

THIS NOTICE HAS NOT BEEN APPROVED BY THE COLORADO REAL ESTATE COMMISSION. IT WAS PREPARED BY LEGAL COUNSEL, FRASCONA, JOINER, GOODMAN AND GREENSTEIN, P.C. FOR USE BY PAGOSA SPRINGS AREA ASSOCIATION OF REALTORS® THIS IS A LEGAL INSTRUMENT. IF NOT UNDERSTOOD, LEGAL, TAX OR OTHER COUNSEL SHOULD BE CONSULTED BEFORE SIGNING.

ADDENDUM "A"
TO CONTRACT TO BUY AND SELL REAL ESTATE (RESIDENTIAL)

Re: Contract dated _____ between _____, as Seller, and _____, as Buyer, regarding the Property commonly known as _____. This Addendum ("Addendum A") is hereby made a part of this Contract. In the event of a conflict between this Addendum and the Contract, this Addendum shall prevail.

- 1. § 10. PROPERTY DISCLOSURE, INSPECTION AND INSURABILITY; BUYER DISCLOSURE. (Right of Inspection) Buyer's right to inspect, object and terminate shall not be limited to the physical condition of the Property or Inclusions, but shall include Buyer verifying any feature of or relating to them including, without limitation, the actual lot size, location and square footage of improvements, building, zoning and allowed use regulations, well (flow rate, capacity, depth, recovery rate, suitability for Buyer's needs, exempt status such as household, domestic, etc., water quality, potability, location on property, etc.), septic (useful life of the system, capacity and suitability for size of house, pumping needs, location on property, etc.), leach field (adequacy, location on property, percolation, etc.), environmental (such as presence on the Property of mold, radon gas, asbestos, petroleum products or other hazardous substances or materials) or soils matters, the presence or absence on or about the Property of radiant heating systems (e.g. Entran II), electromagnetic fields (proximity to power lines), termites or other infestations, exterior insulation and finish systems (e.g. artificial stucco), polybutylene plumbing materials, roofing materials (e.g. Woodruf shingles), proximity to a flood plain or hazardous waste site, and the quality of the schools, crime statistics (such as "Megan's Law" which provides that information concerning the location of known sex offenders be available from local law enforcement) and other similar matters.
- 2. § 10. PROPERTY DISCLOSURE, INSPECTION AND INSURABILITY; BUYER DISCLOSURE. (Seller's Property Disclosure) Seller's Property Disclosure form is not attached for the purpose of listing the items to be included or excluded from the Contract.
- 3. § 16. POSSESSION. (OBTAIN INSURANCE AND LEASE) If the Possession Date and Possession Time are other than Closing Date, each party shall be responsible to insure their respective real and personal property interests and to enter into a lease with the other party for the period between Possession Date and Time, and the Closing Date.
- 4. § 20. TIME OF ESSENCE, DEFAULT AND REMEDIES. (Next Business Day) In the event any date described herein for payment or performance of this Contract (excluding Seller's obligation to provide Buyer possession of the Property) falls on a Saturday, Sunday or legal holiday recognized by the State of Colorado or the United States of America, the time for such payment or performance shall be extended to the next business day. This extension shall not apply to the Possession Date if the closing occurs on a date not extended by this section. If the Closing Date is extended by this section, the Possession Date shall be extended by the same number of days. All references to "Time" mean Colorado "Standard" or "Daylight" time as may be applicable on the particular date.
- 5. § 20. TIME OF ESSENCE, DEFAULT AND REMEDIES. (Automatic Extension). If performance is delayed by Buyer's Lender or Seller's Title Company, the dates set forth in the contract for Loan Commitment, Approval of Loan Transfer, Appraisal, Survey, Title Deadline, Document Request Deadline, Title Objection Deadline, Closing and Possession shall be once extended 10 business days, unless the lender states in writing that its performance was delayed by actions or non-actions of the Buyer or the Title Company makes a similar statement about the Seller. Notwithstanding such a delay and extension, the parties shall close this contract as soon the Title Company and Lender are ready to do so within such extend period and the date of closing stated in § 11 shall remain the date of proration.
- 6. 1031 EXCHANGE. Each party shall co-operate with the other to effectuate an I.R.C. §1031 tax deferred exchange, including consenting to and acknowledging assignments of this Contract to a Qualified Intermediary, so long as such cooperation is not to the detriment of the other party.
- 7. FEDERAL AND COLORADO WITHHOLDING. Buyer and Seller shall comply with the requirements of the Foreign Investment in Real Property Tax Act (FIRPTA) and the Withholding on Transfers of Colorado Real Property law, which may entail withholding of a percentage of the sales price on non-exempt transactions.
- 8. IF THIS CONTRACT FAILS TO CLOSE - BUYER'S RESPONSIBILITY. If this contract fails to close for any reason (except for: (1) a default by Seller, (2) Seller or Buyer terminating this contract under § 18 due to casualty loss, or (3) unless this contract explicitly provides otherwise), all cancellation fees due to the Title Company, if any, and any other costs incurred as a result of requests from, or contract provisions for the benefit of Buyer (such as surveys, inspections, etc.) will be deducted from the earnest money deposit before said earnest money is disbursed. The effect of termination of the contract (§ 23) is so amended.
- 9. § 7d. WAIVER OF CIC DOCUMENT PRODUCTION. If § 7d.(1) of the contract is checked so that Seller is not obligated to furnish the Governing Documents to Buyer, Buyer may attempt to obtain Governing Documents from other sources, at Buyer's cost and expense. Buyer should obtain such documents sufficiently early to allow Buyer time to evaluate them before the earlier of the Inspection Objection Deadline or the Title Objection Deadline of this contract. Buyer waives any claims against Seller for any errors or omission in the documents provided by others.
- 10. § 14. CLOSING COSTS, DOCUMENTS AND SERVICES. (Transfer Fees) Any fees incident to the transfer from Seller to Buyer assessed by or on behalf of the owner's association shall be paid One-Half by Buyer and One-Half by Seller.
- 11. § 5b. LOAN COMMITMENT. (New Loan) If Buyer obtains the indicated written loan commitment and complies with the requirements indicated therein and those indicated in § 5a, and the loan is not available at closing through no fault of Buyer, this Contract shall terminate. (Automatic extensions of Loan Date Deadlines of Paragraph 5 shall apply.)

Buyer _____ (Date)

Seller _____ (Date)

Buyer _____ (Date)

Seller _____ (Date)