disclose for defects to the flooring under any of the existing visible flooring unless Seller knows,

Initials: Buyer(s) _____ / _____

Seller(s) _____ / _____

or should have known, such defect exists. Neither Seller nor Seller's Broker make any representation or guarantee as concerning the condition or type of the existing flooring, carpet, rugs, or other thing that covers the floor, except as otherwise disclosed by Seller.

D. Installed Leased Equipment: Should the Seller have solar panels, alarm devices, satellite dish, or water softener devise(s) installed on the Subject Property which are being rented to the Seller, it is agreed that such leased or rented items shall not be transferred to the Buyer without a separate written agreement being entered into between the Buyer and the applicable leased equipment provider.

E. Mandatory Government Retrofit Items:

- (i) Smoke Detector/Water Heater Compliance: California Health & Safety Code Sections 13113.8(b) and code 19211 requiring Sellers to provide buyer with a written statement indicating that the Property is in compliance with the applicable local ordinance regarding installation of smoke detectors and water heater bracing, anchoring or strapping.
- (ii) Carbon Monoxide Detector: Carbon Monoxide Detectors are required for all single-family dwellings. All other dwelling/sleeping units must have Carbon Monoxide Detectors installed by January 1, 2013.
- (iii) Compliance: Buyers been made aware that most cities in California require a "Certificate of Compliance". The seller of a property in many cities in California are required to obtain a "Certificate of Compliance" and present it to the buyer as part of their due diligence.

F. Miscellaneous Conditions: Buyer is advised that the Subject Property may be impacted by future development(s) or changes in the neighborhood or surrounding areas of the Subject Property. Furthermore, Buyer understands that the Subject Property may be subject to building and development restrictions, homeowner's association restrictions, and various other governing authorities. Buyer shall inspect and investigate such matters with appropriate government agencies along with their own independent legal counsel concerning all potential restrictive agencies during Buyer's inspection of the Subject Property. Furthermore, Buyer shall inspect the neighborhood, surrounding areas, and other conditions affecting the Subject Property including, but not limited to, whether or not the Subject Property may be designated a historical landmark, or in a protected historical district. Buyer is advised to consult with appropriate government agencies and legal counsel to investigate neighborhood conditions, future development or planning and all potential impact on the Subject Property.

4. Rent Restrictions/ Pricing Control: Buyer shall inspect and contact the City, County, or State which governs the Subject Property regarding any rent control restrictions, or other rental restrictions that may be applicable to the Subject Property. Seller nor Broker nor their agent make any guarantees or warranties regarding rental restrictions or rent control. Buyer has been informed he should reach out to city/county officials for additional information. Additionally, Buyers affirms that there may be restrictions regarding Short Term Rentals ("STR"). Buyers also have been made aware that HOA's may also have restrictions regarding STR. Buyer to do their own inspection to invest such matters with the applicable governing agency, homeowner's associations or other governing agency.

5. Broker(s) Performance: Buyer and Seller acknowledge and agree Buyer's Broker/agent and Seller's Broker/agent are not responsible for Buyer's and Seller's performance of the terms and conditions contained in this Agreement or those terms applicable to the sale of the Subject Property.

6. At the close of escrow of Subject Property, Buyer shall be responsible to pay Buyer's Broker (Beverly & Company, Inc.) and Administration Fee in the amount of \$_____ as compensation to said Broker. This amount shall be payable at the close of escrow for the Subject Property. Nothing in this paragraph shall be construed to alter any such amounts owing from Seller to Seller's broker pursuant to Seller's Listing Agreement or other written arrangement with Seller's broker. Commissions and fees are not set by law and are negotiable by Buyer and Seller.

Initials: Buyer(s) _____/_____

Seller(s) _____/_____

7. Other Terms:

☐ A. _____

☐ B. _____

Buyer and Seller affirm that they have read in full and understood all of the above terms, conditions, and statements. By signing below Buyer and Seller agree to all of the above terms and conditions stated as a part of this Agreement and shall be bound all terms stated above.

Date _____
Buyer

Date _____
Buyer

Date _____
Seller

Date _____
Seller