

Addendum to Real Estate Purchase Contract and Release of Claims

This Addendum to Real Estate Purchase Contract and Release of Claims ("Addendum") dated _____, 2011 shall be part of and in addition to that certain purchase contract ("Agreement") by and between JPMorgan Chase Bank, N.A., one of its affiliated companies or an entity for which it sells properties acquired through foreclosure or deed-in-lieu of foreclosure ("Seller"), and _____, ("Buyer"), dated _____, 2011, for the purchase of the property located at _____ ("Premises").

1. **As Is.** Buyer is aware that Seller acquired the Premises by way of foreclosure or deed-in-lieu of foreclosure. Accordingly, Seller has no personal knowledge of the condition of the Premises. Buyer is further aware and agrees that Seller is selling and Buyer is purchasing the Premises in its "AS IS, WHERE IS" condition without recourse, representation or warranty of any kind or nature, express or implied, as to the condition of the Premises. It is the right and responsibility of the Buyer to inspect the Premises and Buyer must satisfy himself/herself as to the condition of the Premises.

Buyer has made or will make, within 5 days of an accepted offer for the purchase of the Premises, at Buyer's sole expense, an independent investigation, to the extent Buyer deems necessary or appropriate, concerning the physical condition (including soil conditions and the existence of hazardous or toxic substances), habitability and value of the Premises as well as conformance of the Premises to applicable building codes and zoning ordinances, rules and regulations. Buyer shall also determine the use, marketability, feasibility and suitability of the Premises for Buyer's intended purposes.

Buyer acknowledges and agrees for Buyer and Buyer's successors, heirs and assigns, that Buyer has been given a reasonable opportunity to inspect and investigate the Premises and all improvements thereon, either independently or through agents of Buyer's choosing, and that in purchasing the Premises, Buyer is not relying on Seller or its agents as to the condition of the Premises, any improvements to the Premises, or any personal property on the Premises.

Buyer hereby releases Seller, its affiliated companies, directors, officers, employees, and agents from any claims, damages, injuries, causes of actions, suits, and demands whatsoever which Buyer may have, now or in the future, arising out of or related to the condition of the Premises.

2. **Mold.** Seller has been informed that mold and/or other microscopic organisms exist or may exist at the Premises and such mold and/or microscopic organisms may cause adverse health effects if inhaled, ingested or physically contacted. These adverse health effects include, but are not limited to, severe allergic and/or respiratory reactions, particularly in susceptible persons such as those with immune system problems, young children and elderly persons. Seller is disclosing these matters, to the extent known to Seller, via this Addendum as well as any attached report prepared by _____

("Report").

Buyer's Initials _____

Page 1 of 5

Seller's Initials _____

Buyer has read this Section 2 and has read or will read the attached Report (if applicable) prior to entering the Premises. Also, prior to entering the Premises, Buyer will seek the advice of a health care professional or other expert as Buyer deems appropriate or desirable. Alternatively, Buyer acknowledges that Buyer has had the opportunity to seek such advice prior to entering the Premises and has made a knowing and voluntary decision to not do so.

Buyer will not enter or remain on the Premises with any person that has not likewise read and understood the provisions of this Section 2.

Buyer hereby acknowledges and agrees that Buyer assumes all risks and agrees that Seller, its officers, employees, agents, investors, affiliates, parent companies, subsidiaries, successors and assigns (collectively, the "Released Parties"), shall bear no responsibility whatsoever (financial or otherwise) for any loss, damage, injury or inconvenience sustained by Buyer as a result of or in any way related to the referenced mold condition and Buyer's entrance upon the Premises.

Buyer for itself and its heirs, executors, administrators, agents, and assigns does release, forever discharge and hold harmless the Released Parties of and from any and all claims, damages, injuries, causes of action, suits, and demands whatsoever which Buyer has or may have in the future arising out of or related to the existence of mold at the Premises.

Buyer represents that it has read this Mold Disclosure and Release and understands all of its terms. Buyer further acknowledges that Seller is relying upon Buyer's assumption of the risks of entering the Premises and would not permit Buyer to enter the Premises in the absence of this voluntarily executed Addendum.

3. **Toxic Drywall.** Recent media reports indicate that there may be hazards associated with drywall, particularly drywall imported from China, which was installed in homes, primarily during the building material shortages that began in 2004 following the hurricanes in the southeastern United States (although some reports indicate earlier installation). Various reports have stated that some Chinese drywall products, and some domestically produced drywall made with synthetic gypsum, may cause the release of sulfur and other materials which may pose health risks. It is also reported that these fumes may cause air conditioning evaporator coils to corrode and fail as well as causing pipes and wiring to deteriorate. Many of these reports are available on the internet and you are encouraged to review them. Additional important information can be found on the Florida Department of Health's website at www.doh.state.fl.us/Environment/community/indoor-air/drywall.html.

Except as noted below, Seller represents that Seller has no knowledge of the presence of Chinese drywall or other toxic drywall at the Premises or of any records pertaining to Chinese drywall or other toxic drywall being used at the Premises:

Buyer's Initials _____

Seller's Initials _____

Seller has not taken any steps to verify the existence or non-existence of toxic drywall at the Premises. Buyer is advised to undertake any and all efforts that it deems appropriate to satisfy itself that the Premises is not impacted by toxic drywall and appropriate for purchase by Buyer. Buyer acknowledges that neither Seller nor its agents have made any representations, other than as set forth in this Drywall Disclosure and Release, regarding the existence of toxic drywall at the Premises.

Buyer hereby agrees to assume all risks and agrees that Seller and its affiliated companies, including EMC Mortgage Corporation, Washington Mutual Bank and Homesales, Inc., as well as Seller's officers, employees, agents, and affiliates shall bear no responsibility (financial or otherwise) for any loss, damage, injury or inconvenience sustained by Buyer as a result of toxic drywall at the Premises. Buyer hereby releases and holds Seller and its affiliated companies harmless from any claims, damages, injuries, causes of action, suits, and demands whatsoever which Buyer may have, now or in the future, arising out of or related to the existence of Chinese drywall or other toxic drywall at the Premises.

Buyer acknowledges that it has read and understood the terms of this Section 3.

4. **Seller's Option to Terminate Agreement.** In addition to any rights set forth in the Agreement, Seller shall have the right, in its sole discretion, to terminate the Agreement if:

- (a) Seller is unable, or determines that it is not economically feasible, to give Buyer insurable title to the Premises;
- (b) unforeseen judgments, liens or assessments result in negative sales proceeds to the Seller, Seller shall have the right to cancel the Agreement and return any deposit monies to the Buyer;
- (c) full payment of any mortgage insurance claim related to the loan previously secured by the Premises is not confirmed prior to the closing date (as defined in the Agreement) or the mortgage insurance company exercises its right to acquire title to the Premises;
- (d) any party having a right of redemption exercises such right, or informs Seller of such party's intent to exercise such right;
- (e) full payment of any hazard insurance claim has not been confirmed prior to the closing date;
- (f) any third party, including but not limited to, a tenant, condominium association or homeowner's association, exercises rights under a right of first refusal to purchase the Premises;
- (g) Seller is unable, or determines that it is not economically feasible, to obtain necessary documents, or consent to the sale, from a homeowner's association;
- (h) Seller, in its sole discretion, determines that the sale of the Premises to Buyer is in any way associated with illegal activity; or

Buyer's Initials _____

Page 3 of 5

Seller's Initials _____

(i) Buyer is the former mortgagor of the Premises whose interest was foreclosed/acquired by deed-in-lieu of foreclosure, or is related to or affiliated in any way with the former mortgagor, and Buyer has not disclosed this fact to Seller in writing prior to Seller's acceptance of the Agreement.

5. **Personal Property.** Items of personal are not included in this sale. Seller makes no representation or warranty as to the condition of personal property, title to personal property or whether any personal property is encumbered by liens. Any personal property on the Premises may be subject to claims by third parties and, therefore, may be removed from the Premises prior to or after Buyer takes title to the Premises. Buyer agrees that Seller shall have no liability for any claim or losses Buyer may incur related to personal property. Buyer assumes sole responsibility for any personal property remaining on the Premises after the closing of the sale transaction. There will be no Bill of Sale provided at closing unless the Agreement specifically contemplates the purchase and sale of a manufactured home.

6. **Quitclaim or Special Warranty Deed.** Seller shall provide to Buyer at closing a Quitclaim Deed, Special Warranty Deed, or its local equivalent. Seller will not provide a Warranty Deed.

7. **New Keys and Transfer of Utilities.** Buyer acknowledges that the Premises may be on a master key system or that third parties may be in possession of a key. Buyer is encouraged to re-key the Premises or install new locks. Buyer shall hold Seller and its agents harmless from any claims or damages of any nature related to unauthorized access to the Premises or theft or damage that occurs after title to the Premises is transferred to Buyer. Buyer shall be responsible for transferring of all utilities on the Premises immediately after acquiring title to the Premises.

8. **Buyer's Sale of Real Estate.** Notwithstanding any provision of the Agreement, in no event shall the purchase and sale of the Premises be contingent upon the sale of other real estate owned by Buyer.

9. **Occupancy/Possession of Premises.** Under no circumstances will Buyer be permitted to enter the Premises for the purpose of making repairs or to occupy the Premises prior to closing of the purchase transaction. Buyer's breach of this provision shall be cause, at the option of Seller, for termination of the Agreement. The delivery of possession shall be subject to the rights of any tenants or parties in possession.

10. **Closing of the Purchase/Sale; Extension Fee.** If the agreed upon date for the closing of the purchase/sale of the Premises is extended at the request of the Buyer and through no fault of the Seller, Buyer shall pay Seller an extension fee of \$100.00 per day for each day of delay. This fee shall be paid upon Seller's agreement to the extension and it shall be non-refundable and it shall not be credit toward the purchase price of the Premises.

11. **Title Insurance/Escrow Services.** Seller shall not require Buyer to purchase title insurance or escrow services from any particular company in violation of federal or state law.

12. **Survey.** Seller recommends that Buyer obtain a survey at Buyer's sole cost and expense. If a survey is required to close, it will be the sole responsibility of Buyer to obtain a survey acceptable to the title company and Buyer's lender, at Buyer's expense.

Buyer's Initials _____

Page 4 of 5

Seller's Initials _____

13. **Severability.** If any provision of this Addendum is determined to be invalid, illegal or unenforceable, the remaining provisions shall not be affected or impaired thereby. Buyer agrees that to the extent any release, hold harmless, waiver or indemnity provision in the Agreement or this Addendum is deemed overbroad under applicable law, such provision shall be narrowed or limited in a manner that provides Seller with the maximum protection available under applicable law.

14. **Conflict.** If any provision of this Addendum conflicts with any provision of the Agreement, the terms of this Addendum shall prevail.

15. **Modification.** No provision of this Addendum shall be revised or modified except by an instrument in writing signed by Buyer and Seller.

16. **Counterparts.** This addendum may be executed in any number of counterparts. Each counterpart shall be deemed an original and all such counterparts shall constitute one and the same instrument.

This Addendum is intended to be a legally binding document. Buyer should consult with an attorney prior to signing.

BUYER(S):

Sign _____

Date: _____

Print Name: _____

Sign _____

Date: _____

Print Name: _____

SELLER:

By: _____

Date: _____

Name: _____

Title: _____

Buyer's Initials _____

Seller's Initials _____