

ADDENDUM NO. 1

Addendum to: Residential Purchase Agreement And Joint Escrow Instructions,
Between the signers hereto, and dated on or before date hereof

Property Address: 30154 Magic Drive, Running Springs, CA 92382

(1) In the event of a conflict between the wording of this Addendum and the California Residential Purchase Agreement and Joint Escrow Instructions, this addendum shall apply. This Addendum significantly modifies the Purchase Agreement, read this carefully.

(2) Buyers deposit of \$6,000 to be received by escrow holder **no later than 1:30 PM on the 2nd business day** following the date of acceptance.

(3) The initial deposit stated in the Purchase Agreement shall be deemed to be "the deposit actually paid" for Liquidated Damages purposes, regardless of whom is holding said deposit, and regardless of whether the deposit instrument has been deposited.

CONTINGENCIES

(4) All contingencies benefitting Buyer contained in the Purchase Agreement shall be deemed to become active and effective **only after** buyer's deposit has been deposited into escrow holder's Trust Account. Contingency time periods shall begin counting the next day after Acceptance, even if they are not yet active and effective.

(5) All contingencies shall end at the expiration of their respective time periods. Their release or removal **SHALL NOT** require any signature of the Buyer. If the Buyer desires to cancel based on a contingency or right of approval, Buyer shall do so by signing a Cancellation of Contract form (C.A.R. Form CC), and causing the same to be delivered to the Seller's agent prior to the expiration of the contingency time period. A cancellation by the Buyer after the expiration of the contingency time period shall be deemed a DEFAULT by the Buyer. The submission of a Request For Repairs (C.A.R. Form RR) shall not cause the contingency periods to be extended beyond the contingency time periods stated below. No contingency shall continue beyond the initial contingency period unless Buyer and Seller have both signed an Extension of Time Addendum (C.A.R. form ETA) prior to the expiration of the contingency time period.

BUYER INITIALS _____

SELLER INITIALS _____

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- (6) If the last day of a Contingency period is a Saturday, Sunday, or legal holiday, the contingency period shall end at the end of the contingency's time period and shall not extend to the next business day.
- (7) Contingency period for all of buyer's desired inspections, for approval of property condition and Disclosures, and all other Contingencies, **except** Loan Contingency and Appraisal Contingency, shall be **7 calendar days** after acceptance.
- (8) Buyer's Loan Contingency and Appraisal contingency periods shall be **21 calendar days** after acceptance. Any cancellation based on the appraisal contingency must be accompanied by a complete full copy of the appraisal. Buyer agrees to verify that Buyer's lender has ordered the appraisal.
- (9) Buyer hereby authorizes Buyer's Lender to release a copy of a complete full appraisal to Seller's agent **within 21 days** after acceptance. Buyer(s) indemnify the Lender from any and all claims which may arise as a result of Lender's compliance with this paragraph.
- 10) Any change of buyer's lender, change of type of financing stated in Purchase Agreement or the addition or deletion of any Buyer shall require Seller's written approval.

REPAIRS, REPORTS, AND DISCLOSURES

- (11) Seller will make **no** repairs or give any credits for repairs. Seller will not pay for any inspection reports and / or certifications, including for wood destroying pest (termites) if any, including corrective work, and Home Warranty Plans of any kind. Seller will not pay of Environmental or Comprehensive Loss Underwriting Exchange aka: C.L.U.E. reports. Buyer may obtain any of these inspections, reports, or Home Warranties at Buyer's expense. Seller is exempt from many obligations. Therefore, Seller will not provide for, and/or sign certain documents such as C.A.R Forms SBSA, SPQ, MCA, Selling Agent Affiliated Business Disclosure, and other documents listed on the C.A.R Form (Trust Advisory TA).
- (12) Buyer acknowledges receipt of the Exempt Seller Disclosure (ESD) that discloses a Death in Residence on or about mid November 2015 in which the decedent was found on 02/15/2016 in a state of significant decomposition. Death occurred in the downstairs front bedroom that is closest to the downstairs family room. The bottom layer of subflooring was sealed with a paint on type of sealant. Top layer of subflooring, carpet, and padding were completely replaced with new materials. Entire house was sprayed with deodorant. Work was completed prior to 04/08/2016. Some odor may remain. Buyer accepts all responsibility for dealing with any remaining odor.

BUYER INITIALS _____ SELLER INITIALS _____

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(13) Sale is of the real estate only. There are appliances and miscellaneous items in the Garage. The miscellaneous items and Appliances will remain at time of closing and shall become the property of the buyer.

(14) Buyer acknowledges receipt and approval of the Agent Visual Inspection Disclosure prepared by Trusted Realty Advisors dated June 3, 2016.

(15) All Disclosures are available for review and download at www.TrustedRA@gmail.com/magic until the close of escrow at which time will be removed.

Escrow / Title

(16) Escrow period shall be 45 calendar days or sooner for financed purchase and 30 calendar days or sooner for all cash purchase. Escrow holder to be First American Title Company, Redlands office. Escrow No, 5205848 - CZ. Escrow Officer to be Cheryl Zanini. **Telephone (909) 380-8776.** **Email address is czanini@firstam.com** . Buyer and Seller to each pay their own fees and charges.

(17) Seller will pay for standard owner's policy of Title Insurance if provided by First American Title in Redlands. Buyer has option to obtain title insurance from any provider. Buyer shall pay for owner's policy of Title Insurance if provided by company other than First American Title in Redlands, CA.

(18) Buyer acknowledges having had the opportunity, at Buyer's request, to review the Preliminary Title Report prepared by First American Title Company, as Order No. 0623-5205848 Effective date June 10, 2016 at 7:30 A.M. Buyer approves all the Exceptions and Exclusions to coverage listed on Preliminary Title Report except for items number 2 and 10. Any additional items added to the Preliminary Title Report prior to Close of Escrow shall be subject to Buyer's written approval. Current property taxes are to be prorated between the parties.

(19) The Natural Hazards Disclosure Report and the California Property Tax Disclosure Report will be prepared by JCP-LGS Residential Property Disclosure Reports. Buyer acknowledges receipt and hereby approves their report No. 1934336, dated 06/16/2016. Seller will not pay for Environmental reports, or Comprehensive Loss Underwriting Exchange "C.L.U.E." reports. Buyer may obtain these at Buyer's expense.

BUYER INITIALS _____

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POSSESSION

(20) Possession & occupancy shall be delivered to Buyer on the day that escrow closes by 6:00 PM.

OTHER

(21) Seller shall have the right to refuse to sign any document that is not specifically required by the Purchase Agreement, Federal, State or Local law. These documents shall include, but not limited to: Selling Office Disclosures, Addendums, Agreements and/or Advisories.

(22) This property is held in a Trust. The Seller herein is: The Seller is Alicia D. Folts, Successor Trustee of the Douglas M. Hatch Trust, dated June 19, 2013. No Representative Capacity Signature Disclosures (C.A.R. Form RCSD) shall be required to be signed by Sellers.

Seller Contingency

(23) Seller must give all trust beneficiaries a written **Notice of Proposed Action** describing the Sales Price and terms of the sale. Trust beneficiaries have a 15 calendar day period to object to the proposed sale. Sale is contingent upon Seller receiving no objections to the Notice of Proposed Action. This contingencies exists for the benefit of the Seller exclusively. This contingency shall remain in effect until it is removed in writing by the Seller.

(24) Any notices to Buyer shall be delivered via email to Buyer's agent.

HEADINGS

(25) The section headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

ATTACHMENTS, ADDENDUM, SUPPLEMENTS

(26) The following are attached hereto and incorporated herein by reference:

- (A) Trust Advisory (TA). Download from Trustedra.com/magic
- (B) Exempt Seller Disclosure (ESD). Download from Trustedra.com/magic
- (C) Repair Contractors. Download from Trustedra.com/magic

BUYER INITIALS _____

SELLER INITIALS _____

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The undersigned, acknowledge they have read, understand, agree to, and have received a copy of this Addendum.

_____	_____	_____
Buyer Signature	Buyer's Name Printed	Date Signed

_____	_____	_____
Buyer Signature	Buyer's Name Printed	Date Signed

_____	_____
Alicia D. Folts, Successor Trustee of The Douglas M. Hatch Trust dated June 19, 2013	Date Signed