

## ADDENDUM TO PURCHASE AND SALE AGREEMENT

(Buyers to please include in Buyers' offer)

### SELLER 1031 EXCHANGE & FINANCIAL QUALIFICATION CONTINGENCY

#### 1. Seller Section 1031 Exchange Contingency & Flexible Closing Date

- **Agreement to Exchange:** Buyer acknowledges that Seller intends to structure the sale of the Subject Property as a tax-deferred exchange under Internal Revenue Code Section 1031. Buyer agrees to cooperate fully with Seller and Seller's designated Qualified Intermediary (QI) to effectuate said exchange, at no additional out-of-pocket cost or legal liability to Buyer. Buyer agrees to execute an Assignment of Purchase Agreement and standard 1031 consent documentation prior to Closing.
- **Replacement Property Contingency:** This Agreement is expressly contingent upon Seller entering into a binding purchase contract for suitable replacement property ("Replacement Property Purchase Contract") on or before **44 Days** after acceptance of offer.
- **Flexible Closing Date / Extension Right:** The Closing Date specified in the Main Agreement shall be adjusted as necessary to accommodate the closing timeline of Seller's Replacement Property. Seller reserves the unilateral right to extend the Closing Date by up to **60** additional days upon written notice to Buyer, provided such extension is required for Seller to complete the acquisition of the Replacement Property concurrently or sequentially.
- **Seller's Right to Terminate:** In the event Seller is unable to secure a Replacement Property Purchase Contract, or if the transaction for the Replacement Property fails to close for any reason prior to the extended Closing Date, Seller shall have the right to terminate this Agreement by written notice to Buyer. Upon such termination, Buyer's earnest money deposit shall be returned in full, and neither party shall have further obligation or liability under this Agreement.

#### 2. Buyer Financial Verification & Loan Commitment

- **Verification of Funds:** Within **3** business days of the Effective Date of this Agreement, Buyer shall deliver to Seller verifiable proof of funds sufficient to satisfy the cash required to consummate the purchase (including closing costs). Acceptable proof shall be limited to official bank statements, liquid brokerage statements, or certified escrow account verifications in Buyer's name.
- **Firm Loan Commitment Required (No Pre-approvals):** If Buyer is obtaining third-party financing, Buyer must deliver to Seller, on or before **21** days after acceptance, an unconditional, firm **Underwritten Loan Commitment Letter** from an institutional lender.
  - A pre-approval letter, pre-qualification letter, or conditionally approved letter subject to unfulfilled borrower contingencies shall **NOT** satisfy this requirement.
  - The Loan Commitment Letter must confirm that the lender has fully underwritten Buyer's credit, income, assets, and tax records, and that the loan is fully approved and clear to close, subject only to routine final title/property conditions.
- **Failure to Comply / Seller Termination Option:** If Buyer fails to timely provide either the verified proof of liquid funds or the required firm Loan Commitment Letter within the specified timeframes, Seller may, at Seller's sole option, declare Buyer in default and terminate this Agreement upon written notice, retaining any earnest money deposited to the extent permitted by law.

X \_\_\_\_\_ Buyer1, Date: \_\_\_\_\_ x \_\_\_\_\_ Seller, Date: \_\_\_\_\_  
X \_\_\_\_\_ Buyer2, Date: \_\_\_\_\_